

AGENDA
NOTICE AND CALL OF SPECIAL MEETING OF THE
CITY COUNCIL OF THE CITY OF MORENO VALLEY
MORENO VALLEY COMMUNITY SERVICES DISTRICT
CITY AS SUCCESSOR AGENCY FOR THE
COMMUNITY REDEVELOPMENT AGENCY OF
THE CITY OF MORENO VALLEY
MORENO VALLEY HOUSING AUTHORITY
BOARD OF LIBRARY TRUSTEES

January 6, 2015

SPECIAL MEETING – 7:00 P.M.

City Council Study Sessions

First & Third Tuesdays of each month – 6:00 p.m.

City Council Meetings

Second and Fourth Tuesdays – 6:00 p.m.

City Council Closed Session

*Immediately following Regular City Council Meetings and
Study Sessions, unless no Closed Session Items are Scheduled*

City Hall Council Chamber - 14177 Frederick Street

Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, in compliance with the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to Mark Sambito, ADA Coordinator, at 951.413.3120 at least 48 hours before the meeting. The 48-hour notification will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

Jesse L. Molina, Mayor

Dr. Yxstian A. Gutierrez, Mayor Pro Tem
Jeffrey J. Giba, Council Member

George E. Price, Council Member
D. LaDonna Jempson, Council Member

**AGENDA
JOINT MEETING OF THE
CITY COUNCIL OF THE CITY OF MORENO VALLEY
MORENO VALLEY COMMUNITY SERVICES DISTRICT
CITY AS SUCCESSOR AGENCY FOR THE
COMMUNITY REDEVELOPMENT AGENCY OF THE
CITY OF MORENO VALLEY
MORENO VALLEY HOUSING AUTHORITY
AND THE BOARD OF LIBRARY TRUSTEES**

***THE CITY COUNCIL RECEIVES A SEPARATE STIPEND FOR CSD
MEETINGS***

SPECIAL MEETING – 7:00 PM

JANUARY 6, 2015

NOTICE IS HEREBY GIVEN that a special meeting of the City Council, Community Services District, City as Successor Agency for the Community Redevelopment Agency, Housing Authority and Board of Library Trustees will be held on January 6, 2015 commencing at 7:00 PM, in the City Council Chamber, City Hall, located at 14177 Frederick Street, Moreno Valley, California.

Said special meeting shall be for the purpose of:

CALL TO ORDER

(Joint Meeting of the City Council, Community Services District, City as Successor Agency for the Community Redevelopment Agency, Housing Authority and the Board of Library Trustees- actions taken at the Joint Meeting are those of the Agency indicated on each Agenda item)

PLEDGE OF ALLEGIANCE

INVOCATION

Pastor Michael T. Mupfawa - Imani Praise Fellowship and Moreno Valley
Seventh-day Adventist Church

ROLL CALL

INTRODUCTIONS

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PUBLIC COMMENTS ON MATTERS ON THE SPECIAL MEETING AGENDA

Those wishing to speak should complete and submit a LAVENDER speaker slip to the Bailiff. There is a three-minute time limit per person. All remarks and questions shall be addressed to the presiding officer or to the City Council and not to any individual Council member, staff member or other person.

PUBLIC COMMENTS ON ANY SUBJECT NOT ON THE AGENDA UNDER THE JURISDICTION OF THE CITY COUNCIL

Those wishing to speak should complete and submit a BLUE speaker slip to the Bailiff. There is a three-minute time limit per person. All remarks and questions shall be addressed to the presiding officer or to the City Council and not to any individual Council member, staff member or other person.

JOINT CONSENT CALENDARS (SECTIONS A-D)

All items listed under the Consent Calendars, Sections A, B, C, and D are considered to be routine and non-controversial, and may be enacted by one motion unless a member of the Council, Community Services District, City as Successor for the Redevelopment Agency, Housing Authority or the Board of Library Trustees requests that an item be removed for separate action. The motion to adopt the Consent Calendars is deemed to be a separate motion by each Agency and shall be so recorded by the City Clerk. Items withdrawn for report or discussion will be heard after public hearing items.

A. CONSENT CALENDAR-CITY COUNCIL

A.1 ORDINANCES - READING BY TITLE ONLY

Recommendation: Waive reading of all Ordinances.

A.2 MINUTES - REGULAR MEETING OF DECEMBER 9, 2014 (Report of: City Clerk's Department)

Recommendation:

1. Approve as submitted.

A.3 CITY COUNCIL REPORTS ON REIMBURSABLE ACTIVITIES (Report of: City Clerk's Department)

Recommendation:

1. Receive and file the Reports on Reimbursable Activities for the period of November 12 – December 30, 2014.

A.4 AUTHORIZATION TO AWARD CONSTRUCTION CONTRACT TO MARTINEZ CONCRETE, INC., FOR CYCLE 5 AMERICANS WITH

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DISABILITIES ACT ACCESS RAMP IMPROVEMENTS AT VARIOUS LOCATIONS

PROJECT NO. 801 0058

(Report of: Public Works Department)

Recommendations

1. Award the construction contract to Martinez Concrete, Inc., 920 W. Foothill Blvd., Azusa, CA 91702, the lowest responsible bidder, for the Cycle 5 ADA Access Ramp Improvements at Various Locations Project.
2. Authorize the City Manager to execute a contract with Martinez Concrete, Inc.
3. Authorize the issuance of a Purchase Order to Martinez Concrete, Inc., for the amount of \$220,061.88 (\$200,056.25 bid amount plus 10% contingency) when the contract has been signed by all parties.
4. Authorize the Public Works Director/City Engineer to execute any subsequent related minor change orders to the contract with Martinez Concrete, Inc. up to, but not exceeding, the 10% contingency amount of \$20,005.63, subject to the approval of the City Attorney.

A.5 AUTHORIZATION TO AWARD CONSTRUCTION CONTRACT TO F S CONSTRUCTION FOR CYCLE 3 PEDESTRIAN ACCESS RAMPS ENHANCEMENTS AND FOR CYCLE 4 PEDESTRIAN AND BICYCLE ENHANCEMENTS PROJECTS

(Report of: Public Works Department)

Recommendations

1. Award the construction contract to F S Construction, 14838 Bledsoe Street, Sylmar, CA 91342, the lowest responsible bidder for the Cycle 3 Pedestrian Access Ramps Enhancements and the Cycle 4 Pedestrian and Bicycle Enhancements Projects.
2. Authorize the City Manager to execute a contract with F S Construction.
3. Authorize the issuance of a Purchase Order to F S Construction in the amount of \$598,635.40 (\$544,214.00 bid amount plus 10% contingency) when the contract has been signed by all parties.
4. Authorize the Public Works Director/City Engineer to execute any subsequent related minor change orders to the contract with F S Construction up to, but not exceeding, the 10% contingency amount of \$54,421.40, subject to the approval of the City Attorney.

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- A.6 APPROVAL OF POWER PURCHASE AGREEMENT BETWEEN WHITNEY POINT SOLAR, LLC (AS SELLER) AND POWER AND WATER RESOURCES POOLING AUTHORITY (PWRPA), PITTSBURG POWER COMPANY, EASTSIDE POWER AUTHORITY, AND THE CITY OF MORENO VALLEY (TOGETHER, AS BUYERS)
(Report of: Public Works Department)

Recommendations

1. Approve the Power Purchase Agreement between Whitney Point Solar, LLC (as Seller) and Power and Water Resources Pooling Authority (PWRPA), Pittsburg Power Company, Eastside Power Authority, and the City of Moreno Valley (as Buyers).
2. Authorize the City Manager to execute the Power Purchase Agreement.

- A.7 COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2014
(Report of: Financial & Management Services Department)

Recommendation:

1. The Finance Sub-Committee reviewed and recommends the receipt and filing of the Comprehensive Annual Financial Report for the fiscal year that ended June 30, 2014.

B. CONSENT CALENDAR-COMMUNITY SERVICES DISTRICT

- B.1 ORDINANCES - READING BY TITLE ONLY
Recommendation: Waive reading of all Ordinances.

- B.2 MINUTES - REGULAR MEETING OF DECEMBER 9, 2014 (Report of: City Clerk's Department)

Recommendation:

1. Approve as submitted.

- B.3 ACCEPTANCE OF AMENDED GRANT CONTRACT FROM THE CALIFORNIA DEPARTMENT OF EDUCATION, CHILD DEVELOPMENT SERVICES, FOR CHILD CARE SERVICES AND ADOPTION OF THE RESOLUTION TO CERTIFY THE APPROVAL OF THE GOVERNING BOARD
(Report of: Parks & Community Services Department)

Recommendations

1. Authorize the acceptance of grant monies in the amended amount of

\$593,054 for Fiscal Year (FY) 2014/2015 from the California Department of Education, Child Development Division, for the purpose of providing school age child care and development services.

2. Adopt Resolution No. CSD 2015-01. A Resolution of the Moreno Valley Community Services District of the City of Moreno Valley, California, Certifying the Approval of the Governing Board to Enter into a Transaction with the California Department of Education for the Purpose of Providing Child Care and Development Services and to Authorize the Designated Personnel to Sign Contract Documents for FY 2014/2015.

- B.4 AUTHORIZE THE SUBMISSION OF APPLICATION FOR ADDITIONAL AFTER SCHOOL EDUCATION AND SAFETY GRANT FUNDS FOR FISCAL YEAR 2015/2016
(Report of: Parks & Community Services Department)

Recommendation:

1. Authorize the City Manager to submit an application to the California Department of Education for Additional After School Education and Safety Grant funds (ASES) for FY 2015/16.

C. CONSENT CALENDAR - COMMUNITY REDEVELOPMENT AGENCY

- C.1 ORDINANCES - READING BY TITLE ONLY
Recommendation: Waive reading of all Ordinances.

- C.2 MINUTES - REGULAR MEETING OF DECEMBER 9, 2014 (Report of: City Clerk's Department)

Recommendation:

1. Approve as submitted.

D. CONSENT CALENDAR - BOARD OF LIBRARY TRUSTEES

- D.1 ORDINANCES - READING BY TITLE ONLY
Recommendation: Waive reading of all Ordinances.

- D.2 MINUTES - REGULAR MEETING OF DECEMBER 9, 2014 (Report of: City Clerk's Department)

Recommendation:

1. Approve as submitted.

E. PUBLIC HEARINGS

Questions or comments from the public on a Public Hearing matter are limited to five minutes per individual and must pertain to the subject under consideration. Those wishing to speak should complete and submit a GOLDENROD speaker slip to the Bailiff.

- E.1 PUBLIC HEARING FOR GENERAL PLAN AMENDMENT PA13-0056 TO UPDATE THE BIKEWAY PLAN, ADOPT THE BICYCLE MASTER PLAN UPDATE, AND RENAME THE AQUEDUCT TRAIL AS THE JUAN BAUTISTA DE ANZA TRAIL
(Report of: Public Works Department)

Recommendations That the City Council:

1. Recognize that PA13-0056 is within the scope of the program Environmental Impact Report (EIR) approved in 2006 for the citywide Comprehensive General Plan Update in accordance with CEQA Guidelines, Section 15168(c) (2) and 15168 (e) (1) and (2).
2. Adopt Resolution No. 2015-01. A Resolution of the City Council of the City of Moreno Valley, California, Approving General Plan Amendment PA13-0056 to Update the Bikeway Plan, Adopt the Bicycle Master Plan Update, and Rename the Aqueduct Trail as the Juan Bautista De Anza Trail, Based Upon the Findings in the City Council Resolution.

F. ITEMS REMOVED FROM CONSENT CALENDARS FOR DISCUSSION OR SEPARATE ACTION

G. REPORTS

- G.1 RECEIVE AND FILE AN UPDATE REPORT ON THE REALIGNMENT OF RECHE VISTA DRIVE PROJECT
(Report of: Public Works Department)

Recommendation That the City Council:

1. Receive and file an update report on the Realignment of Reche Vista Drive Project.

- G.2 2015 COUNCIL COMMITTEE PARTICIPATION APPOINTMENTS
(Report of: City Clerk Department)

Recommendations That the City Council:

1. Appoint Council Member Jeffrey J. Giba to serve as the City of Moreno Valley's representative on the March Joint Powers Commission (MJPC).
2. Appoint Mayor Pro Tem Dr. Yxstian A. Gutierrez to serve as the City

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of Moreno Valley's representative on the March Joint Powers Commission (MJPC).

3. Appoint Mayor Jesse L. Molina to serve as the City of Moreno Valley's alternate representative on the March Joint Powers Commission (MJPC).
4. Appoint Council Member George E. Price to serve as the City of Moreno Valley's representative on the Riverside County Habitat Conservation Agency (RCHCA).
5. Appoint Council Member D. LaDonna Jempson to serve as the City of Moreno Valley's alternate representative on the Riverside County Habitat Conservation Agency (RCHCA).
6. Appoint Mayor Jesse L. Molina to serve as the City of Moreno Valley's representative on the Riverside County Transportation Commission (RCTC).
7. Appoint Council Member Jeffrey J. Giba to serve as the City of Moreno Valley's alternate representative on the Riverside County Transportation Commission (RCTC).
8. Appoint Mayor Jesse L. Molina to serve as the City of Moreno Valley's representative on the Riverside Transit Agency (RTA).
9. Appoint Mayor Pro Tem Yxstian A. Gutierrez to serve as the City of Moreno Valley's alternate representative on the Riverside Transit Agency (RTA).
10. Appoint Council Member Jeffrey J. Giba to serve as the City of Moreno Valley's representative on the Western Riverside Council of Governments (WRCOG).
11. Appoint Mayor Jesse L. Molina to serve as the City of Moreno Valley's alternate representative on the Western Riverside Council of Governments (WRCOG).
12. Appoint Council Member D. LaDonna Jempson to serve as the City of Moreno Valley's representative on the Western Riverside County Regional Conservation Authority (RCA).
13. Appoint Council Member George E. Price serve as the City of Moreno Valley's alternate representative on the Western Riverside County Regional Conservation Authority (RCA).

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14. Approve the appointments to the remaining various committees and regional bodies, as noted on the 2015 Council Committee Participation – Mayor’s Recommendations list.

G.3 CITY MANAGER'S REPORT (Informational Oral Presentation - not for Council action)

G.4 CITY ATTORNEY'S REPORT (Informational Oral Presentation - not for Council action)

H. LEGISLATIVE ACTIONS

H.1 ORDINANCES - 1ST READING AND INTRODUCTION - NONE

H.2 ORDINANCES - 2ND READING AND ADOPTION - NONE

H.3 ORDINANCES - URGENCY ORDINANCES - NONE

H.4 RESOLUTIONS - NONE

CLOSING COMMENTS AND/OR REPORTS OF THE CITY COUNCIL, COMMUNITY SERVICES DISTRICT, CITY AS SUCCESSOR AGENCY FOR THE COMMUNITY REDEVELOPMENT AGENCY OR HOUSING AUTHORITY

Materials related to an item on this Agenda submitted to the City Council/Community Services District/City as Successor Agency for the Community Redevelopment Agency, Housing Authority or the Board of Library Trustees after distribution of the agenda packet are available for public inspection in the City Clerk’s office at 14177 Frederick Street during normal business hours.

CERTIFICATION: I, Jane Halstead, City Clerk of the City of Moreno Valley, California, certify that the City Council Agenda was posted in the following places pursuant to City of Moreno Valley Resolution No. 2007-40:

City Hall, City of Moreno Valley
14177 Frederick Street

Moreno Valley Library
25480 Alessandro Boulevard

Moreno Valley Senior/Community Center
25075 Fir Avenue

Jane Halstead, CMC,
City Clerk
Dated Posted: December 31, 2014

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CLOSED SESSION

A Closed Session of the City Council, Community Services District, City as Successor Agency for the Community Redevelopment Agency and Housing Authority will be held in the City Manager's Conference Room, Second Floor, City Hall. The City Council will meet in Closed Session to confer with its legal counsel regarding the following matter(s) and any additional matter(s) publicly and orally announced by the City Attorney in the Council Chamber at the time of convening the Closed Session.

• PUBLIC COMMENTS ON MATTERS ON THE CLOSED SESSION AGENDA UNDER THE JURISDICTION OF THE CITY COUNCIL

There is a three-minute time limit per person. Please complete and submit a LAVENDER speaker slip to the City Clerk. All remarks and questions shall be addressed to the presiding officer or to the City Council and not to any individual Council member, staff member or other person.

The Closed Session will be held pursuant to Government Code:

1 SECTION 54956.9(d)(1) - CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

a Case: *Sipple V. City of Alameda et al.*
Court: Los Angeles Superior Court
Case No: BC 462270

b Case: *Brady and Schneider V. City of Moreno Valley*
Court: Riverside Superior Court
Case No: RIC 1311889

c Case: *Verizon California Inc. V. California State Board of Equalization, et al.*
Court: Sacramento County Superior Court
Case No: 34-2014-00171512

2 SIGNIFICANT EXPOSURE TO LITIGATION PURSUANT TO PARAGRAPH (2) OR (3) OF SUBDIVISION (D) OF SECTION 54956.9

Number of Cases: 5

3 SECTION 54956.9(d)(4) - CONFERENCE WITH LEGAL COUNSEL - INITIATION OF LITIGATION

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Number of Cases: 5

REPORT OF ACTION FROM CLOSED SESSION, IF ANY, BY CITY ATTORNEY

ADJOURNMENT

* Materials related to an item on this Agenda submitted to the City Council/Community Services District or Community Redevelopment Agency after distribution of the agenda packet are available for public inspection in the City Clerk's office at 14177 Frederick Street during normal business hours.

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MINUTES
CITY COUNCIL REGULAR MEETING OF THE CITY OF MORENO VALLEY
December 9, 2014

CALL TO ORDER

SPECIAL PRESENTATIONS

1. Proclamation Recognizing John Terell
2. Presentation Recognizing Council Member Victoria Baca
3. Presentation Recognizing Council Member Richard A. Stewart

**MINUTES
JOINT MEETING OF THE
CITY COUNCIL OF THE CITY OF MORENO VALLEY
MORENO VALLEY COMMUNITY SERVICES DISTRICT
CITY AS SUCCESSOR AGENCY FOR THE
COMMUNITY REDEVELOPMENT AGENCY OF
THE CITY OF MORENO VALLEY
MORENO VALLEY HOUSING AUTHORITY
BOARD OF LIBRARY TRUSTEES**

**REGULAR MEETING – 6:00 PM
December 9, 2014**

CALL TO ORDER

The Joint Meeting of the City Council of the City of Moreno Valley, Moreno Valley Community Services District, City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley, Moreno Valley Housing Authority and the Board of Library Trustees was called to order at 6:10 p.m. by Mayor Jesse Molina in the Council Chamber located at 14177 Frederick Street.

Mayor Jesse Molina announced that the City Council receives a separate stipend for CSD meetings.

PLEDGE OF ALLEGIANCE - The Pledge of Allegiance was led by Public Works Director Ahmad Ansari

INVOCATION - Pastor Robert Mink

ROLL CALL

Council:

Jesse L. Molina	Mayor
Victoria Baca	Mayor Pro Tem
George E. Price	Council Member
Richard Stewart	Council Member

Staff:

Michelle Dawson	City Manager
Suzanne Bryant	City Attorney
Jane Halstead	City Clerk
Tom DeSantis	Assistant City Manager
Abdul Ahmad	Fire Chief
Ahmad Ansari	Public Works Director
Joel Ontiveros	Police Chief
Chris Paxton	Administrative Services Director

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Richard Teichert
John Terrell
Ewa Lopez

Chief Financial Officer/City Treasurer
Community and Economic Development Director
Deputy City Clerk

INTRODUCTIONS

Motion to Approve Minutes: Items A.2, B.2, C2, and D.2 by m/Mayor Pro Tem Victoria Baca, s/Council Member George E. Price

Passed by a vote of 4-0.

SPECIAL ORDER OF BUSINESS

- 1 RESOLUTION NO. 2014-95 CERTIFYING GENERAL MUNICIPAL ELECTION RESULTS

Recommendations That the City Council:

Adopt Resolution No. 2014-95. A Resolution of the City Council of the City of Moreno Valley, California, Reciting the Facts of the General Municipal and Special Recall Election held November 4, 2014, Declaring the Results and Such Other Matters as Provided by Law.

Mayor Jesse Molina opened the agenda item for public comments, which were received from Oscar Valdêpena (Moreno Valley Chamber of Commerce), Daryl Terrell, Tom Jerele Sr., Pete Bleckert and Roy Bleckert.

Adopt Resolution No. 2014-95. A Resolution of the City Council of the City of Moreno Valley, California, Reciting the Facts of the General Municipal and Special Recall Election held November 4, 2014, Declaring the Results and Such Other Matters as Provided by Law. by m/Council Member Richard A. Stewart, s/Mayor Pro Tem Victoria Baca

Passed by a vote of 4-0.

Recess;
Reconvened

- 2 SWEARING-IN OF COUNCIL MEMBERS ELECT

Mayor Molina opened the agenda item for public comments, which were received from Daryl Terrell.

City Clerk Jane Halstead swore in Council Member-Elect Jeffrey J. Giba (accompanied by Pastor Paul Wood, Calvary Chapel, and Doris Giba, Mom), Council Member-Elect Yxstian Gutierrez (accompanied by his

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parents Elizabeth Gonzalez and Edgar Gutierrez) and Council Member-Elect D. LaDonna Jempson (accompanied by her husband Jackie Jempson and Pastor Robert Mink).

3 CITY COUNCIL REORGANIZATION – SELECTION OF MAYOR
AND MAYOR PRO TEM
(Report of: City Clerk Department)

Recommendations That the City Council:

Conduct the reorganization of the City Council by selecting two Council Members to serve one-year terms respectively as Mayor and Mayor Pro Tem.

Mayor Jesse Molina opened the agenda item for public comments, which were received from Deanna Reeder.

Conduct the reorganization of the City Council by selecting two Council Members to serve one-year terms respectively as Mayor and Mayor Pro Tem by voice vote. by m/Mayor Jesse L. Molina, s/Council Member Dr. Yxstian A. Gutierrez

Passed by a vote of 5-0.

The City Clerk Jane Halstead opened the nominations for Mayor.

Council Member LaDonna Jempson nominated Council Member George Price.

Council Member Yxstian Gutierrez nominated Mayor Jesse Molina.

Motion to close nomination by m/Council Member D. LaDonna Jempson, s/Council Member Jeffrey J. Giba

Passed by a vote of 5-0.

Roll Call for Motion to appoint Council Member George E. Price as Mayor.

Motion Failed by a vote of 2-3, Council Member Jeffrey J. Giba, Council Member Dr. Yxstian A. Gutierrez and Mayor Jesse L. Molina opposed.

Roll Call for Motion to appoint Mayor Jesse L. Molina as Mayor

Passed by a vote of 3-2, Council Member D. LaDonna Jempson and Council Member George E. Price opposed.

Mayor Jesse Molina was appointed as Mayor by a 3-2 vote.

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The City Clerk opened the nomination for Mayor Pro Tem.

Council Member D. LaDonna Jempson nominated Council Member George Price.

Mayor Jesse Molina nominated Council Member Jeffrey Giba.

Council Member Jeffrey Giba nominated Council Member Yxstian Gutierrez.

Motion to close nomination by m/Council member Jeffrey J. Giba, s/Council Member Dr. Yxstian A. Gutierrez

Passed by a vote of 5-0.

Roll Call for Motion to appoint Council Member George E. Price as Mayor Pro Tem

Motion Failed by a vote of 2-3, Council Member Jeffrey J. Giba, Council Member Dr. Yxstian A. Gutierrez and Mayor Jesse L. Molina opposed.

Roll Call for Motion to appoint Council Member Jeffrey J. Giba as Mayor Pro Tem

Motion Failed by a vote of 2-3, Council Member Jeffrey J. Giba, Council Member Dr. Yxstian A. Gutierrez, and Council Member D. LaDonna Jempson opposed.

Roll Call for Motion to appoint Council Member Dr. Yxstian A. Gutierrez as Mayor Pro Tem

Passed by a vote of 3-2, Council Member D. LaDonna Jempson and Council Member George E. Price opposed.

Council Member Dr. Yxstian A. Gutierrez was appointed as Mayor Pro Tem by a 3-2 vote.

PUBLIC COMMENTS ON ANY SUBJECT NOT ON THE AGENDA UNDER THE JURISDICTION OF THE CITY COUNCIL

Matthew Taylor

1. Moving the City forward

Ruthie Goldkorn

1. Public Hearing on Reche Vista project

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Scott Heveran

1. Recall
2. Ethics Committee

Daryl Terrell

1. New business

Eduardo Gomez

1. Election/recall
2. Jobs

Manuel Sanchez

1. Working together

Eric Romero

1. Recall/Working together to move forward
2. Congratulated new Council Members

Luz Hernandez

1. Congratulated new Council Members
2. Recall/working together

Enrique Puente

1. Congratulated new Council Members
2. Working together

Angelica Prieto

1. Congratulated new Council Members
2. Moving forward

Geoffrey Basco

1. More jobs/more income

Jesse Sida

1. Jobs/World Logistics Center

Guadalupe Arrizon

1. Congratulated new Council Members
2. Turkey give-away event
3. Betterment of the community/World Logistics Center

Steven Quinteros

1. Projects in the city

Gissel Serrano

1. Congratulated new Council Members
2. Jobs/World Logistics Center

Graciela Fernandez

1. Jobs in Moreno Valley

Moises Reza

1. Congratulated new Council Members
2. Work/safe place to live

Marylinda Reza

1. Congratulated new Council Members
2. Youth and the future

Monica Coronel

1. Jobs

Elsa Coulter

1. Tuning Sounds

Luis Mojica

1. Congratulations to new Council Members
2. Tuning Sounds
3. Unite as one City

Steven Medina

1. Turkey give-away event
2. Congratulated new Council Members

Aberto Mendoza

1. Youths

Denise Perez

1. Youths
2. Development in the City

Jessica Reza

1. Thanked outgoing Council Members and congratulated the new Council Members
2. Working together
3. Turkey give-away event

Craig Givens (Concerned Citizens of Moreno Valley)

1. Investigation
2. Businesses in Moreno Valley

Curtis Gardner (Concerned Citizens of Moreno Valley)

1. Congratulated new Council Members
2. Election

Jeffrey Clayton (Moreno Valley Progress)

1. New city leadership/congratulated new Council Members
2. Jobs
3. Turkey give-away event

Christopher Baca

1. Congratulations to Council Members
2. Recalls

Emil Dragovich Jr.

1. Next Door program
2. Services and opportunities for youth

Deanna Reeder

1. Election
2. Audience decorum in the Council Chamber
3. Turkey give-away event

Louise Palomarez

1. Recalls
2. Youths
3. Jobs

Tom Jerele Sr.

1. Recall
2. Turkey give-away event
3. Moreno Valley Wind Symphony

Jaime Moreno

1. Congratulations to new Council Members
2. Council as public servants

Davina Vithayavong

1. Congratulations to new Council Members
2. Working together/jobs
3. Turkey give-away event

Ana Cervantes

1. Congratulations to new Council Members
2. Jobs/World Logistic Center

Elmina Callender

1. City addressing problem/noise

Madeline Lopez

1. Congratulated Council Members
2. Working together/unity

Elizabeth Ramirez

1. Congratulated new Council Members
2. Jobs

Jackie Jempson

1. Jobs

JOINT CONSENT CALENDARS (SECTIONS A-D)

Mayor Molina opened the agenda items for the Consent Calendars for public comments; there being none, public comments were closed.

A. CONSENT CALENDAR-CITY COUNCIL

- A.1 ORDINANCES - READING BY TITLE ONLY
Recommendation: Waive reading of all Ordinances.

- A.2 MINUTES - REGULAR MEETING OF NOVEMBER 18, 2014 (Report of: City Clerk's Department)

Recommendation:
Approve as submitted.

- A.3 AUTHORIZE THE AWARD OF THE CONSTRUCTION CONTRACT TO HILLCREST CONTRACTING FOR HEACOCK STREET WIDENING IMPROVEMENTS FROM SAN MICHELE ROAD TO PERRIS VALLEY STORM DRAIN LATERAL A
PROJECT NO. 801 0027 70 77
(Report of: Public Works Department)

Recommendations

1. Award the construction contract to Hillcrest Contracting, 1467 Circle City Drive, Corona, CA 92879, the lowest responsible bidder, for the Heacock Street Widening Improvements from San Michele Road to Perris Valley Storm Drain Lateral A Project.
2. Authorize the City Manager to execute a contract with Hillcrest

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Contracting.

3. Authorize the issuance of a Purchase Order to Hillcrest Contracting, for the amount of \$1,538,634.72 (\$1,373,781 bid amount plus 12% contingency) when the contract has been signed by all parties.
4. Authorize the Public Works Director/City Engineer to execute any subsequent related minor change orders to the contract with Hillcrest Contracting up to, but not exceeding, the 12% contingency amount of \$164,853.72, subject to the approval of the City Attorney.
5. Appropriate \$24,000 from the unencumbered Measure A fund balance to Heacock Street Widening Improvements from San Michele Road to Perris Valley Storm Drain Lateral A (Account No. 2001-70-77-80001-720199) to cover the cost of bid items and administrative costs which are not Transportation Uniform Mitigation Fee reimbursable expenses.

A.4 ACCEPTANCE OF THE FISCAL YEAR 2014 HOMELAND SECURITY GRANT PROGRAM (HSGP) AWARD
(Report of: Fire Department)

Recommendations

1. Accept the Fiscal Year 2014 Homeland Security Grant Program (HSGP) award of \$31,688 from the Riverside County Fire Office of Emergency Services.
2. Increase revenue and expenditures for the Emergency Management Grant Fund 2503 by \$4,584.

A.5 AMENDMENT NO. 2 - COOPERATION AGREEMENT BETWEEN THE RIVERSIDE COUNTY FLOOD CONTROL & WATER CONSERVATION DISTRICT, THE CITY OF MORENO VALLEY AND CITY AS SUCCESSOR AGENCY FOR THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF MORENO VALLEY
(Report of: Public Works Department)

Recommendation:

Approve Amendment No. 2 for the Cooperation Agreement between the Riverside County Flood Control and Water Conservation District ("District"), the City of Moreno Valley ("City") and City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley ("Agency"), and authorize the Mayor acting in both capacities, to execute Amendment No. 2.

A.6 RECEIPT OF QUARTERLY INVESTMENT REPORT – QUARTER ENDED

MINUTES
December 9, 2014

SEPTEMBER 30, 2014

(Report of: Financial & Management Services Department)

Recommendation:

Receive and file the Quarterly Investment Report for quarter ended September 30, 2014, in compliance with the City's Investment Policy.

A.7 SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND (SLESF)
EXPENDITURE PLAN FOR FY 2014-15

(Report of: Financial & Management Services Department)

Recommendations

1. Approve the Supplemental Law Enforcement Services Fund (SLESF) Expenditure Plan for FY 2014-15.
2. Approve a decrease of \$5,804 to the SLESF Grant Fund FY 2014-15 revenue budget (account 2410-60-69-76012-486000) to reflect the total FY 2014-15 allocation of \$319,196.
3. Approve a decrease of \$5,804 to the SLESF Grant Fund FY 2014-15 expenditure budget (account 2410-60-69-76012-620320) to reflect the FY 2014-15 planned expenditure of \$319,196.

A.8 COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR
ENDED JUNE 30, 2014

(Report of: Financial & Management Services Department)

Recommendation:

Receive and file the Comprehensive Annual Financial Report for the fiscal year that ended June 30, 2014.

A.9 AUTHORIZATION TO AWARD AGREEMENT FOR PROFESSIONAL
CONSULTANT DESIGN SERVICES TO TRANSPORTATION & ENERGY
SOLUTIONS, INC., FOR THE ITS DEPLOYMENT PHASE 1B AND
DYNAMIC MESSAGE BOARDS PROJECTS
PROJECT NOS. 808 0015 AND 808 0016

(Report of: Public Works Department)

Recommendations

1. Approve the Agreement for Professional Consultant Services with Transportation & Energy Solutions, Inc., to provide design services for the ITS Deployment Phase 1B and Dynamic Message Boards projects.
2. Authorize the City Manager to execute the Agreement for Professional Consultant Services with Transportation & Energy

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Solutions, Inc.

3. Authorize issuance of a Purchase Order to Transportation & Energy Solutions, Inc. in the amount of up to but not to exceed \$265,043 once the Agreement has been signed by all parties.

- A.10 ACCEPTANCE OF CYCLE 1 ACTIVE TRANSPORTATION PROGRAM (ATP) GRANT AND FUNDING APPROPRIATION FOR THE CITYWIDE SAFE ROUTES TO SCHOOL PEDESTRIAN FACILITY IMPROVEMENTS PROJECT
(Report of: Public Works Department)

Recommendations

1. Accept the California Active Transportation Program (ATP) Cycle 1 grant award of up to \$1,640,000 in funds for the Citywide Safe Routes to School Pedestrian Facility Improvements project.
2. Authorize the Chief Financial Officer to appropriate \$1,640,000 as revenue and expense in the Capital Projects Reimbursements fund (Fund 2301), and \$95,000 as expense in the Measure A Fund (Fund 2001) for the Citywide Safe Routes to School Pedestrian Facility Improvements project.
3. Amend the Fiscal Year 2014/2015 Adopted Capital Improvement Plan to include the Citywide Safe Routes to School Pedestrian Facility Improvements project as a funded project.

- A.11 PURSUANT TO LANDOWNER PETITION, ANNEX ASSESSOR'S PARCEL NUMBERS 481-250-002 AND 481-250-003 INTO COMMUNITY FACILITIES DISTRICT NO. 2014-01 (MAINTENANCE SERVICES)—AMENDMENT NO. 1
(Report of: Financial & Management Services Department)

Recommendation:

As the legislative body of Community Facilities District No. 2014-01 (Maintenance Services) approve and adopt Resolution No. 2014-97. A Resolution of the City Council of the City of Moreno Valley, California, Ordering the Annexation of Territory to City of Moreno Valley Community Facilities District No. 2014-01 (Maintenance Services) and Approving an Amended Map for said District.

- A.12 PA14-0021 (PM 36752) – APPROVE PARCEL MAP AND ACCEPT THE AGREEMENT AND SECURITY FOR PUBLIC IMPROVEMENTS. DEVELOPER – CP MORENO VALLEY DPSS, LLC, RANCHO CORDOVA, CA 95670
(Report of: Public Works Department)

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Recommendations

1. Approve Parcel Map 36752 for PA14-0021, authorize the City Clerk to sign the map and transmit map to the County Recorder's Office for recordation.
2. Accept the Agreement and Security for Public Improvements for CP Moreno Valley DPSS, LLC.
3. Authorize the Mayor to execute the Agreement.
4. Direct the City Clerk to forward the signed Agreement to the County Recorder's Office for recordation.
5. Authorize the City Engineer to execute any future time extension amendments to the agreement, subject to City Attorney approval, if the required public improvements are not completed within said timeframe.

- A.13 PA13-0012 (PM 36463) HARBOR FREIGHT TOOLS EXPANSION LOCATED AT 23400 CACTUS AVENUE – APPROVE PARCEL MAP 36463 BOUNDED BY FREDERICK STREET, BRODIAEA AVENUE, GRAHAM STREET AND CACTUS AVENUE
DEVELOPER – RIDGE MORENO VALLEY, LLC, IRVINE, CA 92612.
OWNER – IIT INLAND EMPIRE LOGISTICS CENTER LP, NEWPORT BEACH, CA 92660
(Report of: Public Works Department)

Recommendations

1. Approve Parcel Map 36463 for PA13-0012.
2. Authorize the City Clerk to sign the map and transmit map to the County Recorder's Office for recordation.

- A.14 ADOPT RESOLUTIONS APPROVING THE TRANSFER OF TITLES FROM PROPERTIES OF THE FORMER COMMUNITY REDEVELOPMENT AGENCY TO THE CITY OF MORENO VALLEY AND AUTHORIZE THE CITY CLERK TO ACCEPT AND CONSENT TO THE DEEDS OR GRANTS OF THE PROPERTIES
(Report of: Financial & Management Services Department)

Recommendations

1. Adopt Resolution No. SA 2014-05. A Resolution of the City Council of the City of Moreno Valley Serving as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley,

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California, Approving the Transfer of Titles of the Conference and Recreation Center Property and the Property Located at Cactus Avenue and Day Street from the Former Community Redevelopment Agency to the City of Moreno Valley.

2. Adopt Resolution No. 2014-98. A Resolution of the City Council of the City of Moreno Valley, California, Authorizing the City Clerk to Accept and Consent to the Deeds or Grants for the Conference and Recreation Center Property and the Property Located at Cactus Avenue and Day Street being Transferred to the City of Moreno Valley from the Former Community Redevelopment Agency as Assigned to the Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley.
3. Authorize the Executive Director or their assignee to execute quit claim deeds and to direct staff to take the necessary action to record the fully-executed deeds.

Adopt Resolution No. SA 2014-05. A Resolution of the City Council of the City of Moreno Valley Serving as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley, California, Approving the Transfer of Titles of the Conference and Recreation Center Property and the Property Located at Cactus Avenue and Day Street from the Former Community Redevelopment Agency to the City of Moreno Valley.

Adopt Resolution No. 2014-98. A Resolution of the City Council of the City of Moreno Valley, California, Authorizing the City Clerk to Accept and Consent to the Deeds or Grants for the Conference and Recreation Center Property and the Property Located at Cactus Avenue and Day Street being Transferred to the City of Moreno Valley from the Former Community Redevelopment Agency as Assigned to the Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley.

Authorize the Executive Director or their assignee to execute quit claim deeds and to direct staff to take the necessary action to record the fully-executed deeds. by m/Council Member Dr. Yxstian A. Gutierrez, s/Council Member D. LaDonna Jempson

Passed by a vote of 4-1, Council Member Jeffrey J. Giba opposed.

- A.15 A RESOLUTION AUTHORIZING THE SUBMITTAL OF AN APPLICATION TO THE CALIFORNIA DEPARTMENT OF WATER RESOURCES FOR THE 2014 WATER-ENERGY GRANT
(Report of: Financial & Management Services Department)

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Recommendation:

Adopt Resolution No. 2014-98. A Resolution of the City Council of the City of Moreno Valley, California, Authorizing the Submittal of an Application to the California Department of Water Resources for the 2014 Water-Energy Grant.

- A.16 RECEIVE THE ANNUAL REPORT ON DEVELOPMENT IMPACT FEES FOR FISCAL YEAR 2013-14
(Report of: Financial & Management Services Department)

Recommendations

1. Approve and accept the Annual Report on Development Impact Fees in compliance with California Government Code Section 66006.
2. Approve the finding that staff has demonstrated a continuing need to hold unexpended Development Impact Fees.

- A.17 AUTHORIZATION TO ACCEPT A \$25,000 GRANT FROM THE DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL, "MINOR DECOY/SHOULDER TAP PROGRAM"
(Report of: Police Department)

Recommendations

1. Authorization for the Police Department to accept a \$25,000 grant from the Department of Alcoholic Beverage Control (ABC), to conduct Minor Decoy/Shoulder Tap programs, for the period beginning October 1, 2014, and ending September 30, 2015.
2. Authorize all Police Department personnel overtime costs associated with this grant be directly billed to the Riverside County Sheriff's Department Grant Unit that will manage and reconcile the funds for this grant. All reimbursement funds will be sent directly to the Sheriff's Department and will not affect the City revenue or expense budgets. No appropriations or expenditures will be encumbered by the City, and the Police Department is not requesting a change to Police revenue or expense budgets for FY2014/2015.

B. CONSENT CALENDAR-COMMUNITY SERVICES DISTRICT

- B.1 ORDINANCES - READING BY TITLE ONLY
Recommendation: Waive reading of all Ordinances.

- B.2 MINUTES - REGULAR MEETING OF NOVEMBER 18, 2014 (Report of: City Clerk's Department)

Recommendation:

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Approve as submitted.

C. CONSENT CALENDAR - HOUSING AUTHORITY

C.1 ORDINANCES - READING BY TITLE ONLY
Recommendation: Waive reading of all Ordinances.

C.2 MINUTES - REGULAR MEETING OF NOVEMBER 18, 2014 (Report of:
City Clerk's Department)

Recommendation:
Approve as submitted.

D. CONSENT CALENDAR - BOARD OF LIBRARY TRUSTEES

D.1 ORDINANCES - READING BY TITLE ONLY
Recommendation: Waive reading of all Ordinances.

D.2 MINUTES - REGULAR MEETING OF NOVEMBER 18, 2014 (Report of:
City Clerk's Department)

Recommendation:
Approve as submitted.

Motion to Approve Joint Consent Calendar Items A.1 through D.2 with the exception of Items A.2, B.2, C.2 and D.2, and A.14 (which was pulled for separate action). by m/Council Member George E. Price, s/Council Member Jeffrey J. Giba

Passed by a vote of 5-0.

E. PUBLIC HEARINGS

E.1 PUBLIC HEARING TO COLLECT COMMUNITY NEEDS COMMENTS AND ADOPTION OF FY 2015-2016 CDBG AND HOME PROGRAM OBJECTIVES AND POLICIES
(Report of: Financial & Management Services Department)

Recommendations That the City Council:

1. Conduct a Public Hearing to allow for the community to comment on the needs of low-and-moderate income residents in Moreno Valley, including the CDBG Target Areas.
2. Approve the proposed CDBG and HOME Program Objectives and Policies for the 2015-2016 Program Year.

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Council Member George Price recused himself due to the fact that he is sitting on the Board of Directors of the Salvation Army that receives CDBG funding.

Mayor Jesse Molina opened the public testimony portion of the public hearing; there being none, public testimony was closed.

Approve the proposed CDBG and HOME Program Objectives and Policies for the 2015-2016 Program Year as verbally amended to change priority ranking order under the Public Service Objective by placing priority number 5 (Free /Low-Cost Programs for School-Aged Youth) before priority number 4 (Programs offering Low-Cost Transportation). by m/Council Member Dr. Yxstian A. Gutierrez, s/Council Member Jeffrey J. Giba

Passed by a vote of 3-1-1, Council Member D. LaDonna Jempson opposed, Council Member George Price recused himself.

E.2 PUBLIC HEARING TO ADOPT SUBSTANTIAL AMENDMENT #2 TO THE 2014-15 ANNUAL ACTION PLAN AFFECTING THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG)
(Report of: Financial & Management Services Department)

Recommendations That the City Council:

1. Conduct a Public Hearing to allow public comment on the proposed Substantial Amendment for CDBG.
2. Review and adopt the proposed Substantial Amendment to the FY 2014/15 Annual Action Plan.
3. Approve the necessary Revenue and Expense Appropriations and authorize the Chief Financial Officer/City Treasurer to process the adjustments.
4. Authorize the City Manager to reallocate grant funds between HUD-approved grant activities and to execute the necessary agreements for approved grant activities.

Mayor Jesse Molina opened the public testimony portion of the public hearing; there being none, public testimony was closed.

Review and adopt the proposed Substantial Amendment to the FY 2014/15 Annual Action Plan.

Approve the necessary Revenue and Expense Appropriations and authorize the Chief Financial Officer/City Treasurer to process the

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adjustments.

Authorize the City Manager to reallocate grant funds between HUD-approved grant activities and to execute the necessary agreements for approved grant activities. by m/Council Member Dr. Yxstian A. Gutierrez, s/Council Member Jeffrey J. Giba

Passed by a vote of 5-0.

- E.3 A PUBLIC HEARING FOR THE PROLOGIS EUCALYPTUS INDUSTRIAL PARK PROJECT AND RELATED ENVIRONMENTAL IMPACT REPORT. THE PROJECT PROPOSES A GENERAL PLAN AMENDMENT FOR APPROXIMATELY 33 ACRES AND A ZONE CHANGE FOR APPROXIMATELY 84 ACRES. THE LAND USE CHANGES ARE REQUIRED FOR DEVELOPMENT OF FOUR WAREHOUSE DISTRIBUTION BUILDINGS TOTALING 1,529,498 SQUARE FEET. THE DEVELOPER ALSO PROPOSES TENTATIVE PARCEL MAP NO. 35679 TO SUBDIVIDE THE PROJECT SITE INTO FIVE PARCELS. A GENERAL PLAN AMENDMENT IS ALSO REQUIRED FOR PROPOSED CHANGES TO THE CITY'S GENERAL PLAN CIRCULATION ELEMENT AND THE MASTER PLAN OF TRAILS. THE SITE IS LOCATED SOUTH OF STATE ROUTE 60 AND EAST OF THE MORENO VALLEY AUTO MALL, AT FIR AVENUE (FUTURE EUCALYPTUS AVENUE) AND BETWEEN PETTIT STREET AND THE QUINCY CHANNEL. THE APPLICANT IS PROLOGIS. (CONTINUED FROM OCTOBER 14, 2014)
(Report of: Community & Economic Development Department)

Recommendations That the City Council:

Continue this item to the City Council meeting of January 27, 2015.

Continue this item to the City Council meeting of January 27, 2015 (at the request of the applicant). by m/Council Member George E. Price, s/D. Council Member LaDonna Jempson

Passed by a vote of 5-0.

F. ITEMS REMOVED FROM CONSENT CALENDARS FOR DISCUSSION OR SEPARATE ACTION

Item A.14 was discussed under Section F.

G. REPORTS

- G.1 PUBLIC MEETING REGARDING THE NPDES MAIL BALLOT PROCEEDINGS TO APPROVE THE MAXIMUM RESIDENTIAL REGULATORY RATE FOR CV COMMUNITIES AND THE MAXIMUM

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COMMERCIAL REGULATORY RATE FOR PSIP INTEGRA MORENO VALLEY, LLC AND WOODHAVEN DEVELOPERS, INC. DEVELOPMENTS

(Report of: Financial & Management Services Department)

Recommendations That the City Council:

Accept public comments regarding the mail ballot proceedings for: 1) APNs 478-090-007, 478-090-036, 478-100-009, 478-100-010, and 478-100-034 for approval of the NPDES maximum residential regulatory rate to be applied to the property tax bill; 2) APNs 297-140-037, 297-140-038, 297-140-039, 297-140-040, 297-140-041, and 297-140-042 for approval of the NPDES maximum commercial regulatory rate to be applied to the property tax bill; and 3) APN 292-100-010 for approval of the NPDES maximum commercial regulatory rate to be applied to the property tax bill.

Mayor Jesse Molina opened the agenda item for public comments; there being none, public comments were closed.

No action required.

G.2 APPOINTMENT TO THE JULY 4TH ADVISORY BOARD (TEENAGE MEMBER)

(Report of: City Clerk Department)

Recommendations That the City Council:

1. Appoint Brian McMillian to the July 4th Advisory Board as a teenage member for a term expiring July 31, 2017, or until high school graduation, whichever comes first; or
2. If an appointment is not made, declare the position vacant and authorize the City Clerk to re-notice the position as vacant and carry over the current application for reconsideration of appointment at a future date.

Mayor Jesse Molina opened the agenda item for public comments; there being none, public comments were closed.

Appoint Brian McMillian to the July 4th Advisory Board as a teenage member for a term expiring July 31, 2016, or until high school graduation, whichever comes first. by m/Council Member Jeffrey J. Giba, s/Council Member Dr. Yxstian A. Gutierrez

Passed by a vote of 5-0.

G.3 DECLARING INTENTION TO PROVIDE FOR FUTURE ANNEXATION OF TERRITORY TO CITY OF MORENO VALLEY COMMUNITY FACILITIES

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DISTRICT NO. 2014-01 (MAINTENANCE SERVICES) AND TO AMEND AND RESTATE THE RATE AND METHOD OF APPORTIONMENT FOR THE DISTRICT TO DESIGNATE TAX RATE AREAS NO. LM-02 AND SL-02 AND REVISE THE RATE STRUCTURE FOR TAX RATE AREA NO. LM-01

(Report of: Financial & Management Services Department)

Recommendations That the City Council:

Adopt Resolution No. 2014-100. A Resolution of the City Council of the City of Moreno Valley, California, Declaring its Intention to Provide for Future Annexation of Territory to City of Moreno Valley Community Facilities District No. 2014-01 (Maintenance Services) and to Amend and Restate the Rate and Method of Apportionment for the District to Designate Tax Rate Areas No. LM-02 and SL-02 and Revise the Rate Structure for Tax Rate Area No. LM-01.

Mayor Jesse Molina opened the agenda item for public comments; there being none, public comments were closed.

Adopt Resolution No. 2014-100. A Resolution of the City Council of the City of Moreno Valley, California, Declaring its Intention to Provide for Future Annexation of Territory to City of Moreno Valley Community Facilities District No. 2014-01 (Maintenance Services) and to Amend and Restate the Rate and Method of Apportionment for the District to Designate Tax Rate Areas No. LM-02 and SL-02 and Revise the Rate Structure for Tax Rate Area No. LM-01. by m/Council Member George E. Price, s/Council Member D. LaDonna Jempson

Passed by a vote of 5-0.

Motion to amend previous motion by adding that the public hearing will be held January 27, 2015 (not January 13, 2015). by m/Council Member George E. Price, s/Council Member Jeffrey J. Giba

Passed by a vote of 5-0.

G.4 FISCAL YEAR 2013/14 YEAR-END BUDGET REVIEW AND FISCAL YEAR 2014/15 FIRST QUARTER BUDGET REVIEW

(Report of: Financial & Management Services Department)

Recommendations That the City Council:

1. Receive and file the Fiscal Year 2013/14 year-end budget review
2. Receive and file the Fiscal Year 2014/15 first quarter budget review
3. Approve the Position Control Roster. Specific positions are

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discussed within this staff report and listed on Attachment 3 to this staff report.

Mayor Jesse Molina opened the agenda item for public comments; there being none, public comments were closed.

Continued PowerPoint Presentations for Recommendations Nos. 1 and 2 to December 16, 2014 Study Session.

Approve the Position Control Roster. Specific positions are discussed within this staff report and listed on Attachment 3 to the staff report. by m/Council Member George E. Price, s/Council Member Jeffrey J. Giba

Passed by a vote of 5-0.

G.5 CITY MANAGER'S REPORT (Informational Oral Presentation - not for Council action)

None

G.6 CITY ATTORNEY'S REPORT (Informational Oral Presentation - not for Council action)

None

H. LEGISLATIVE ACTIONS

H.1 ORDINANCES - 1ST READING AND INTRODUCTION - NONE

H.2 ORDINANCES - 2ND READING AND ADOPTION

H.2.1 ADOPT ORDINANCE NO. 886. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, APPROVING PA14-0054 (CHANGE OF ZONE) CHANGING THE ZONING FROM RESIDENTIAL 20 (R20) TO RESIDENTIAL 30 (R30) ON FOUR PARCELS APPROXIMATELY 13.9 ACRES (APNS: 291-050-003, 291-050-004, 291-050-012 AND 291-050-013) LOCATED AT THE SOUTHEAST CORNER OF BOX SPRINGS ROAD AND CLARK STREET (RECEIVED FIRST READING AND INTRODUCTION ON OCTOBER 28, 2014 BY A 3-0-1 VOTE, STEWART ABSENT) (Report of: Community & Economic Development Department)

Recommendations That the City Council:

ADOPT Ordinance No. 886. An Ordinance of the City Council of the City of
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Moreno Valley, California, Approving PA14-0054 (Change of Zone) changing the zoning from Residential 20 (R20) to Residential 30 (R30) on four parcels approximately 13.9 acres (APNS: 291-050-003, 291-050-004, 291-050-012 and 291-050-013) Located at the southeast corner of Box Springs Road and Clark Street.

Mayor Jesse Molina opened the agenda item for public comments; there being none, public comments were closed.

ADOPT Ordinance No. 886. An Ordinance of the City Council of the City of Moreno Valley, California, Approving PA14-0054 (Change of Zone) changing the zoning from Residential 20 (R20) to Residential 30 (R30) on four parcels approximately 13.9 acres (APNS: 291-050-003, 291-050-004, 291-050-012 and 291-050-013) Located at the southeast corner of Box Springs Road and Clark Street. by m/Council Member George E. Price, s/Council Member Dr. Yxstian A. Gutierrez

Passed by a vote of 5-0.

H.3 ORDINANCES - URGENCY ORDINANCES - NONE

H.4 RESOLUTIONS - NONE

CLOSING COMMENTS AND/OR REPORTS OF THE CITY COUNCIL, COMMUNITY SERVICES DISTRICT, CITY AS SUCCESSOR AGENCY FOR THE COMMUNITY REDEVELOPMENT AGENCY OR HOUSING AUTHORITY

Council Member Dr. Yxstian Gutierrez

1. Congratulated new Council Members
2. Is excited to be here; looking forward to working with the Council
2. Responded to speaker's comments - it's important to lower the disparity between the jobs and the housing
3. Ethics committee - pretty good point

Council Member George Price

1. Congratulated new Council Members
2. Responded to speaker's comments regarding his vision for the city – revenue growth, open and honest government, responsible growth and public participation, the Council working together to make the City the best City it can be; regarding education in Moreno Valley - graduation rates have increased dramatically in the last years and it is going in the right direction
3. Jobs in Fresno - Fresno is a major hub for oil and gas; process controlling engineering companies are hiring for highly paid and specialized specific jobs
4. Congratulated Gary Baugh for being selected tonight as President of

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Moreno Valley Unified School District Board of Education

5. Attended the State of the District, with staff and Council Member Jempson, Mayor Pro Tem Gutierrez and Mayor Molina

6. Complimented the Rotary Club and the Salvation Army, which provided Thanksgiving meals to the community

7. Received many invitations to events - March Field Air Museum holiday event; City's Birthday party, Moreno Valley Symphony, Hispanic Chamber installation dinner at Lake Perris; Cardinal Muncy event at the Tower; hosted Coffee with the Council; RCCD Foundation Chancellor holiday reception in Riverside

8. Congratulated Animal Shelter for receiving \$5,000 Rachael Ray award

9. Wished everyone happy holidays

Council Member Jeffrey Giba

1. Congratulated all Council Members

2. Thanked Renaissance Village for taking its time to bring his mother and thanked his wife for support

3. Will work very diligently for the City; thanked staff for getting the agenda together

4. Happy Holidays

Mayor Jesse Molina

1. Attended several events, including Tracy Vackar's swearing in at RCCD, MVUSD State of the District, Moreno Valley's 30th Birthday, Memorial Day ceremony

2. Read to children; enjoyed doing that

3. Thanked staff

Council Member LaDonna Jempson

1. Attended several events with Council Member Price

2. Attended December 1 Box Springs Water Board meeting, gaining some momentum

3. Hopes that a press release on a Golden Bell award that the school is being recognized for will be published in the Press

4. Will present certificate at Student of the Month tomorrow

5. Attended 30th anniversary celebration; attended December 5 Rising Stars Business Academy, which deals with at risk youths

6. Encouraged everyone to participate in toy drives, adopting families

CLOSED SESSION - canceled

Mayor Jesse Molina adjourned the meeting in memory of Rick Teichert's mom Mavis Teichert.

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ADJOURNMENT

There being no further business to conduct, the meeting was adjourned at 10:56 p.m. by unanimous informal consent.

Submitted by:

Jane Halstead, CMC
Secretary, Moreno Valley Community Services District
Secretary, City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley
Secretary, Moreno Valley Housing Authority
Secretary, Board of Library Trustees

Approved by:

Jesse Molina, Mayor
President, Moreno Valley Community Services District
Chairperson, City as Successor Agency for the Community Redevelopment Agency of the City of Moreno Valley
Chairperson, Moreno Valley Housing Authority
Chairperson, Board of Library Trustees

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Report to City Council

TO: Mayor and City Council

FROM: Jane Halstead, City Clerk

AGENDA DATE: January 6, 2015

TITLE: CITY COUNCIL REPORTS ON REIMBURSABLE ACTIVITIES

RECOMMENDED ACTION

Recommendation:

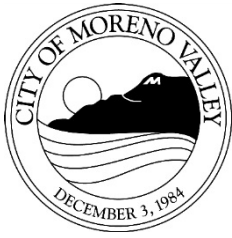
1. Receive and file the Reports on Reimbursable Activities for the period of November 12 – December 30, 2014.

<i>Reports on Reimbursable Activities</i>			
November 12 – December 30, 2014			
Council Member	Date	Meeting	Cost
Victoria Baca		None	
Jeffrey J. Giba		None	
Dr. Yxstian A. Gutierrez	12/12/14	Hispanic Inland Empire Chamber of Commerce Holiday Installation Dinner Gala	\$50.00
D. LaDonna Jempson	12/10/14	Student of the Month	\$15.00
Jesse L. Molina	12/2/14	Moreno Valley Hispanic Chamber of Commerce Adelante	\$10.00
	12/11/14	APWA Southern California Chapter 15 th Annual Awards Luncheon - 2014 Project of the Year	\$60.00
George E. Price	11/19/14	Moreno Valley Chamber of Commerce Wake-Up Moreno Valley	\$15.00
	12/5/14	Moreno Valley Hispanic Chamber of Commerce Dinner and Awards Ceremony	\$50.00

	12/17/14	Moreno Valley Chamber of Commerce Wake-Up Moreno Valley	\$15.00
Richard A. Stewart	11/19/14	Moreno Valley Chamber of Commerce Wake-Up Moreno Valley	\$15.00

Prepared By:
Cindy Miller
Executive Assistant to the Mayor/City Council

Department Head Approval:
Jane Halstead
City Clerk



APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>MB</i>

Report to City Council

TO: Mayor and City Council

FROM: Ahmad R. Ansari, P.E., Public Works Director/City Engineer

AGENDA DATE: January 6, 2015

TITLE: AUTHORIZATION TO AWARD CONSTRUCTION CONTRACT TO MARTINEZ CONCRETE, INC., FOR CYCLE 5 AMERICANS WITH DISABILITIES ACT ACCESS RAMP IMPROVEMENTS AT VARIOUS LOCATIONS
PROJECT NO. 801 0058

RECOMMENDED ACTION

Recommendations:

1. Award the construction contract to Martinez Concrete, Inc., 920 W. Foothill Blvd., Azusa, CA 91702, the lowest responsible bidder, for the Cycle 5 ADA Access Ramp Improvements at Various Locations Project.
2. Authorize the City Manager to execute a contract with Martinez Concrete, Inc.
3. Authorize the issuance of a Purchase Order to Martinez Concrete, Inc., for the amount of \$220,061.88 (\$200,056.25 bid amount plus 10% contingency) when the contract has been signed by all parties.
4. Authorize the Public Works Director/City Engineer to execute any subsequent related minor change orders to the contract with Martinez Concrete, Inc. up to, but not exceeding, the 10% contingency amount of \$20,005.63, subject to the approval of the City Attorney.

SUMMARY

This report recommends approval of an agreement with Martinez Concrete, Inc. to construct the Cycle 5 ADA Access Ramp Improvements at Various Locations project.

The project, which will enhance accessibility and safety for pedestrians and commuters, is funded with Community Development Block Grant (CDBG) funds and has been approved in the Fiscal Year (F/Y) 2014/2015 Capital Improvement Plan (CIP).

DISCUSSION

On May 13, 2014, City Council approved an Annual Action Plan (2014/15) and various projects to be addressed using CDBG funds. The Cycle 5 ADA Access Ramp Improvements at Various Locations project is on the approved list.

The Planning Division of the Community and Economic Development Department determined on July 3, 2014 that this project qualifies for a Class 1 Categorical Exemption as defined in Section 15301(c) of the California Environmental Quality Act (CEQA). The exemption applies to the minor alteration of existing public or private facilities when the alteration involves negligible or no expansion of an existing use. Because of the use of CDBG funds, this project also warrants review under the National Environmental Policy Act. This project qualifies for a Categorical Exclusion pursuant to 24 Code of Federal Regulations (CFR) Part 58.35(a)(1), which applies to acquisition, repair, improvement, reconstruction, or rehabilitation of public facilities and improvements (other than buildings) when the facilities and improvements are in place and will be retained in the same use without change in size or capacity of more than 20 percent. A Statutory Worksheet, required by NEPA, identified that this project will require no mitigation for compliance with any listed statutes or authorities, nor will it require any formal permit or license.

This project involves the construction of 29 access ramps at 14 intersections with all but 1 intersection (2 ramps) located within the City's designated CDBG target area. The sole location outside the CDBG target area qualifies under CFR 570.208 (2)(D)(ii)(A) which states in part that an improvement "...that serves to remove material or architectural barriers to the mobility or accessibility of elderly persons or adults meeting the Bureau of Census' Current Population Reports definition of 'severely disabled' will be presumed to qualify..." This project will construct the 29 ramps according to current City and Americans with Disabilities Act (ADA) Standards which are in accordance with the City's Public Right of Way Access Americans with Disabilities Act Transition Plan (Plan). The construction is entirely grant funded and made possible by the U.S. Department of Housing and Urban Development's (HUD) CDBG Program. The construction will be completed by the end of April 2015.

The proposed work includes, but is not limited to, the construction or reconstruction of access ramps, curb and gutter, retaining curb, sidewalk, installation of truncated domes, relocation of street signs, replacement of pedestrian push buttons at intersections with traffic signals, adjustment or replacement of pull boxes and sewer clean out, asphalt concrete pavement removal and replacement, minor grading, removal and replacement of thermoplastic striping and pavement markings, and replacement of traffic signal loop detectors.

The City’s endeavor is to ensure equal access to the public right-of-way (sidewalks, curb ramps, pedestrian paths of travel, etc.) for pedestrians with disabilities by identifying all areas of potential deficiency and by making necessary improvements. The assignment of priorities for curb ramp, sidewalk and other construction and reconstruction is intended to guide the selection of locations, to incorporate federal guidance, and to address specific concerns of the local disability community.

In accordance with the goals and objectives of the Plan, the selected project locations were evaluated and prioritized with Plan considerations and also to maximize the benefit of grant funding. The project’s locations were prioritized according to the Plan’s Priority Location tiers with 4 intersections falling under Tier 1 (Transit streets and centers; local bus routes and bus stops) and 10 intersections falling under Tier 2 (public facilities; City offices; libraries; schools and City parks). The chosen locations are located within the proximity of schools, parks, or business centers with high concentrations of pedestrian foot traffic, providing further benefit to City residents.

The Notice Inviting Bids was advertised for the subject project and formal bidding procedures have been followed in conformance with Public Contract Code. The City Clerk opened bids at **10:15 a.m. on December 15, 2014** for the project. Two (2) bids were received as follows:

<u>CONTRACTORS</u>	<u>Verified Bid Amounts</u>
1. Martinez Concrete, Inc., Azusa	\$248,897.50
2. PTM General Engineering Services, Inc., Riverside.....	\$435,803.00

The lowest responsible bidder was determined by comparing the cumulative total for all bid items (Base Bid plus Alternate Bids A, B, C, and D), as stipulated in the Bidding Documents. Staff has reviewed the bid of Martinez Concrete, Inc. and finds it to be the lowest responsible bidder in possession of a valid license and bid bond. No outstanding issues were identified through review of the references submitted by Martinez Concrete, Inc. in their bid.

Following the bid opening, staff reviewed the alternate bids and available funding, and is recommending the award of the Base Bid items, plus Alternate Bids A (Ramp Nos. 32 and 33) and B (Ramp Nos. 12 and 13). Staff is recommending issuance of a Purchase Order to Martinez Concrete, Inc. for \$220,061.88, which includes a 10% contingency. The contingency of 10% is needed to account for any latent or unforeseen circumstances encountered during construction. Unforeseen conditions may include unsuitable soils or hazardous wastes which need to be properly processed and removed. There also may be other conflicting appurtenance that will have to be addressed during grading and excavation operations.

ALTERNATIVES

1. Approve and authorize the recommended actions as presented in this staff report. *This alternative will provide for the expenditure of CDBG funds by the end of April*

2015 and the construction of the Cycle 5 ADA Access Ramp Improvements. These improvements will replace existing non-compliant ADA access ramps resulting in improved accessibility.

2. Do not approve and authorize the recommended actions as presented in this staff report. *This alternative will delay the timely construction of the Cycle 5 ADA Access Ramp Improvements and result in the loss of CDBG funding.*

FISCAL IMPACT

The Cycle 5 ADA Access Ramp Improvements project is funded by CDBG funds (Fund 2512) for both the design and construction phases of the project and is included in the F/Y 2014/2015 CIP. There is no impact to the General Fund.

Fiscal Year 2014/2015 PROJECT CONSTRUCTION BUDGET:

Community Development Block Grant Fund	
GL Account No. 2512-70-77-80001-720199	
Project No. 801 0058	\$260,000
Total	\$260,000

CONSTRUCTION RELATED COSTS:

Construction Costs (includes 10% contingency)	\$220,062
Construction Geotechnical Services (estimate).....	\$10,000
Construction Survey Services (estimate)	\$5,000
Project Administration and Inspection (estimate)	\$15,000
Total Construction Related Costs.....	\$250,062

ANTICIPATED PROJECT SCHEDULE:

Award Construction Contract	January 2015
Complete Construction.....	April 2015

CITY COUNCIL GOALS

PUBLIC SAFETY:

Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

PUBLIC FACILITIES AND CAPITAL PROJECTS:

Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

POSITIVE ENVIRONMENT:

Create a positive environment for the development of Moreno Valley's future.

ATTACHMENTS

Attachment 1: Location Map
Attachment 2: Agreement with Martinez Concrete, Inc.

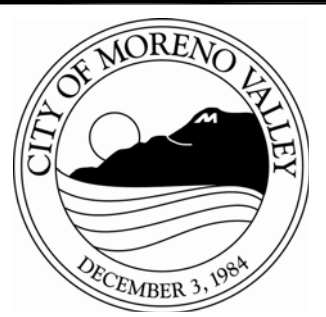
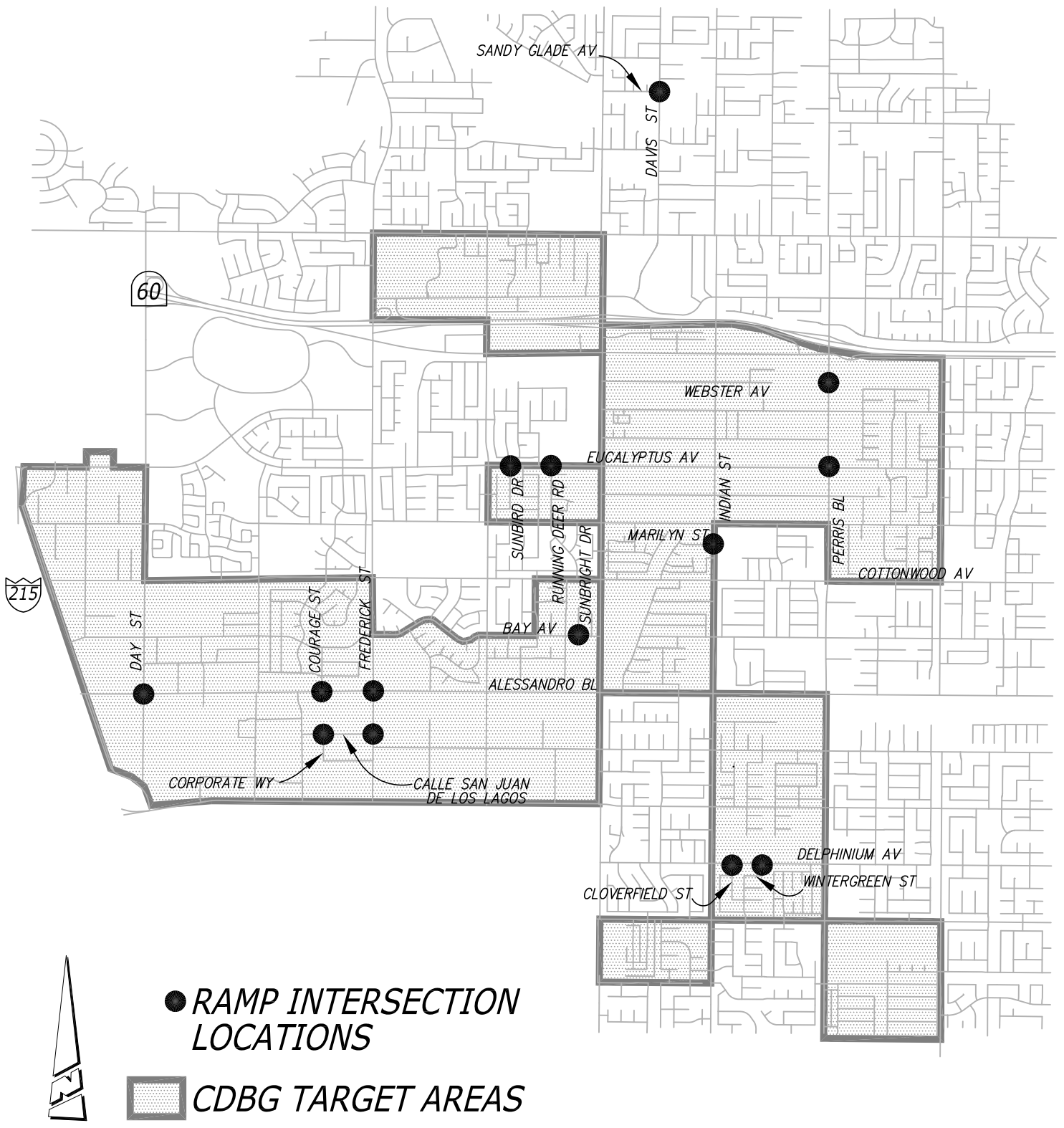
Prepared By:
Clement Jimenez, P.E.
Senior Engineer

Department Head Approval:
Ahmad R. Ansari, P.E.
Public Works Director/City Engineer

Concurred By:
Prem Kumar, P.E.
Deputy Public Works Director/Assistant City Engineer

Concurred By:
Richard Teichert
Chief Financial Officer/City Treasurer

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<h1>LOCATION MAP</h1>	
Public Works Department Capital Projects Division	CYCLE 5 ADA ACCESS RAMP IMPROVEMENTS AT VARIOUS LOCATIONS
ATTACHMENT 1	-45- Item No. A.4 PROJECT NO. 80

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CITY OF MORENO VALLEY
Project No. 801 0058

Agreement No. _____

AGREEMENT

PROJECT NO. 801 0058

CYCLE 5 ADA ACCESS RAMP IMPROVEMENTS AT VARIOUS LOCATIONS

THIS Agreement, effective as of the date signed by the City of Moreno Valley by and between the City of Moreno Valley, a municipal corporation, County of Riverside, State of California, hereinafter called the "City" and **Martinez Concrete, Inc.**, hereinafter called the "Contractor."

That the City and the Contractor for the consideration hereinafter named, agree as follows:

1. CONTRACT DOCUMENTS. The Contract Documents consist of the following, which are incorporated herein by this reference:

- A. Governmental approvals, including, but not limited to, permits required for the Work
- B. Any and all Contract Change Orders issued after execution of this Agreement
- C. This Agreement
- D. Addenda Nos. _____ inclusive, issued prior to the opening of the Bids
- E. Federal Provisions and Requirements
- F. Any Federal Certifications, documentation and reports as required, including but not limited to Contractor's Certification on Federal Contract Requirements, Certification of Nonsegregated Facilities, Certification of Equal Employment Opportunity, Race and Ethnic Data Reporting Form.
- G. City Special Provisions, including the General Provisions and Technical Provisions
- H. Standard Specifications for Public Works Construction ("Greenbook") – latest edition in effect at the Bid Deadline, as modified by the City Special Provisions
- I. Reference Specifications/Reference Documents other than those listed in paragraph 2, below.
- J. Project Plans
- K. City Standard Plans
- L. Caltrans Standard Plans
- M. Other Agency Standard Plans
 - Eastern Municipal Water District (EMWD) Standard Plans
 - Standard Plans for Public Works Construction (SPPWC/APWA)
- N. The bound Bidding Documents
- O. Contractor's Labor and Materials Payment Bond
- P. Contractor's Faithful Performance Bond
- Q. Contractor's Certificates of Insurance and Additional Insured Endorsements
- R. Contractor's Bidder's Proposal, Subcontractor and Material Supplier Listing

In the event of conflict between any of the Contract Documents, the provisions placing a more stringent requirement on the Contractor shall prevail. The Contractor shall provide the better quality or greater quantity of Work and/or materials unless otherwise directed by City in writing. In the event none of the Contract Documents place a more stringent requirement or

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greater burden on the Contractor, the controlling provision shall be that which is found in the document with higher precedence in accordance with the above order of precedence.

2. REFERENCE DOCUMENTS. The following Reference Documents are not considered Contract Documents and are made available to the Contractor for informational purposes:

NONE

3. SCOPE OF WORK. The Contractor shall perform and provide all materials, tools, equipment, labor, and services necessary to complete the Work described in the Contract Documents, except as otherwise provided in the Plans, Standard Specifications, or City Special Provisions to be the responsibility of others.

4. PAYMENT.

4.1. Contract Price and Basis for Payment. In consideration for the Contractor's full, complete, timely, and faithful performance of the Work required by the Contract Documents, the City shall pay Contractor for the actual quantity of Work required under the Bid Items awarded by the City performed in accordance with the lump sum prices and unit prices for Bid Items and Alternate Bid Items, if any, set forth the Bidder's Proposal submitted with the Bid. The sum of the unit prices and lump sum prices for the Base Bid Items and Alternate Bid Items, if any, awarded by the City is **TWO HUNDRED THOUSAND FIFTY-SIX AND 25/100** Dollars (**\$200,056.25**) ("Contract Price"). The Alternate Bid Items selected by the City and included in the Contract are: A and B. It is understood and agreed that the quantities set forth in the Bidder's Proposal for which unit prices are fixed are estimates only and that City will pay and Contractor will accept, as full payment for these items of work, the unit prices set forth in the Bidder's Proposal multiplied by the actual number of units performed, constructed, or completed as directed by the City Engineer.

4.2. Payment Procedures. Based upon applications for payment submitted by the Contractor to the City, the City shall make payments to the Contractor in accordance with Article 9 of the Standard Specifications, as modified by Article 9 of the City Special Provisions.

4.3. Payment. Project grant funding requires the Contractor submit invoices, including the **final invoice**, to the City on or before **April 20, 2015**.

5. CONTRACT TIME.

A. Contract Time. The Contract Time shall be determined in accordance with the following:

Base Bid	35 Working Days
Alternate A	2.5 Working Days
Alternate B	2.5 Working Days

B. Initial Notice to Proceed. After the Agreement has been fully executed by the Contractor and the City, the City shall issue the "Notice to Proceed to Fulfill Preconstruction Requirements." The date specified in the Notice to Proceed to Fulfill Preconstruction Requirements constitutes the date of commencement of the Contract Time of **Thirty-five (35)**

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Working Days for the Base Bid and Forty (40) Working Days for the Base Bid plus All Alternative Bids. The Contract Time includes the time necessary to fulfill preconstruction requirements, and to complete construction of the Project (except as adjusted by subsequent Change Orders).

The Notice to Proceed to Fulfill Preconstruction Requirements shall further specify that Contractor must complete the preconstruction requirements within **ten (10) Working Days** after the date of commencement of the Contract Time; this duration is part of the Contract Time.

Preconstruction requirements include, but are not limited to, the following:

- Submitting and obtaining approval of Traffic Control Plans
- Submitting and obtaining approval of critical required submittals
- Obtaining an approved no fee Encroachment Permit
- Notifying all agencies, utilities, residents, etc., as outlined in the Bidding Documents

If the City's issuance of a Notice to Proceed to Fulfill Preconstruction Requirements is delayed due to Contractor's failure to return the fully executed Agreement and insurance and bond documents within ten (10) Working Days after Contract award, then Contractor agrees to the deduction of one (1) Working Day from the number of days to complete the Project for every Working Day of delay in the City's receipt of said documents. This right is in addition to and does not affect the City's right to demand forfeiture of Contractor's Bid Security if Contractor persistently delays in providing the required documentation.

C. **Notice to Proceed with Construction.** After all preconstruction requirements are met and materials have been ordered in accordance with the Notice to Proceed to Fulfill Preconstruction Requirements, the City shall issue the "Notice to Proceed with Construction," at which time the Contractor shall diligently prosecute the Work, including corrective items of Work, day to day thereafter, within the remaining Contract Time.

6. LIQUIDATED DAMAGES AND CONTROL OF WORK.

6.1. **Liquidated Damages.** The Contractor and City (collectively, the "Parties") have agreed to liquidate damages with respect to Contractor's failure to fulfill the preconstruction requirements, and/or failure to complete the Work within the Contract Time. The Parties intend for the liquidated damages set forth herein to apply to this Contract as set forth in Government Code Section 53069.85. Contractor acknowledges and agrees that the liquidated damages are intended to compensate the City solely for Contractor's failure to meet the deadline for completion of the Work and will not excuse Contractor from liability from any other breach, including any failure of the Work to conform to the requirements of the Contract Documents.

In the event that Contractor fails to fulfill the preconstruction requirements and/or fails to complete the Work within the Contract Time, Contractor agrees to pay the City **\$500.00 per Calendar day** that completion of the Work is delayed beyond the Contract Time, as adjusted by Contract Change Orders. The Contractor will not be assessed liquidated damages for delays occasioned by the failure of the City or of the owner of a utility to provide for the removal or relocation of utility facilities.

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The Contractor and City acknowledge and agree that the foregoing liquidated damages have been set based on an evaluation of damages that the City will incur in the event of late completion of the Work. The Contractor and City acknowledge and agree that the amount of such damages are impossible to ascertain as of the date of execution hereof and have agreed to such liquidated damages to fix the City's damages and to avoid later disputes. It is understood and agreed by Contractor that liquidated damages payable pursuant to this Agreement are not a penalty and that such amounts are not manifestly unreasonable under the circumstances existing as of the date of execution of this Agreement.

It is further mutually agreed that the City will have the right to deduct liquidated damages against progress payments or retainage and that the City will issue a Change Order or Construction Change Directive and reduce the Contract Price accordingly. In the event the remaining unpaid Contract Price is insufficient to cover the full amount of liquidated damages, Contractor shall pay the difference to the City.

6.2. Owner is Exempt from Liability for Early Completion Delay Damages. While the Contractor may schedule completion of all of the Work, or portions thereof, earlier than the Contract Time, the Owner is exempt from liability for and the Contractor will not be entitled to an adjustment of the Contract Sum or to any additional costs, damages, including, but not limited to, claims for extended general conditions costs, home office overhead, jobsite overhead, and management or administrative costs, or compensation whatsoever, for use of float time or for Contractor's inability to complete the Work earlier than the Contract Time for any reason whatsoever, including but not limited to, delay cause by Owner or other Excusable Compensable Delay. See Section 6-6 of the Standard Specifications and City Special Provisions regarding compensation for delays.

6.3. Any work completed by the Contractor after the issuance of a Stop Work Notice by the City shall be rejected and/or removed and replaced as specified in Section 2-11 of the Special Provisions.

7. INSURANCE.

7.1. General. The Contractor shall procure and maintain at its sole expense and throughout the term of this Agreement, any extension thereof, Commercial General Liability, Automobile Liability, and Workers' Compensation Insurance with such coverage limits as described herein.

7.2. Additional Insured Endorsements. The Contractor shall cause the insurance required by the Contract Document to include the City of Moreno Valley, the City Council and each member thereof, the Moreno Valley Housing Authority (MVHA), and the Moreno Valley Community Services District (CSD), and their respective officials, employees, commission members, officers, directors, agents, employees, volunteers and representatives as an additional insureds. For the Commercial General Liability coverage, said parties shall be named as additional insureds utilizing either:

1. Insurance Services Office ("ISO") Additional Insured endorsement CG 20 10 (11/85); or

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2. ISO Additional Insured endorsement CG 20 10 (10/01) and Additional Insured Completed Operations endorsement CG 20 37 (10/01); or
3. substitute endorsements providing equivalent coverage, approved by the City.

The endorsements shall be signed by a person authorized by the insurer to bind coverage on its behalf. The coverage shall contain no special limitations on the scope of protection afforded to such additional insureds. Coverage for such additional insureds does not extend to liability to the extent prohibited by Insurance Code Section 11580.4.

7.3. Waivers of Subrogation. All policies of insurance required by the Contract Documents shall include or be endorsed to provide a waiver by the insurers of any rights of recovery or subrogation that the insurers may have at any time against the City of Moreno Valley, the City Council and each member thereof, the Moreno Valley Housing Authority (MVHA), and the Moreno Valley Community Services District (CSD), and their respective officials, employees, commission members, officers, directors, agents, employees, volunteers and representatives.

7.4. Primary Coverage. All policies and endorsements shall stipulate that the Contractor's (and the Subcontractors') insurance coverage shall be primary insurance as respects the City of Moreno Valley, the City Council and each member thereof, the Moreno Valley Housing Authority (MVHA), and the Moreno Valley Community Services District (CSD), and their respective officials, employees, commission members, officers, directors, agents, employees, volunteers and representatives, and shall be excess of the Contractor's (and its Subcontractors') insurance and shall not contribute with it.

7.5. Coverage Applies Separately to Each Insured and Additional Insured. Coverage shall state that the Contractor's (and its Subcontractors') insurance shall apply separately to each insured or additional insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. Coverage shall apply to any claim or suit brought by an additional insured against a named insured or other insured.

7.6. Self-Insurance. Any self-insurance (including deductibles or self-insured retention in excess of \$50,000) in lieu of liability insurance must be declared by Contractor and approved by the City in writing prior to execution of the Agreement. The City's approval of self-insurance, if any, is within the City's sole discretion and is subject to the following conditions:

1. Contractor must, at all times during the term of the Agreement and for a period of at least **one (1)** year after completion of the Project and any extension of the one-year correction guarantee period in accordance with section 6-8.1 of the City Special Provisions, maintain and upon Owner's reasonable request provide evidence of:
 - (a) Contractor's "net worth" (defined as "total assets" [defined as all items of value owned by the Contractor including tangible items such as cash, land, personal property and equipment and intangible items such as copyrights and business goodwill]) minus total outside liabilities must be reflected in a financial statement for

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the prior fiscal year reflecting sufficient income and budget for Contractor to afford at least one loss in an amount equal to the amount of self-insurance;

- (b) financial statements showing that Contractor has funds set aside/budgeted to finance the self-insured fund (i.e., Contractor has a program that fulfills functions that a primary insurer would fill; and
 - (c) a claims procedure that identifies how a claim is supposed to be tendered to reach the financing provided by the self-insured fund.
2. If at any time after such self-insurance has been approved Contractor fails to meet the financial thresholds or otherwise fails to comply with the provisions set forth in this Paragraph 7, at the option of the City:
- (a) the Contractor shall immediately obtain and thereafter maintain the third party insurance required under this Paragraph 7 and otherwise on the terms required above; or
 - (b) the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the City, its officers, officials, employees and volunteers; or
 - (c) the Contractor shall procure a bond guaranteeing payment of losses and related investigation, claim administration, and defense expenses.

7.7. Insurer Financial Rating. Insurance companies providing insurance hereunder shall be rated A-VII or better in Best's Insurance Rating Guide and shall be legally licensed and qualified to conduct insurance business in the State of California.

7.8. Notices to City of Cancellation or Changes. Each insurance policy described in this Paragraph 7 shall contain a provision or be endorsed to state that coverage will not be cancelled without **thirty (30) days'** prior written notice by certified or registered mail to the City (this obligation may be satisfied in the alternative by requiring such notice to be provided by Contractor's insurance broker and set forth on its Certificate of Insurance provided to the City), except that cancellation for non-payment of premium shall require (10) days prior written notice by certified or registered mail. If an insurance carrier cancels any policy or elects not to renew any policy required to be maintained by Contractor pursuant to the Contract Documents, Contractor agrees to give written notice to the City at the address indicated on the first page of the Agreement. Contractor agrees to provide the same notice of cancellation and non-renewal to the City that is required by such policy(ies) to be provided to the First Named Insured under such policy(ies). Contractor shall provide confirmation that the required policies have been renewed not less than seven (7) days prior to the expiration of existing coverages and shall deliver renewal or replacement policies, certificates and endorsements to the City Clerk within fourteen (14) days of the expiration of existing coverages. Contractor agrees that upon receipt of any notice of cancellation or alteration of the policies, Contractor shall procure within five (5) days, other policies of insurance similar in all respects to the policy or policies to be cancelled or

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altered. Contractor shall furnish to the City Clerk copies of any endorsements that are subsequently issued amending coverage or limits within fourteen (14) days of the amendment.

7.9. Commercial General Liability. Coverage shall be written on an ISO Commercial General Liability “occurrence” form CG 00 01 (10/01 or later edition) or equivalent form approved by the City for coverage on an occurrence basis. The insurance shall cover liability, including, but not limited to, that arising from premises operations, stop gap liability, independent contractors, products-completed operations, personal injury, advertising injury, and liability assumed under an insured contract. The policy shall be endorsed to provide the Aggregate Per Project Endorsement ISO form CG 25 03 (11/85). Coverage shall contain no contractors’ limitation or other endorsement limiting the scope of coverage for liability arising from pollution, explosion, collapse, or underground (x, c, u) property damage. Contractor shall provide Products/Completed Operations coverage to be maintained continuously for a minimum of **one (1) year** after Final Acceptance of the Work, and any extension of the one-year correction guarantee period in accordance with section 6-8.1 of the City Special Provisions.

Contractor shall maintain Commercial General Liability insurance with the following minimum limits: \$1,000,000 per occurrence / \$2,000,000 aggregate / \$2,000,000 products-completed operations.

7.10. Business Automobile Liability. Coverage shall be written on ISO form CA 00 01 (12/93 or later edition) or a substitute form providing equivalent coverage for owned, hired, leased and non-owned vehicles, whether scheduled or not, with \$1,000,000 combined single limit per accident for bodily injury and property damage. If necessary, the policy shall be endorsed to provide contractual liability coverage.

7.11. Workers’ Compensation. Contractor shall comply with the applicable sections of the California Labor Code concerning workers’ compensation for injuries on the job. Compliance is accomplished in one of the following manners:

1. Provide copy of permissive self-insurance certificate approved by the State of California; or
2. Secure and maintain in force a policy of workers’ compensation insurance with statutory limits and Employer’s Liability Insurance with a minimal limit of **\$1,000,000** per accident; or
3. Provide a “waiver” form certifying that no employees subject to the Labor Code’s Workers’ Compensation provision will be used in performance of this Contract.

7.12. Subcontractors’ Insurance. The Contractor shall include all Subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each Subcontractor. All coverages for Subcontractors shall be subject to all of the requirements stated herein.

8. BONDS. The Contractor shall furnish a satisfactory Performance Bond meeting all statutory requirements of the State of California on the form provided by the City. The bond shall be furnished as a guarantee of the faithful performance of the requirements of the Contract Documents as may be amended from time to time, including, but not limited to, liability for delays and damages (both direct and consequential) to the City and the City’s Separate

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Contractors and consultants, warranties, guarantees, and indemnity obligations, in an amount that shall remain equal to one hundred percent (100%) of the Contract Price.

The Contractor shall furnish a satisfactory Labor and Materials Payment Bond meeting all statutory requirements of the State of California on the form provided by the City in an amount that shall remain equal to one hundred percent (100%) of the Contract Price to secure payment of all claims, demands, stop notices, or charges of the State of California, of material suppliers, mechanics, or laborers employed by the Contractor or by any Subcontractor, or any person, form, or entity eligible to file a stop notice with respect to the Work.

All bonds shall be executed by a California-admitted surety insurer. Bonds issued by a California-admitted surety insurer listed on the latest version of the U.S Department of Treasury Circular 570 shall be deemed accepted unless specifically rejected by the City. Bonds issued by sureties not listed in Treasury Circular 570 must be accompanied by all documents enumerated in California Code of Civil Procedure Section 995.660(a). The bonds shall bear the same date as the Contract. The attorney-in-fact who executes the required bonds on behalf of the surety shall affix thereto a certified and current copy of the power of attorney. In the event of changes that increase the Contract Price, the amount of each bond shall be deemed to increase and at all times remain equal to the Contract Price. The signatures shall be acknowledged by a notary public. Every bond must display the surety's bond number and incorporate the Contract for construction of the Work by reference. The terms of the bonds shall provide that the surety agrees that no change, extension of time, alteration, or modification of the Contract Documents or the Work to be performed thereunder shall in any way affect its obligations and shall waive notice of any such change, extension of time, alteration, or modification of the Contract Documents. The surety further agrees that it is obligated under the bonds to any successor, grantee, or assignee of the City.

Upon the request of any person or entity appearing to be a potential beneficiary of bonds covering payment of obligations arising under the Contract, the Contractor shall promptly furnish a copy of the bonds or shall authorize a copy to be furnished.

Should any bond become insufficient, or should any of the sureties, in the opinion of the City, become non-responsible or unacceptable, the Contractor shall, within ten (10) Calendar Days after receiving notice from the City, provide written documentation to the Satisfaction of the City that Contractor has secured new or additional sureties for the bonds; otherwise the Contractor shall be in default of the Contract. No further payments shall be deemed due or will be made under Contract until a new surety(ies) qualifies and is accepted by the City.

Contractor agrees that the Labor and Materials Payment Bond and Faithful Performance Bond attached to this Agreement are for reference purposes only, and shall not be considered a part of this Agreement. Contractor further agrees that said bonds are separate obligations of the Contractor and its surety, and that any attorney's fee provision contained in any payment bond or performance bond shall not apply to this Agreement. In the event there is any litigation between the parties arising from the breach of this Agreement, each party will bear its own attorneys' fees in the litigation.

9. RECORDS. The Contractor and its Subcontractors shall maintain and keep books, payrolls, invoices of materials, and Project records current, and shall record all transactions pertaining to the Contract in accordance with generally acceptable accounting principles. Said

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books and records shall be made available to the City of Moreno Valley, Riverside County, the State of California, the Federal Government, and to any authorized representative thereof for purposes of audit and inspection at all reasonable times and places. All such books, payrolls, invoices of materials, and records shall be retained for at least three (3) years after Final Acceptance.

10. INDEMNIFICATION.

10.1. **General.** To the fullest extent permitted by law, the Contractor assumes liability for and agrees, at the Contractor's sole cost and expense, to promptly and fully indemnify, protect, hold harmless and defend (even if the allegations are false, fraudulent, or groundless), the City of Moreno Valley, its City Council, the Moreno Valley Housing Authority (MVHA), and the Moreno Valley Community Services District (CSD), and all of their respective officials, officers, directors, employees, commission members, representatives and agents ("Indemnitees"), from and against any and all claims, allegations, actions, suits, arbitrations, administrative proceedings, regulatory proceedings, or other legal proceeds, causes of action, demands, costs, judgments, liens, stop notices, penalties, liabilities, damages, losses, anticipated losses of revenues, and expenses (including, but not limited to, any fees of accountants, attorneys, experts or other professionals, or investigation expenses), or losses of any kind or nature whatsoever, whether actual, threatened or alleged, arising out of, resulting from, or in any way (either directly or indirectly), related to the Work, the Project or any breach of the Contract by Contractor or any of its officers, agents, employees, Subcontractors, Sub-subcontractors, or any person performing any of the Work, pursuant to a direct or indirect contract with the Contractor ("Indemnity Claims"). Such Indemnity Claims include, but are not limited to, claims for:

- A. Any activity on or use of the City's premises or facilities;
- B. Any liability incurred due to Contractor acting outside the scope of its authority pursuant to the Contract, whether or not caused in part by an Indemnified Party;
- C. The failure of Contractor or the Work to comply with any Applicable Law, permit or orders;
- D. Any misrepresentation, misstatement or omission with respect to any statement made in the Contract Documents or any document furnished by the Contractor in connection therewith;
- E. Any breach of any duty, obligation or requirement under the Contract Documents, including, but not limited to any breach of Contractor's warranties, representations or agreements set forth in the Contract Documents;
- F. Any failure to coordinate the Work with City's Separate Contractors;
- G. Any failure to provide notice to any party as required under the Contract Documents;
- H. Any failure to act in such a manner as to protect the Project from loss, cost, expense or liability;
- I. Bodily or personal injury, emotional injury, sickness or disease, or death at any time to any persons including without limitation employees of Contractor;
- J. Damage or injury to real property or personal property, equipment and materials (including, but without limitation, property under the care and

CITY OF MORENO VALLEY
Project No. 801 0058

custody of the Contractor or the City) sustained by any person or persons (including, but not limited to, companies, corporations, utility company or property owner, Contractor and its employees or agents, and members of the general public);

- K. Any liability imposed by Applicable Law including, but not limited to criminal or civil fines or penalties;
- L. Any dangerous, hazardous, unsafe or defective condition of, in or on the Site, of any nature whatsoever, which may exist by reason of any act, omission, neglect, or any use or occupation of the Site by Contractor, its officers, agents, employees, or Subcontractors;
- M. Any operation conducted upon or any use or occupation of the Site by Contractor, its officers, agents, employees, or Subcontractors under or pursuant to the provisions of the Contract or otherwise;
- N. Any acts, errors, omission or negligence of Contractor, its officers, agents, employees, or Subcontractors;
- O. Infringement of any patent rights, licenses, copyrights or intellectual property which may be brought against the Contractor or Owner arising out of Contractor's Work, for which the Contractor is responsible; and
- P. Any and all claims against the City seeking compensation for labor performed or materials used or furnished to be used in the Work or alleged to have been furnished on the Project, including all incidental or consequential damages resulting to the City from such claims.

10.2. **Effect of Indemnitees' Active Negligence.** Contractor's obligations to indemnify and hold the Indemnitees harmless exclude only such portion of any Indemnity Claim which is attributable to the active negligence or willful misconduct of the Indemnitee, provided such active negligence or willful misconduct is determined by agreement of the parties or by findings of a court of competent jurisdiction. In instances where an Indemnitee's active negligence accounts for only a percentage of the liability for the Indemnity Claim involved, the obligation of Contractor will be for that entire percentage of liability for the Indemnity Claim not attributable to the active negligence or willful misconduct of the Indemnitee(s). Such obligation shall not be construed to negate, abridge or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described in this Paragraph 11. Subject to the limits set forth herein, the Contractor, at its own expense, shall satisfy any resulting judgment that may be rendered against any Indemnitee resulting from an Indemnity Claim. The Indemnitees shall be consulted with regard to any proposed settlement.

10.3. **Independent Defense Obligation.** The duty of the Contractor to indemnify and hold harmless the Indemnitees includes the separate and independent duty to defend the Indemnitees, which duty arises immediately upon receipt by Contractor of the tender of any Indemnity Claim from an Indemnitee. The Contractor's obligation to defend the Indemnitee(s) shall be at Contractor's sole expense, and not be excused because of the Contractor's inability to evaluate liability or because the Contractor evaluates liability and determines that the Contractor is not liable. This duty to defend shall apply whether or not an Indemnity Claim has merit or is meritless, or which involves claims or allegations that any or all of the Indemnitees were actively, passively, or concurrently negligent, or which otherwise asserts that the Indemnitees are responsible, in whole or in part, for any Indemnity Claim. The Contractor shall respond within thirty (30) Calendar Days to the tender of any Indemnity Claim for defense and/or indemnity by an Indemnitee, unless the Indemnitee agrees in writing to an extension of

CITY OF MORENO VALLEY
Project No. 801 0058

this time. The defense provided to the Indemnitees by Contractor shall be by well qualified, adequately insured and experienced legal counsel acceptable to the City.

10.4. **Intent of Parties Regarding Scope of Indemnity.** It is the intent of the parties that the Contractor and its Subcontractors of all tiers shall provide the Indemnitees with the broadest defense and indemnity permitted by Applicable Law. In the event that any of the defense, indemnity or hold harmless provisions in the Contract Documents are found to be ambiguous, or in conflict with one another, it is the parties' intent that the broadest and most expansive interpretation in favor of providing defense and/or indemnity to the Indemnitees be given effect.

10.5. **Waiver of Indemnity Rights Against Indemnitees.** With respect to third party claims against the Contractor, to the fullest extent permitted by law, the Contractor waives any and all rights to any type of express or implied indemnity against the Indemnitees.

10.6. **Subcontractor Requirements.** In addition to the requirements set forth hereinabove, Contractor shall ensure, by written subcontract agreement, that each of Contractor's Subcontractors of every tier shall protect, defend, indemnify and hold harmless the Indemnitees with respect to Indemnity Claims arising out of, in connection with, or in any way related to each such Subcontractors' Work on the Project in the same manner in which Contractor is required to protect, defend, indemnify and hold the Indemnitees harmless. In the event Contractor fails to obtain such defense and indemnity obligations from others as required herein, Contractor agrees to be fully responsible to the Indemnitees according to the terms of this Paragraph 11.

10.7. **No Limitation or Waiver of Rights.** Contractor's obligations under this Paragraph 11 are in addition to any other rights or remedies which the Indemnitees may have under the law or under the Contract Documents. Contractor's indemnification and defense obligations set forth in this Paragraph 11 are separate and independent from the insurance provisions set forth in the Contract Documents, and do not limit, in any way, the applicability, scope, or obligations set forth in such insurance provisions. The purchase of insurance by the Contractor with respect to the obligations required herein shall in no event be construed as fulfillment or discharge of such obligations. In any and all claims against the Indemnitees by any employee of the Contractor, any Subcontractor, any supplier of the Contractor or Subcontractors, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the obligations under this Paragraph 11 shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Contractor or any Subcontractor or any supplier of either of them, under workers' or workmen's compensation acts, disability benefit acts or other employee benefit acts. Failure of the City to monitor compliance with these requirements imposes no additional obligations on the City and will in no way act as a waiver of any rights hereunder.

10.8. **Withholding to Secure Obligations.** In the event an Indemnity Claim arises prior to final payment to Contractor, the City may, in its sole discretion, reserve, retain or apply any monies due Contractor for the purpose of resolving such Indemnity Claims; provided, however, the City may release such funds if the Contractor provides the City with reasonable assurances of protection of the Indemnitees' interests. The City shall, in its sole discretion, determine whether such assurances are reasonable.

CITY OF MORENO VALLEY
Project No. 801 0058

10.9. **Survival of Indemnity Obligations.** Contractor's obligations under this Paragraph 11 are binding on Contractor's and its Subcontractors' successors, heirs and assigns and shall survive the completion of the Work or termination of the Contractor's performance of the Work.

11. FEDERAL REQUIREMENTS. If the Contractor or Subcontractor is performing work on Section 3, Housing and Urban Development Act of 1968, projects for which the amount of the assistance exceeds \$200,000 and the contract or subcontract exceeds \$100,000:

11.1 The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

11.2 The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implements Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

11.3 The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

11.4 The contractor agrees to include this Section 3 Clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 Clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

11.5 The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

11.6 Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

CITY OF MORENO VALLEY
Project No. 801 0058

11.7 With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

12. SUCCESSORS AND ASSIGNS. The Parties bind themselves, their heirs, executors, administrators, successors and assigns the covenants, agreements and obligations contained in the Contract Documents. The Contractor shall not, either voluntarily or by action of law, assign any right or obligation of the Contractor under the Contract Documents without prior written consent of the City.

(SIGNATURE PAGE FOLLOWS)

CITY OF MORENO VALLEY
Project No. 801 0058

CITY OF MORENO VALLEY, Municipal Corporation

Martinez Concrete, Inc.

BY: _____
City Manager

License No./
Classification: _____

DATE: _____

Expiration Date: _____

Federal I.D. No.: _____

<p><u>INTERNAL USE ONLY</u> APPROVED AS TO LEGAL FORM:</p> <p>_____</p> <p style="text-align: center;">City Attorney</p> <p>_____</p> <p style="text-align: center;">Date</p> <p>RECOMMENDED FOR APPROVAL:</p> <p>_____</p> <p style="text-align: center;">Public Works Director/City Engineer <i>(if contract exceeds \$15,000)</i></p> <p>_____</p> <p style="text-align: center;">Date</p>

PRINT NAME: _____

SIGNATURE: _____

TITLE: _____

DATE: _____

PRINT NAME: _____

SIGNATURE: _____

TITLE: _____

DATE: _____

SIGNING INSTRUCTIONS TO THE CONTRACTOR:

Signature(s) must be accompanied by a completed notary certificate of acknowledgement attached hereto. A general partner must sign on behalf of a partnership. **Two (2)** corporate officers must sign on behalf of a corporation unless the corporation has a corporate resolution that allows one person to sign on behalf of the corporation; if applicable, said resolution must be attached hereto. The corporate seal may be affixed hereto.

**CALIFORNIA ALL-PURPOSE
CERTIFICATE OF ACKNOWLEDGMENT**

SAMPLE

State of California

County of _____

On _____ before me, _____,
(Here insert name and title of the officer)

personally appeared _____,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledgement to me that he/she they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

(Notary Seal)

ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

BIDDER'S BOND SIGNATURE PAGE

(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages _____

Document Date _____

Additional Information

CAPACITY CLAIMED BY THE SIGNER

- Individual(s)
- Corporate Officer

(Title)

- Partner (s)
- Attorney-in-Fact
- Other _____

INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly appears above in the notary section or a separate acknowledgment form must properly completed and attached to that document. The only exception is if a document is recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/she/they, is/are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
- Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
- Indicate title or type of attached document, number of pages and date.
- Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document.

**Equal Employment
Opportunity Certification**
Excerpt From 41 CFR §60-1.4(b)

**U.S. Department of Housing
and Urban Development**
Office of Housing
Federal Housing Commissioner

Department of Veterans Affairs
form HUD-92010 (3-2006)

The applicant hereby agrees that it will incorporate or cause to be incorporated into any contract for construction work, or modification thereof, as defined in the regulations of the Secretary of Labor at 41 CFR Chapter 60, which is paid for in whole or in part with funds obtained from the Federal Government or borrowed on the credit of the Federal Government pursuant to a grant, contract, loan insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan, insurance, or guarantee, the following equal opportunity clause:

During the performance of this contract, the contractor agrees as follows:

- (1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin, such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- (2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, or national origin.
- (3) The contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (4) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.
- (5) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be

canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

- (7) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: **Provided, however,** That in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency the contractor may request the United States to enter into such litigation to protect the interests of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work:

Provided, That if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and Federally-assisted construction contracts pursuant to the Executive order and will carry out such sanctions and penalties for violation of the equal opportunity

Firm Name and Address

By

Title

clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

Excerpt from HUD Regulations

200.410 Definition of term "applicant".

- (a) In multifamily housing transactions where controls over the mortgagor are exercised by the Commissioner either through the ownership of corporate stock or under the provisions of a regulatory agreement, the term "applicant" as used in this subpart shall mean the mortgagor.
- (b) In transactions other than those specified in paragraph(a) of this section, the term "applicant" as used in this subpart shall mean the builder, dealer or contractor performing the construction, repair or rehabilitation work for the mortgagor or other borrower.

200.420 Equal Opportunity Clause to be included in contracts and subcontracts.

- (a) The following equal opportunity clause shall be included in each contract and subcontract which is not exempt:

During the performance of this contract, the contractor agrees as follows:

- (1) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of the nondiscrimination clause.
- (2) The contractor will in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard race, creed, color, or national origin.
- (3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided, advising the said labor union or workers' representative of the contractor's commitments under this section, and shall post copies of the notices in conspicuous places available to employees and applicants for employment.
- (4) The contractor will comply with all provisions of Executive Order 10925 of March 6 1961, as amended, and of the regulations, and relevant orders of the President's Committee on Equal Employment Opportunity created thereby.

(5) The contractor will furnish all information and reports required by Executive Order 10925 of March 6, 1961, as amended, and by the regulations, and orders of the said Committee, or pursuant thereto, and will permit access to his books, records, and accounts by HUD and the Committee for purposes of investigation to ascertain compliance with such regulations, and orders.

(6) In the event of the contractor's non-compliance with the nondiscrimination clause of this contract or with any of the said regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or Federally-assisted construction contracts in accordance with procedures authorized in Executive Order 10925 of March 6, 1961, as amended, and such other sanctions may be imposed and remedies invoked provided in the said Executive Order or by regulations, or order of the President's Committee on Equal Employment Opportunity, or as otherwise provided by law.

(7) The contractor will include the provisions of Paragraphs (1) through (7) in every subcontract or purchase order unless exempted by regulations, or orders of the President's Committee on Equal Employment Opportunity issued pursuant to Section 303 of Executive Order 10925 of March 6, 1961, as amended, so that such provisions will be binding upon each subcontractor or vender. The contractor will take such action with respect to any subcontract or purchase orders as HUD may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vender as a result of such direction by HUD, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

- (b) Except in subcontracts for the performance of construction work at the site of construction, the clause is not required to be inserted in subcontracts below the second tier. Subcontracts may incorporate by referenced to the equal opportunity clause.

200.425 Modification in and exemptions from the regulations in this subpart.

- (a) The following transactions and contracts are exempt from the regulations in this subpart:

- (1) Loans, mortgages, contracts and subcontracts not exceeding \$10,000;
- (2) Contract and subcontracts not exceeding \$100,000 for standard commercial supplies or raw material;
- (3) Contracts and subcontracts under which work is to be or has been performed outside the United States and where no recruitment of workers within the United States is involved. To the extent that work pursuant to such contracts is done within the United States, the equal opportunity clause shall be applicable;
- (4) Contracts for the sale of Government property where no appreciable amount of work is involved; and
- (5) Contracts and subcontracts for an indefinite quantity which are not to extend for ore than one year if the purchaser determines that the amounts to be ordered under any such contract or subcontract are not reasonably expected to exceed \$100,000 in the case of contracts or subcontracts for standard commercial supplies and raw materials, or \$10,000 in the case of all other contracts and subcontracts.

CONTRACTOR'S SECTION 3 AFFIRMATIVE ACTION PLAN

PROJECT NO. 801 0058

CYCLE 5 ADA ACCESS RAMP IMPROVEMENTS AT VARIOUS LOCATIONS

The undersigned contractor agrees to implement the following affirmative action steps directed at increasing the utilization of lower-income residents and business concerns located within the City of Moreno Valley.

1. Take affirmative action to ensure that employees or applicants for employment or training are not discriminated against because of race, color, religion, sex, or national origin.
2. Send a notice of Contractor's Section 3 commitment to each labor organization or representative of workers, and post a copy of the notice at a conspicuous place available to employees and applicants for employment or training.
3. To the greatest extent feasible, make a good faith effort to recruit for employment or training lower-income residents from the city, and to award contracts to business concerns which are located in or owned in substantial part by persons residing in the city through use of: Local advertising media, signs placed at the project site, and notification to community organizations and public or private institutions operating within or serving the project area such as Service Employment and Redevelopment (SER), Opportunities Industrialization Center (OIC), Urban League, Concentrated Employment Program, U.S. Employment Service, Chamber of Commerce, labor unions, trade associations, and business concerns.
4. Maintain a file of all low-income area residents who applied for employment or training either on their own or on referral from any source, and the action taken with respect to each area resident.
5. Maintain a file of all business concerns located in the city who submitted a bid for work on the project, and the action taken with respect to each bid.
6. Maintain records, including copies of correspondence, memoranda, etc., which document that affirmative action steps have been taken.
7. Incorporate the Section 3 clause provisions in all subcontracts, and require subcontractors to submit a Section 3 Affirmative Action Plan.
8. List project work force needs for the project by occupation, trade, skill level, and number of positions on the work force profile forms.
9. List information related to subcontracts to be awarded.

Dated: _____

Signed: _____

Name: _____

Title: _____

Contractor's Section 3 Affirmative Action Plan
00502

NOTICE of SECTION 3 COMMITMENT

PROJECT NO. 801 0058

CYCLE 5 ADA ACCESS RAMP IMPROVEMENTS AT VARIOUS LOCATIONS

TO: _____
(Name of Labor Union, Worker's Representative, etc.)

(Address)

The undersigned currently holds a contract with the City of Moreno Valley involving Community Development Block Grant funds from the U.S. Department of Housing and Urban Development, or a subcontract with a prime contractor holding such contract.

You are advised that under the provisions of the above contract or subcontract, and in accordance with Section 3 of the Housing and Urban Development Act of 1968, the undersigned is obliged, to the greatest extent feasible, to give opportunities for employment and training to lower-income persons residing within the city where the project is located, and to award contracts for work on the project to business concerns which are located in or are owned in substantial part by persons residing in the city.

This notice is furnished to you pursuant to the provisions of the above contract or subcontract and Section 3 of the Housing and Urban Development Act of 1968.

A copy of this notice will be posted by the undersigned in a conspicuous place available to employees or applicants for employment.

Dated: _____

Signed: _____

Name: _____

Title: _____

CONTRACTOR'S BONDS

City of Moreno Valley
Project No. 801 0058
BOND NO. _____
PREMIUM \$ _____

**FAITHFUL PERFORMANCE BOND
(100% of Total Contract Price)**

PROJECT NO. 801 0058

CYCLE 5 ADA ACCESS RAMP IMPROVEMENTS AT VARIOUS LOCATIONS

KNOW ALL MEN AND WOMEN BY THESE PRESENTS:

THAT WHEREAS, the City Council of the City of Moreno Valley, State of California, known as "City," has awarded to _____, as Principal hereinafter designated as "Contractor" and have entered into an Agreement whereby the Contractor agrees to construct or install and complete certain designated public improvements, which said Agreement, effective on the date signed by the City of Moreno Valley, and identified as **Project No. 801 0058**, and all Contract Documents are hereby referred to and made a part hereof; and

WHEREAS, said Contractor under the terms of said Contract Documents is required to furnish a bond guaranteeing the faithful performance of said Agreement;

NOW THEREFORE, we the undersigned Contractor and _____, as Surety, are held and firmly bound unto the City of Moreno Valley, County of Riverside in the penal sum of _____ dollars, (\$ _____), lawful money of the United States, to be paid to the said City or its certain attorney, its successors and assigns; for which payment, well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally liable (CCP 995.320 (a)(1)), firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that if the above bound Contractor, his or her or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in said Contract Documents and any alterations thereof made as therein provided, on his or her or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the City of Moreno Valley, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect. In the event suit is brought upon this bond by the City and judgement is recovered, the Surety shall pay all costs incurred by the City in such suit, including a reasonable attorney fee to be fixed by the court.

Contractor and Surety agree that this Faithful Performance Bond shall not be considered a part of this Agreement between Contractor and the City ("Agreement"). Contractor and Surety further agree that this Faithful Performance Bond is a separate obligation of the Contractor and its Surety, and that any attorneys' fee provision contained in this Faithful Performance Bond shall not apply to the Agreement. In the event there is any litigation between the parties arising from the breach of the Agreement, each party will bear its own attorneys' fees in the litigation.

The Surety hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the Contract Documents or to the Work to be performed thereunder, or the Provisions accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract

Faithful Performance Bond
00601-1

Documents or to the Work or the Provisions.

(SIGNATURE PAGE FOLLOWS)

BOND NO. _____

IN WITNESS WHEREOF, we have hereunto set our hands, and seals on this _____ day
of _____ 20____.

CONTRACTOR (Principal)

SURETY

Contractor Name: _____

Name: _____

Address: _____

Address: _____

Telephone No.: _____

Telephone No.: _____

Print Name: _____

Print Name: _____

Attorney-in-Fact

Signature: _____

Signature: _____

Approved as to Form this

_____ day of _____ 20____

City Attorney
City of Moreno Valley

NOTE:

- The bond shall be executed by a California admitted surety insurer (CCP 995.311).
- The bond shall include an attached Notary Certificate for the Attorney-in-Fact.
- The bond shall include an attached Notary Certificate for the Bidder.
- The bond shall include an attached original Power of Attorney only authorizing the Attorney-in-Fact to act for the Surety.
- The bond shall include the address at which the Principal (Bidder) and Surety may be served with notices, papers and other documents.
- The Bidder's and Surety's corporate seal may be affixed hereto.

**CALIFORNIA ALL-PURPOSE
CERTIFICATE OF ACKNOWLEDGMENT**
SAMPLE

State of California

County of _____

On _____ before me, _____,
(Here insert name and title of the officer)
personally appeared _____,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledgement to me that he/she they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

(Notary Seal)

ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

BIDDER'S BOND SIGNATURE PAGE
(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages _____

Document Date _____

Additional Information

CAPACITY CLAIMED BY THE SIGNER

- Individual(s)
- Corporate Officer

(Title)

- Partner (s)
- Attorney-in-Fact
- Other _____

INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly appears above in the notary section or a separate acknowledgment form must properly completed and attached to that document. The only exception is if a document is recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he~~/she/~~they~~, is/~~are~~) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
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- Indicate title or type of attached document, number of pages and date.
- Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document.

BOND NO. _____

PREMIUM \$ _____

**LABOR AND MATERIALS PAYMENT BOND
(100% of Total Contract Amount)**

PROJECT NO. 801 0058

CYCLE 5 ADA ACCESS RAMP IMPROVEMENTS AT VARIOUS LOCATIONS

KNOW ALL MEN AND WOMEN BY THESE PRESENTS

THAT WHEREAS, the City Council of the City of Moreno Valley, State of California, known as "City", has awarded to _____, as Principal hereinafter designated as "Contractor" and have entered into an Agreement whereby the Contractor agrees to construct or install and complete certain designated public improvements, which said Agreement, effective on the date signed by the City of Moreno Valley, and identified as **Project No. 801 0058**, and Contract Documents are hereby referred to and made a part hereof; and

WHEREAS, said Contractor under the terms of said Contract Documents is required to furnish a bond to secure the payment of claims of laborers, mechanics, materialmen, and other persons, as provided by law;

NOW, THEREFORE, we the undersigned Contractor and _____, as Surety are held and firmly bound unto the City of Moreno Valley, County of Riverside, in the penal sum of _____ dollars, (\$ _____), lawful money of the United States, for which payment, well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally liable (CCP 995.320 (a)(1)), firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that if said Contractor, his or her or its heirs, executors, administrator, successors or assigns, or subcontractors, shall fail to pay any of the persons described in the State of California Civil Code, Section 3181, or amounts due under the Unemployment Insurance Code with respect to work or labor performed by any such claimant, or any amounts required to be deducted, withheld, and paid over to the Franchise Tax Board from the wages of employees of the Contractor and his or her subcontractors, pursuant to Section 13020, of the Unemployment Insurance Code, with respect to such work and labor, that the Surety or Sureties herein will pay for the same in an amount not exceeding the sum specified in this bond, otherwise the above obligation shall be void. In the event suit is brought upon this bond by the City or other person entitled to bring such an action and judgement is recovered, the Surety shall pay all costs incurred by the City in such suit, including a reasonable attorney fee to be fixed by the court.

Contractor and Surety agree that this Labor and Materials Payment Bond shall not be considered a part of this Agreement between Contractor and the City ("Agreement"). Contractor and Surety further agree that this Labor and Materials Payment Bond is a separate obligation of the Contractor and its Surety, and that any attorneys' fee provision contained in this Labor and Materials Payment Bond shall not

apply to the Agreement. In the event there is any litigation between the parties arising from the breach of the Agreement, each party will bear its own attorneys' fees in the litigation.

This bond shall inure to the benefit of any of the persons described in the State of California Civil Code Section 3181, to give a right of action to such persons or their assigns in any suit brought upon this bond.

(SIGNATURE PAGE FOLLOWS)

BOND NO. _____

IN WITNESS WHEREOF, we have hereunto set our hands, and seals on this _____ day
of _____ 20____.

CONTRACTOR (Principal)

SURETY

Contractor Name: _____

Name: _____

Address: _____

Address: _____

Telephone No.: _____

Telephone No.: _____

Print Name: _____

Print Name: _____

Attorney-in-Fact

Signature: _____

Signature: _____

Approved as to Form this

_____ day of _____ 20____

City Attorney
City of Moreno Valley

NOTE:

- The bond shall be executed by a California admitted surety insurer (CCP 995.311).
- The bond shall include an attached Notary Certificate for the Attorney-in-Fact.
- The bond shall include an attached Notary Certificate for the Bidder.
- The bond shall include an attached original Power of Attorney only authorizing the Attorney-in-Fact to act for the Surety.
- The bond shall include the address at which the Principal (Bidder) and Surety may be served with notices, papers and other documents.
- The Bidder's and Surety's corporate seal may be affixed hereto.

CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT SAMPLE

State of California

County of _____

On _____ before me, _____
(Here insert name and title of the officer)

personally appeared _____

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledgement to me that he/she they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

(Notary Seal)

ADDITIONAL OPTIONAL INFORMATION

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- Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document.

DESCRIPTION OF THE ATTACHED DOCUMENT

BIDDER'S BOND SIGNATURE PAGE
(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages _____

Document Date _____

Additional Information

CAPACITY CLAIMED BY THE SIGNER

- Individual(s)
- Corporate Officer

(Title)

- Partner (s)
- Attorney-in-Fact
- Other _____

**CITY OF MORENO VALLEY
SUPPLEMENTARY GENERAL CONDITIONS**

The following provisions, pursuant to 44 Code of Federal Regulations, Part 13, Subpart C, Section 13.36, as it may be amended from time to time, are included in the Agreement and are required to be included in all subcontracts entered into by CONTRACTOR for work pursuant to the Agreement, unless otherwise expressly provided herein. These provisions supersede any conflicting provisions in the General Conditions and shall take precedence over the General Conditions for purposes of interpretation of the General Conditions. These provisions do not otherwise modify or replace General Conditions not in direct conflict with these provisions. Definitions used in these provisions are as contained in the General Conditions.

- (1) CONTRACTOR shall be subject to the administrative, contractual, and legal remedies provided in the General Conditions in the event CONTRACTOR violates or breaches terms of the Agreement.
- (2) CITY may terminate the Agreement for cause or for convenience, and CONTRACTOR may terminate the Agreement, as provided the General Conditions.
- (3) CONTRACTOR shall comply with Executive Order 11246 of September 24, 1965, entitled Equal Employment Opportunity, as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR chapter 60). (All construction contracts awarded in excess of \$10,000 by CITY and/or subcontracts in excess of \$10,000 entered into by CONTRACTOR.)
- (4) CONTRACTOR shall comply with the Copeland Anti-Kickback Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR Part 3) (All contracts and subcontracts for construction or repair.)
- (5) CONTRACTOR shall comply with the Davis-Bacon Act (40 U.S.C. 276a to 276a7) as supplemented by Department of Labor regulations (29 CFR Part 5).
- (6) CONTRACTOR shall comply with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327330) as supplemented by Department of Labor regulations (29 CFR Part 5).
- (7) CONTRACTOR shall observe CITY requirements and regulations pertaining to reporting included in the General Conditions.
- (8) Patent rights with respect to any discovery or invention which arises or is developed in the course of or under the Agreement shall be retained by the CITY.
- (9) Copyrights and rights in data developed in the course of or under the Agreement shall be the property of the CITY. FEMA/CalOES reserve a royalty-free, nonexclusive, irrevocable

license to reproduce, publish or otherwise use or authorize to others to use for federal purposes a copyright in any work developed under the Agreement and/or subcontracts for work pursuant to the Agreement.

- (10) CONTRACTOR shall provide access by the City, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.
- (11) CONTRACTOR shall retain all required records for three years after CITY makes final payments and all other pending matters relating to the Agreement are closed.
- (12) CONTRACTOR shall comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). (This provision applies to contracts exceeding \$100,000 and to subcontracts entered into pursuant to such contracts.)
- (13) CONTRACTOR shall comply with mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94163, 89 Stat. 871).

City of Moreno Valley	Contractor/Consultant Name
BY: _____	BY: _____
	TITLE: _____ <i>(Select only one please)</i> (President or Vice President)
_____	_____
Date	Date
	BY: _____
	TITLE: _____ (Corporate Secretary)

	Date



APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>MJD</i>

Report to City Council

TO: Mayor and City Council

FROM: Ahmad R. Ansari, Public Works Director/City Engineer

AGENDA DATE: January 6, 2015

TITLE: AUTHORIZATION TO AWARD CONSTRUCTION CONTRACT TO F S CONSTRUCTION FOR CYCLE 3 PEDESTRIAN ACCESS RAMPS ENHANCEMENTS AND FOR CYCLE 4 PEDESTRIAN AND BICYCLE ENHANCEMENTS PROJECTS

RECOMMENDED ACTION

Recommendations:

1. Award the construction contract to F S Construction, 14838 Bledsoe Street, Sylmar, CA 91342, the lowest responsible bidder for the Cycle 3 Pedestrian Access Ramps Enhancements and the Cycle 4 Pedestrian and Bicycle Enhancements Projects.
2. Authorize the City Manager to execute a contract with F S Construction.
3. Authorize the issuance of a Purchase Order to F S Construction in the amount of \$598,635.40 (\$544,214.00 bid amount plus 10% contingency) when the contract has been signed by all parties.
4. Authorize the Public Works Director/City Engineer to execute any subsequent related minor change orders to the contract with F S Construction up to, but not exceeding, the 10% contingency amount of \$54,421.40, subject to the approval of the City Attorney.

SUMMARY

This report recommends approval of a contract with F S Construction to construct the Cycle 3 Pedestrian Access Ramps Enhancements at ten intersections citywide and the Cycle 4 Pedestrian and Bicycle Enhancements for Graham Street and Indian Street. The purpose of these projects is to enhance safety and accessibility for pedestrian and bicyclists by providing ADA compliance access ramps, sidewalks, and designated bikeways with adequate signage. The project's construction is funded with SCAG Article 3 funds (Fund 2800) with Measure A and Community Development Block Grant (CDBG) funds as the local matching funds. These projects have been approved in the Fiscal Year 2014/2015 Capital Improvement Plan.

DISCUSSION

On October 22, 2013 the City Council accepted the Riverside County Transportation Commission (RCTC) SB821 Bicycle and Pedestrian Facilities Program grant (SB821 grant) in the amount of \$250,000 and authorized the appropriation of \$250,000 from SCAG Article 3 Fund (Fund 2800) for the construction of these projects.

The Planning Division of the Community and Economic Development Department determined on September 15, 2014 that the Cycle 3 Pedestrian Access Ramps Enhancements and on September 17, 2014 the Cycle 4 Pedestrian and Bicycle Enhancements projects qualifies for a Class 1 Categorical Exemption as defined in Section 15301C of the California Environmental Quality Act (CEQA) and Section 4.6B of the City's Rules and Procedures for implementation of CEQA.

The Cycle 3 Pedestrian Access Ramps Enhancements project consists of the removal and construction of existing access ramps and adjacent sidewalks; installation of pedestrian push buttons, and constructing other related street improvements to accommodate the new ramps. As a cost saving measure, the project was designed in-house, by Capital Projects Division staff. The selected project locations are identified and prioritized in the City's Public Right of Way Access ADA Transition Plan. There are twenty nine (29) ramps to be reconstructed at the following intersections:

- *John F. Kennedy Drive & Legendary Street*
- *Bay Avenue & Pecan Place*
- *John F. Kennedy Drive & Blueberry Road*
- *Eucalyptus Avenue & Edgemont Drive*
- *Heacock Street & Bay Avenue*
- *Heacock Street & Dracaea Avenue*
- *Eucalyptus Avenue & Kochi Drive*
- *Wordsworth Road & Boccaccio Court*
- *Athens Drive & Spring Crest Road*
- *Los Cabos Drive & Plaza Sonada Way*

The Cycle 4 Pedestrian and Bicycle Enhancements project consists of street improvements along the eastside of Graham Street just south of Alessandro Boulevard, and Indian Street from Alessandro Boulevard to Cottonwood Avenue. The improvements include: new sidewalks, curbs and gutters where these do not currently exist. The improvement also include the reconstruction of asphalt concrete pavement shoulder, installation of new signing and striping including bike lanes and markings,

installation of new traffic detector loops, crack sealing and applying slurry, and removing and replacing ADA ramps.

As identified in the Bidding Documents, the projects include the Base Bid and Alternate Bids to maximize the utilization of the available budget.

- Base Bid: (recommended for awarding to contractor) includes pedestrian access ramp enhancements at ten intersections as mentioned above. The Base Bid also includes pedestrian and bicycle enhancements of Graham Street and Indian Street.
- Alternate Bid A: (recommended for awarding to contractor) includes installation of new traffic detector loops on Indian Street to accommodate the new striping layout.
- Alternate Bid B: (recommended for awarding to contractor) includes crack sealing and the application of slurry to Indian Street from Alessandro Boulevard to Cottonwood Avenue.
- Alternate Bid C: (not recommended for awarding to contractor due to current budget unavailability) includes removing and replacing sidewalk on the west side of Heacock Street between Ironwood Avenue and a point 440 feet north of Ironwood Avenue. On the east side of Heacock Street at Kernwood Drive, installation of missing access ramps can be facilitated as part of a change order to the contractor.
- Alternate Bid D: (not recommended for awarding to contractor due to current budget unavailability) includes removing and replacing sidewalk on the west side of Heacock Street between a point 440 feet north of Ironwood Avenue and a point 1,330 feet north of Ironwood Avenue.

The Notice Inviting Bids was advertised for the subject projects and formal bidding procedures have been followed in conformance with the Public Contract Code. The City Clerk opened bids at 2:15 p.m. on December 1, 2014 for the subject projects. Three (3) bids were received as follows:

<u>CONTRACTORS</u>	<u>Total Bid Amounts</u>
1. F S Construction, Sylmar	\$665,089.00
2. Martinez Concrete Inc., Azusa	\$680,979.05
3. All American Asphalt, Corona	\$1,060,501.00

The lowest responsible bidder was determined by comparing the cumulative total Bid Prices for Base Bid and all Alternates Bid items as stipulated in the Bidding Documents. Staff has reviewed the bid by F S Construction and finds it to be the lowest responsible bidder in possession of a valid license and bid bond. No outstanding issues were identified through review of the references submitted by F S Construction in their bid. Based on the amount of available funding, the need to construct the improvements, and the favorable bid received, staff recommends the City Council to award the Base Bid and Alternate Bids A and B (total \$544,214.00 plus 10% contingency) to F S

Construction for this project. Alternate Bid items C and D will need to be deferred to a future project when funding becomes available.

ALTERNATIVES

1. Approve and authorize the recommended actions as presented in this staff report. *This alternative will provide for the timely expenditure of grant funds and the construction of the Cycle 3 Pedestrian Access Ramps Enhancements and the Cycle 4 Pedestrian and Bicycle Enhancements Projects.*
2. Do not approve and authorize the recommended actions as presented in this staff report. *This alternative will result in delaying the timely construction of the project and possible loss of CDBG funds if not expended by April 1, 2015 and SB821 grant funds if not expended by June 30, 2015.*

FISCAL IMPACT

The SB821 Bicycle and Pedestrian Facilities Program grants will provide for reimbursement of up to \$250,000 of project costs. The grants require local matching funds which are provided from CDBG (Fund 2512) and Measure A (Fund 2001). On December 9, 2014 the City Council adopted the Amendment No. 2 to the 2014-15 Annual Action Plan and directed CDBG fund savings from the Hemlock Avenue and Graham Street Improvements project in the amount of \$198,000 to the Cycle 3 Pedestrian Access Ramps Enhancements project. A \$35,000 funding from the Citywide Annual Pavement Resurfacing Program (Fund 2001) will also be used to cover for the cost of the slurry seal work on Indian Street. There is no impact to the General Fund. SCAG Article 3 funds are restricted to transportation related capital improvements.

Once constructed, street maintenance costs over a 20 year period are estimated to average approximately \$12,000 per year. Maintenance costs are typically funded by Measure A or Gas Tax monies that the City receives on an annual basis.

AVAILABLE FUNDS FOR CONSTRUCTION:

SCAG Article 3 Funds	
(Account No. 2800-70-77-80001)	
(Project Nos. 801 0053 70 77 and 801 0054 70 77).....	\$250,000
CDBG Fund Savings from Hemlock Avenue / Graham Street Improvements	
(Account No. 2800-70-77-80001) (Project No. 801 0053 70 77)	\$198,000
Annual ADA Compliant Curb Ramp Upgrades	
(Account No. 2001-70-77-80001) (Project No. 801 0008 70 77)	\$166,000
Citywide Annual Pavement Resurfacing Program	
(Account No. 2001-70-77-80001) (Project No. 801 0003 70 77)	<u>\$35,000</u>
Total	\$649,000

ESTIMATED PROJECT COSTS:

Contractor Construction Costs (Include Contingency).....	\$599,000
Construction Geotechnical Services.....	\$10,000

Construction Survey Services	\$10,000
Project Administration and Inspection	\$30,000
Total	\$649,000

ANTICIPATED PROJECT SCHEDULE:

Award Construction Contract	January 2015
Complete Construction.....	May 2015

CITY COUNCIL GOALS

Public Safety:

Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

Public Facilities and Capital Projects:

Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

NOTIFICATION

During the design phase all utilities were notified of the project. Prior to construction starting, adjacent property owners, business owners, law enforcement, fire department, and other emergency services responders in the area will be notified of the construction.

ATTACHMENTS

- Attachment 1: Location Map
- Attachment 2: Agreement with F S Construction

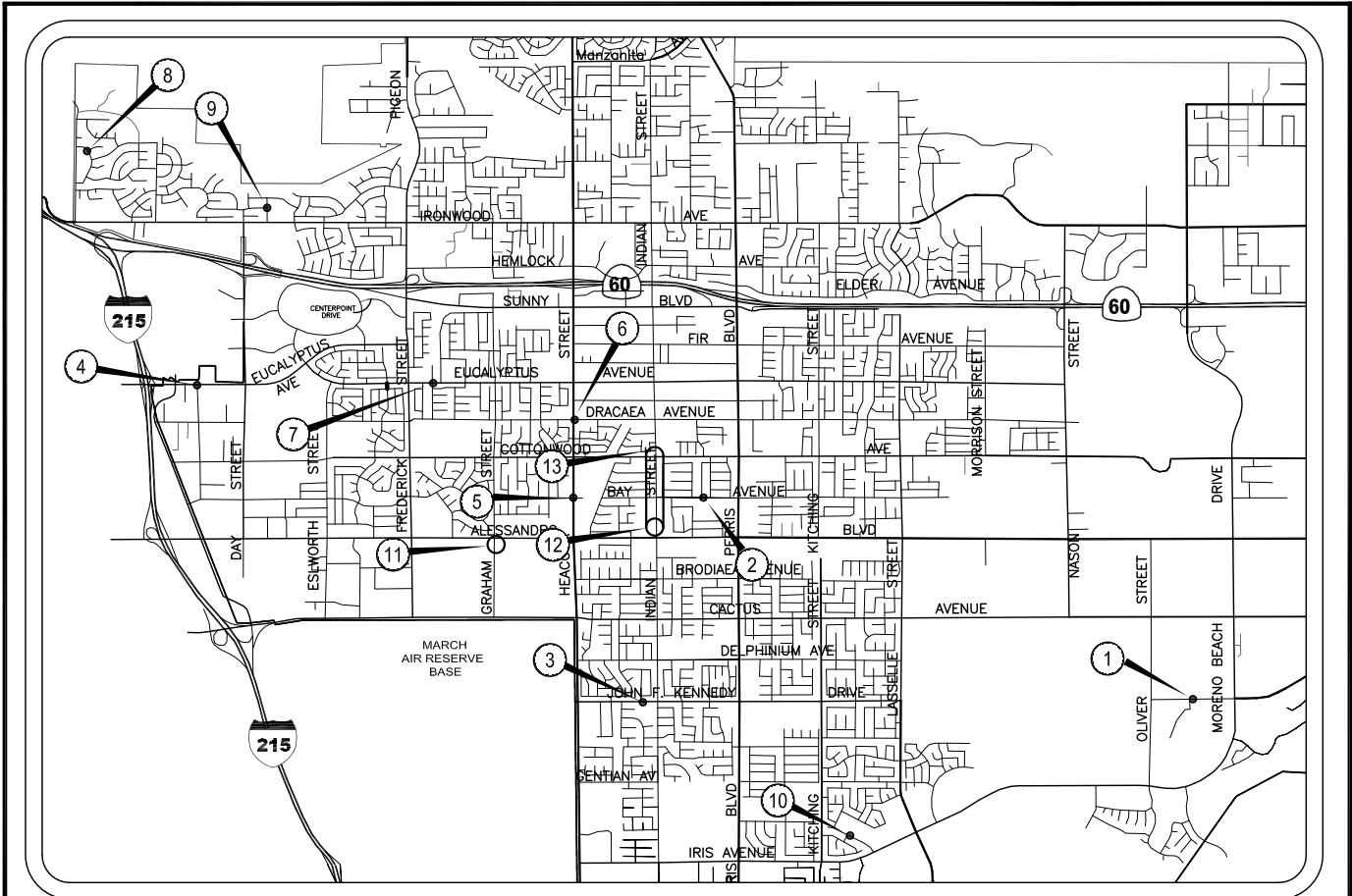
Prepared By:
Quang Nguyen
Senior Engineer, P.E.

Department Head Approval:
Ahmad R. Ansari, P.E.
Public Works Director/City Engineer

Concurred By:
Prem Kumar, P.E.
Deputy Public Works Director/Assistant City Engineer

Department Head Approval:
Rick Teichert
Chief Financial Officer/City Treasurer

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VICINITY MAP
NOT TO SCALE



LOCATION

CYCLE 3 PEDESTRIAN ACCESS RAMPS ENHANCEMENTS

- ① JOHN F KENNEDY DR/LEGENDARY ST (NE)
- ② BAY AV/PECAN PL (NE, NW & SW)
- ③ JOHN F KENNEDY DR/BLUEBERRY RD (NE, NW)
- ④ EUCALYPTUS AV/EDGEMONT DR (SE, SW)
- ⑤ HEACOCK ST/BAY AV (ALL CORNERS)
- ⑥ HEACOCK ST/ DRACAEA AV (ALL CORNERS)
- ⑦ EUCALYPTUS AV/KOCHI DR (SE, SW)
- ⑧ WORDSWORTH RD/BOCCACCIO CT (NW, NE &SE)
- ⑨ ATHENS DR/SPRING CREST RD (SW, NW & NE)
- ⑩ LOS CABOS DR/PLAZA SONADA WAY (SW, NE & SE)

CYCLE 4 PEDESTRIAN AND BICYCLE ENHANCEMENTS

- ⑪ GRAHAM ST (EAST SIDE, SOUTH OF ALESSANDRO BL)
- ⑫ INDIAN ST (EAST SIDE, NORTH OF ALESSANDRO BL)
- ⑬ INDIAN ST BICYCLE LANES (ALESSANDRO BL TO COTTONWOOD AV)



LOCATION MAP

Public Works Department
Capital Projects Division

ATTACHMENT 1

CYCLE 3 PEDESTRIAN ACCESS RAMPS ENHANCEMENTS
AND
CYCLE 4 PEDESTRIAN AND BICYCLE ENHANCEMENTS
PROJECT NOS. 801 0053 70 77, 801 0061 & 801 0054 70 77

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Agreement No. _____

AGREEMENT**PROJECT NO. 801 0053 70 77, 801 0061 & 801 0054 70 77****CYCLE 3 PEDESTRIAN ACCESS RAMPS ENHANCEMENTS &
CYCLE 4 PEDESTRIAN AND BICYCLE ENHANCEMENTS
Various Locations**

THIS Agreement, effective as of the date signed by the City of Moreno Valley by and between the City of Moreno Valley, a municipal corporation, County of Riverside, State of California, hereinafter called the "City" and **F S Construction**, hereinafter called the "Contractor."

That the City and the Contractor for the consideration hereinafter named, agree as follows:

1. CONTRACT DOCUMENTS. The Contract Documents consist of the following, which are incorporated herein by this reference:

- A. Governmental approvals, including, but not limited to, permits required for the Work
- B. Any and all Contract Change Orders issued after execution of this Agreement
- C. This Agreement
- D. Addenda Nos. 1 inclusive, issued prior to the opening of the Bids
- E. Federal Provisions and Requirements
- F. Any Federal Certifications, documentation and reports as required, including but not limited to Contractor's Certification on Federal Contract Requirements, Certification of Nonsegregated Facilities, Certification of Equal Employment Opportunity, Race and Ethnic Data Reporting Form.
- G. City Special Provisions, including the General Provisions and Technical Provisions
- H. Standard Specifications for Public Works Construction ("Greenbook") – latest edition in effect at the Bid Deadline, as modified by the City Special Provisions
- I. Reference Specifications/Reference Documents other than those listed in paragraph 2, below.
- J. Project Plans
- K. City Standard Plans
- L. Caltrans Standard Plans
- M. Other Agency Standard Plans: Eastern Municipal Water District (EMWD)
- N. The bound Bidding Documents
- O. Contractor's Labor and Materials Payment Bond
- P. Contractor's Faithful Performance Bond
- Q. Contractor's Certificates of Insurance and Additional Insured Endorsements
- R. Contractor's Bidder's Proposal, Subcontractor and Material Supplier Listing

In the event of conflict between any of the Contract Documents, the provisions placing a more stringent requirement on the Contractor shall prevail. The Contractor shall provide the better quality or greater quantity of Work and/or materials unless otherwise directed by City in writing. In the event none of the Contract Documents place a more stringent requirement or greater burden on the Contractor, the controlling provision shall be that which is found in the document with higher precedence in accordance with the above order of precedence.

Standard Form of Agreement
00500-1

2. REFERENCE DOCUMENTS. The following Reference Documents are not considered Contract Documents and are made available to the Contractor for informational purposes:

NONE

3. SCOPE OF WORK. The Contractor shall perform and provide all materials, tools, equipment, labor, and services necessary to complete the Work described in the Contract Documents, except as otherwise provided in the Plans, Standard Specifications, or City Special Provisions to be the responsibility of others.

4. PAYMENT.

4.1. Contract Price and Basis for Payment. In consideration for the Contractor's full, complete, timely, and faithful performance of the Work required by the Contract Documents, the City shall pay Contractor for the actual quantity of Work required under the Bid Items awarded by the City performed in accordance with the lump sum prices and unit prices for Bid Items and Alternate Bid Items, if any, set forth the Bidder's Proposal submitted with the Bid. The sum of the unit prices and lump sum prices for the Base Bid Items and Alternate Bid Items, if any, awarded by the City is **Five Hundred Forty Four Thousand Two Hundred Fourteen and 00/100 Dollars (\$544,214.00)** ("**Contract Price**"). The Alternate Bid Items selected by the City and included in the Contract are: A and B. It is understood and agreed that the quantities set forth in the Bidder's Proposal for which unit prices are fixed are estimates only and that City will pay and Contractor will accept, as full payment for these items of work, the unit prices set forth in the Bidder's Proposal multiplied by the actual number of units performed, constructed, or completed as directed by the City Engineer.

4.2. Payment Procedures. Based upon applications for payment submitted by the Contractor to the City, the City shall make payments to the Contractor in accordance with Article 9 of the Standard Specifications, as modified by Article 9 of the City Special Provisions.

5. CONTRACT TIME.

A. Contract Time. The Contract Time shall be determined in accordance with the following:

Base Bid	45 Working Days
Alternate "A" Bid	10 Working Days
Alternate "B" Bid	3 Working Days

B. Initial Notice to Proceed. After the Agreement has been fully executed by the Contractor and the City, the City shall issue the "Notice to Proceed to Fulfill Preconstruction Requirements." The date specified in the Notice to Proceed to Fulfill Preconstruction Requirements constitutes the date of commencement of the Contract Time of forty-five (45) Working Days for the Base Bid, ten (10) Working Days for Alternate Bid "A", and three (3) Working Days for Alternate "B", **for a total of fifty-eight (58) Working Days for the project.** The Contract Time includes the time necessary to fulfill preconstruction requirements, and to complete construction of the Project (except as adjusted by subsequent Change Orders).

The Notice to Proceed to Fulfill Preconstruction Requirements shall further specify that Contractor must complete the preconstruction requirements within **ten (10) Working Days** after the date of commencement of the Contract Time; this duration is part of the Contract Time.

Preconstruction requirements include, but are not limited to, the following:

- Submitting and obtaining approval of Traffic Control Plans
- Submitting and obtaining approval of the Stormwater Pollution Prevention Plan (SWPPP)/Water Pollution Control Plan (WPCP)
- Submitting and obtaining approval of critical required submittals
- Installation of the approved Project Identification Signs
- Obtaining an approved no fee Encroachment Permit
- Notifying all agencies, utilities, residents, etc., as outlined in the Bidding Documents

If the City's issuance of a Notice to Proceed to Fulfill Preconstruction Requirements is delayed due to Contractor's failure to return the fully executed Agreement and insurance and bond documents within ten (10) Working Days after Contract award, then Contractor agrees to the deduction of one (1) Working Day from the number of days to complete the Project for every Working Day of delay in the City's receipt of said documents. This right is in addition to and does not affect the City's right to demand forfeiture of Contractor's Bid Security if Contractor persistently delays in providing the required documentation.

C. Notice to Proceed with Construction. After all preconstruction requirements are met and materials have been ordered in accordance with the Notice to Proceed to Fulfill Preconstruction Requirements, the City shall issue the "Notice to Proceed with Construction," at which time the Contractor shall diligently prosecute the Work, including corrective items of Work, day to day thereafter, within the remaining Contract Time.

6. LIQUIDATED DAMAGES AND CONTROL OF WORK.

6.1. Liquidated Damages. The Contractor and City (collectively, the "Parties") have agreed to liquidate damages with respect to Contractor's failure to fulfill the preconstruction requirements, and/or failure to complete the Work within the Contract Time. The Parties intend for the liquidated damages set forth herein to apply to this Contract as set forth in Government Code Section 53069.85. Contractor acknowledges and agrees that the liquidated damages are intended to compensate the City solely for Contractor's failure to meet the deadline for completion of the Work and will not excuse Contractor from liability from any other breach, including any failure of the Work to conform to the requirements of the Contract Documents.

In the event that Contractor fails to fulfill the preconstruction requirements and/or fails to complete the Work within the Contract Time, Contractor agrees to pay the City **\$500.00 per Calendar day** that completion of the Work is delayed beyond the Contract Time, as adjusted by Contract Change Orders. The Contractor will not be assessed liquidated damages for delays occasioned by the failure of the City or of the owner of a utility to provide for the removal or relocation of utility facilities.

The Contractor and City acknowledge and agree that the foregoing liquidated damages have been set based on an evaluation of damages that the City will incur in the event of late completion of the Work. The Contractor and City acknowledge and agree that the amount of such damages are impossible to ascertain as of the date of execution hereof and have agreed to such liquidated damages to fix the City's damages and to avoid later disputes. It is understood and agreed by Contractor that liquidated damages payable pursuant to this Agreement are not a penalty and that such amounts are not manifestly unreasonable under the circumstances existing as of the date of execution of this Agreement.

It is further mutually agreed that the City will have the right to deduct liquidated damages against progress payments or retainage and that the City will issue a Change Order or Construction Change Directive and reduce the Contract Price accordingly. In the event the remaining unpaid Contract Price is insufficient to cover the full amount of liquidated damages, Contractor shall pay the difference to the City.

6.2. **Owner is Exempt from Liability for Early Completion Delay Damages.** While the Contractor may schedule completion of all of the Work, or portions thereof, earlier than the Contract Time, the Owner is exempt from liability for and the Contractor will not be entitled to an adjustment of the Contract Sum or to any additional costs, damages, including, but not limited to, claims for extended general conditions costs, home office overhead, jobsite overhead, and management or administrative costs, or compensation whatsoever, for use of float time or for Contractor's inability to complete the Work earlier than the Contract Time for any reason whatsoever, including but not limited to, delay cause by Owner or other Excusable Compensable Delay. See Section 6-6 of the Standard Specifications and City Special Provisions regarding compensation for delays.

6.3. Any work completed by the Contractor after the issuance of a Stop Work Notice by the City shall be rejected and/or removed and replaced as specified in Section 2-11 of the Special Provisions.

7. **INSURANCE.**

7.1. **General.** The Contractor shall procure and maintain at its sole expense and throughout the term of this Agreement, any extension thereof, Commercial General Liability, Automobile Liability, and Workers' Compensation Insurance with such coverage limits as described herein.

7.2. **Additional Insured Endorsements.** The Contractor shall cause the insurance required by the Contract Document to include the City of Moreno Valley, the City Council and each member thereof, the Moreno Valley Housing Authority (MVHA), and the Moreno Valley Community Services District (CSD), and their respective officials, employees, commission members, officers, directors, agents, employees, volunteers and representatives as an additional insureds. For the Commercial General Liability coverage, said parties shall be named as additional insureds utilizing either:

1. Insurance Services Office ("ISO") Additional Insured endorsement CG 20 10 (11/85); or
2. ISO Additional Insured endorsement CG 20 10 (10/01) and Additional Insured Completed Operations endorsement CG 20 37 (10/01); or
3. Substitute endorsements providing equivalent coverage, approved by the City.

The endorsements shall be signed by a person authorized by the insurer to bind coverage on its behalf. The coverage shall contain no special limitations on the scope of protection afforded to such additional insureds. Coverage for such additional insureds does not extend to liability to the extent prohibited by Insurance Code Section 11580.4.

7.3. **Waivers of Subrogation.** All policies of insurance required by the Contract Documents shall include or be endorsed to provide a waiver by the insurers of any rights of recovery or subrogation that the insurers may have at any time against the City of Moreno Valley, the City

Standard Form of Agreement
00500-4

Council and each member thereof, the Moreno Valley Housing Authority (MVHA), and the Moreno Valley Community Services District (CSD), and their respective officials, employees, commission members, officers, directors, agents, employees, volunteers and representatives.

7.4. **Primary Coverage.** All policies and endorsements shall stipulate that the Contractor's (and the Subcontractors') insurance coverage shall be primary insurance as respects the City of Moreno Valley, the City Council and each member thereof, the Moreno Valley Housing Authority (MVHA), and the Moreno Valley Community Services District (CSD), and their respective officials, employees, commission members, officers, directors, agents, employees, volunteers and representatives, and shall be excess of the Contractor's (and its Subcontractors') insurance and shall not contribute with it.

7.5. **Coverage Applies Separately to Each Insured and Additional Insured.** Coverage shall state that the Contractor's (and its Subcontractors') insurance shall apply separately to each insured or additional insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. Coverage shall apply to any claim or suit brought by an additional insured against a named insured or other insured.

7.6. **Self-Insurance.** Any self-insurance (including deductibles or self-insured retention in excess of \$50,000) in lieu of liability insurance must be declared by Contractor and approved by the City in writing prior to execution of the Agreement. The City's approval of self-insurance, if any, is within the City's sole discretion and is subject to the following conditions:

1. Contractor must, at all times during the term of the Agreement and for a period of at least **one (1)** year after completion of the Project maintain and upon Owner's reasonable request provide evidence of:
 - (a) Contractor's "net worth" (defined as "total assets" [defined as all items of value owned by the Contractor including tangible items such as cash, land, personal property and equipment and intangible items such as copyrights and business goodwill]) minus total outside liabilities must be reflected in a financial statement for the prior fiscal year reflecting sufficient income and budget for Contractor to afford at least one loss in an amount equal to the amount of self-insurance;
 - (b) financial statements showing that Contractor has funds set aside/budgeted to finance the self-insured fund (i.e., Contractor has a program that fulfills functions that a primary insurer would fill; and
 - (c) a claims procedure that identifies how a claim is supposed to be tendered to reach the financing provided by the self-insured fund.
2. If at any time after such self-insurance has been approved Contractor fails to meet the financial thresholds or otherwise fails to comply with the provisions set forth in this Paragraph 7, at the option of the City:
 - (a) the Contractor shall immediately obtain and thereafter maintain the third party insurance required under this Paragraph 7 and otherwise on the terms required above; or
 - (b) the insurer shall reduce or eliminate such deductibles or self-insured retention as respects the City, its officers, officials, employees and volunteers; or

- (c) the Contractor shall procure a bond guaranteeing payment of losses and related investigation, claim administration, and defense expenses.

7.7. Insurer Financial Rating. Insurance companies providing insurance hereunder shall be rated A-:VII or better in Best's Insurance Rating Guide and shall be legally licensed and qualified to conduct insurance business in the State of California.

7.8. Notices to City of Cancellation or Changes. Each insurance policy described in this Paragraph 7 shall contain a provision or be endorsed to state that coverage will not be cancelled without **thirty (30) days'** prior written notice by certified or registered mail to the City (this obligation may be satisfied in the alternative by requiring such notice to be provided by Contractor's insurance broker and set forth on its Certificate of Insurance provided to the City), except that cancellation for non-payment of premium shall require (10) days prior written notice by certified or registered mail. If an insurance carrier cancels any policy or elects not to renew any policy required to be maintained by Contractor pursuant to the Contract Documents, Contractor agrees to give written notice to the City at the address indicated on the first page of the Agreement. Contractor agrees to provide the same notice of cancellation and non-renewal to the City that is required by such policy(ies) to be provided to the First Named Insured under such policy(ies). Contractor shall provide confirmation that the required policies have been renewed not less than seven (7) days prior to the expiration of existing coverages and shall deliver renewal or replacement policies, certificates and endorsements to the City Clerk within fourteen (14) days of the expiration of existing coverages. Contractor agrees that upon receipt of any notice of cancellation or alteration of the policies, Contractor shall procure within five (5) days, other policies of insurance similar in all respects to the policy or policies to be cancelled or altered. Contractor shall furnish to the City Clerk copies of any endorsements that are subsequently issued amending coverage or limits within fourteen (14) days of the amendment.

7.9. Commercial General Liability. Coverage shall be written on an ISO Commercial General Liability "occurrence" form CG 00 01 (10/01 or later edition) or equivalent form approved by the City for coverage on an occurrence basis. The insurance shall cover liability, including, but not limited to, that arising from premises operations, stop gap liability, independent contractors, products-completed operations, personal injury, advertising injury, and liability assumed under an insured contract. The policy shall be endorsed to provide the Aggregate Per Project Endorsement ISO form CG 25 03 (11/85). Coverage shall contain no contractors' limitation or other endorsement limiting the scope of coverage for liability arising from pollution, explosion, collapse, or underground (x, c, u) property damage. Contractor shall provide Products/Completed Operations coverage to be maintained continuously for a minimum of **one (1) year** after Final Acceptance of the Work.

Contractor shall maintain Commercial General Liability insurance with the following minimum limits: \$1,000,000 per occurrence / \$2,000,000 aggregate / \$2,000,000 products-completed operations.

7.10. Business Automobile Liability. Coverage shall be written on ISO form CA 00 01 (12/93 or later edition) or a substitute form providing equivalent coverage for owned, hired, leased and non-owned vehicles, whether scheduled or not, with \$1,000,000 combined single limit per accident for bodily injury and property damage. If necessary, the policy shall be endorsed to provide contractual liability coverage.

7.11. Workers' Compensation. Contractor shall comply with the applicable sections of the California Labor Code concerning workers' compensation for injuries on the job. Compliance is accomplished in one of the following manners:

1. Provide copy of permissive self-insurance certificate approved by the State of California; or
2. Secure and maintain in force a policy of workers' compensation insurance with statutory limits and Employer's Liability Insurance with a minimal limit of **\$1,000,000** per accident; or
3. Provide a "waiver" form certifying that no employees subject to the Labor Code's Workers' Compensation provision will be used in performance of this Contract.

7.12. **Subcontractors' Insurance.** The Contractor shall include all Subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each Subcontractor. All coverages for Subcontractors shall be subject to all of the requirements stated herein.

8. BONDS. The Contractor shall furnish a satisfactory Performance Bond meeting all statutory requirements of the State of California on the form provided by the City. The bond shall be furnished as a guarantee of the faithful performance of the requirements of the Contract Documents as may be amended from time to time, including, but not limited to, liability for delays and damages (both direct and consequential) to the City and the City's Separate Contractors and consultants, warranties, guarantees, and indemnity obligations, in an amount that shall remain equal to one hundred percent (100%) of the Contract Price.

The Contractor shall furnish a satisfactory Labor and Materials Payment Bond meeting all statutory requirements of the State of California on the form provided by the City in an amount that shall remain equal to one hundred percent (100%) of the Contract Price to secure payment of all claims, demands, stop notices, or charges of the State of California, of material suppliers, mechanics, or laborers employed by the Contractor or by any Subcontractor, or any person, firm, or entity eligible to file a stop notice with respect to the Work.

All bonds shall be executed by a California-admitted surety insurer. Bonds issued by a California-admitted surety insurer listed on the latest version of the U.S Department of Treasury Circular 570 shall be deemed accepted unless specifically rejected by the City. Bonds issued by sureties not listed in Treasury Circular 570 must be accompanied by all documents enumerated in California Code of Civil Procedure Section 995.660(a). The bonds shall bear the same date as the Contract. The attorney-in-fact who executes the required bonds on behalf of the surety shall affix thereto a certified and current copy of the power of attorney. In the event of changes that increase the Contract Price, the amount of each bond shall be deemed to increase and at all times remain equal to the Contract Price. The signatures shall be acknowledged by a notary public. Every bond must display the surety's bond number and incorporate the Contract for construction of the Work by reference. The terms of the bonds shall provide that the surety agrees that no change, extension of time, alteration, or modification of the Contract Documents or the Work to be performed thereunder shall in any way affect its obligations and shall waive notice of any such change, extension of time, alteration, or modification of the Contract Documents. The surety further agrees that it is obligated under the bonds to any successor, grantee, or assignee of the City.

Upon the request of any person or entity appearing to be a potential beneficiary of bonds covering payment of obligations arising under the Contract, the Contractor shall promptly furnish a copy of the bonds or shall authorize a copy to be furnished.

Should any bond become insufficient, or should any of the sureties, in the opinion of the City, become non-responsible or unacceptable, the Contractor shall, within ten (10) Calendar Days after receiving notice from the City, provide written documentation to the Satisfaction of the City that Contractor has secured new or additional sureties for the bonds; otherwise the Contractor shall be in

default of the Contract. No further payments shall be deemed due or will be made under Contract until a new surety(ies) qualifies and is accepted by the City.

9. RECORDS. The Contractor and its Subcontractors shall maintain and keep books, payrolls, invoices of materials, and Project records current, and shall record all transactions pertaining to the Contract in accordance with generally acceptable accounting principles. Said books and records shall be made available to the City of Moreno Valley, Riverside County, the State of California, the Federal Government, and to any authorized representative thereof for purposes of audit and inspection at all reasonable times and places. All such books, payrolls, invoices of materials, and records shall be retained for at least three (3) years after Final Acceptance.

10. INDEMNIFICATION.

10.1. **General.** To the fullest extent permitted by law, the Contractor assumes liability for and agrees, at the Contractor's sole cost and expense, to promptly and fully indemnify, protect, hold harmless and defend (even if the allegations are false, fraudulent, or groundless), the City of Moreno Valley, its City Council, the Moreno Valley Housing Authority (MVHA), and the Moreno Valley Community Services District (CSD), and all of their respective officials, officers, directors, employees, commission members, representatives and agents ("Indemnitees"), from and against any and all claims, allegations, actions, suits, arbitrations, administrative proceedings, regulatory proceedings, or other legal proceeds, causes of action, demands, costs, judgments, liens, stop notices, penalties, liabilities, damages, losses, anticipated losses of revenues, and expenses (including, but not limited to, any fees of accountants, attorneys, experts or other professionals, or investigation expenses), or losses of any kind or nature whatsoever, whether actual, threatened or alleged, arising out of, resulting from, or in any way (either directly or indirectly), related to the Work, the Project or any breach of the Contract by Contractor or any of its officers, agents, employees, Subcontractors, Sub-subcontractors, or any person performing any of the Work, pursuant to a direct or indirect contract with the Contractor ("Indemnity Claims"). Such Indemnity Claims include, but are not limited to, claims for:

- A. Any activity on or use of the City's premises or facilities;
- B. Any liability incurred due to Contractor acting outside the scope of its authority pursuant to the Contract, whether or not caused in part by an Indemnified Party;
- C. The failure of Contractor or the Work to comply with any Applicable Law, permit or orders;
- D. Any misrepresentation, misstatement or omission with respect to any statement made in the Contract Documents or any document furnished by the Contractor in connection therewith;
- E. Any breach of any duty, obligation or requirement under the Contract Documents, including, but not limited to any breach of Contractor's warranties, representations or agreements set forth in the Contract Documents;
- F. Any failure to coordinate the Work with City's Separate Contractors;
- G. Any failure to provide notice to any party as required under the Contract Documents;
- H. Any failure to act in such a manner as to protect the Project from loss, cost, expense or liability;
- I. Bodily or personal injury, emotional injury, sickness or disease, or death at any time to any persons including without limitation employees of Contractor;

- J. Damage or injury to real property or personal property, equipment and materials (including, but without limitation, property under the care and custody of the Contractor or the City) sustained by any person or persons (including, but not limited to, companies, corporations, utility company or property owner, Contractor and its employees or agents, and members of the general public);
- K. Any liability imposed by Applicable Law including, but not limited to criminal or civil fines or penalties;
- L. Any dangerous, hazardous, unsafe or defective condition of, in or on the Site, of any nature whatsoever, which may exist by reason of any act, omission, neglect, or any use or occupation of the Site by Contractor, its officers, agents, employees, or Subcontractors;
- M. Any operation conducted upon or any use or occupation of the Site by Contractor, its officers, agents, employees, or Subcontractors under or pursuant to the provisions of the Contract or otherwise;
- N. Any acts, errors, omission or negligence of Contractor, its officers, agents, employees, or Subcontractors;
- O. Infringement of any patent rights, licenses, copyrights or intellectual property which may be brought against the Contractor or Owner arising out of Contractor's Work, for which the Contractor is responsible; and
- P. Any and all claims against the City seeking compensation for labor performed or materials used or furnished to be used in the Work or alleged to have been furnished on the Project, including all incidental or consequential damages resulting to the City from such claims.

10.2. **Effect of Indemnitees' Active Negligence.** Contractor's obligations to indemnify and hold the Indemnitees harmless exclude only such portion of any Indemnity Claim which is attributable to the active negligence or willful misconduct of the Indemnitee, provided such active negligence or willful misconduct is determined by agreement of the parties or by findings of a court of competent jurisdiction. In instances where an Indemnitee's active negligence accounts for only a percentage of the liability for the Indemnity Claim involved, the obligation of Contractor will be for that entire percentage of liability for the Indemnity Claim not attributable to the active negligence or willful misconduct of the Indemnitee(s). Such obligation shall not be construed to negate, abridge or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described in this Paragraph 11. Subject to the limits set forth herein, the Contractor, at its own expense, shall satisfy any resulting judgment that may be rendered against any Indemnitee resulting from an Indemnity Claim. The Indemnitees shall be consulted with regard to any proposed settlement.

10.3. **Independent Defense Obligation.** The duty of the Contractor to indemnify and hold harmless the Indemnitees includes the separate and independent duty to defend the Indemnitees, which duty arises immediately upon receipt by Contractor of the tender of any Indemnity Claim from an Indemnitee. The Contractor's obligation to defend the Indemnitee(s) shall be at Contractor's sole expense, and not be excused because of the Contractor's inability to evaluate liability or because the Contractor evaluates liability and determines that the Contractor is not liable. This duty to defend shall apply whether or not an Indemnity Claim has merit or is meritless, or which involves claims or allegations that any or all of the Indemnitees were actively, passively, or concurrently negligent, or which otherwise asserts that the Indemnitees are responsible, in whole or in part, for any Indemnity Claim. The Contractor shall respond within thirty (30) Calendar Days to the tender of any Indemnity Claim for defense and/or indemnity by an Indemnitee, unless the Indemnitee agrees

in writing to an extension of this time. The defense provided to the Indemnitees by Contractor shall be by well qualified, adequately insured and experienced legal counsel acceptable to the City.

10.4. Intent of Parties Regarding Scope of Indemnity. It is the intent of the parties that the Contractor and its Subcontractors of all tiers shall provide the Indemnitees with the broadest defense and indemnity permitted by Applicable Law. In the event that any of the defense, indemnity or hold harmless provisions in the Contract Documents are found to be ambiguous, or in conflict with one another, it is the parties' intent that the broadest and most expansive interpretation in favor of providing defense and/or indemnity to the Indemnitees be given effect.

10.5. Waiver of Indemnity Rights Against Indemnitees. With respect to third party claims against the Contractor, to the fullest extent permitted by law, the Contractor waives any and all rights to any type of express or implied indemnity against the Indemnitees.

10.6. Subcontractor Requirements. In addition to the requirements set forth hereinabove, Contractor shall ensure, by written subcontract agreement, that each of Contractor's Subcontractors of every tier shall protect, defend, indemnify and hold harmless the Indemnitees with respect to Indemnity Claims arising out of, in connection with, or in any way related to each such Subcontractors' Work on the Project in the same manner in which Contractor is required to protect, defend, indemnify and hold the Indemnitees harmless. In the event Contractor fails to obtain such defense and indemnity obligations from others as required herein, Contractor agrees to be fully responsible to the Indemnitees according to the terms of this Paragraph 11.

10.7. No Limitation or Waiver of Rights. Contractor's obligations under this Paragraph 11 are in addition to any other rights or remedies which the Indemnitees may have under the law or under the Contract Documents. Contractor's indemnification and defense obligations set forth in this Paragraph 11 are separate and independent from the insurance provisions set forth in the Contract Documents, and do not limit, in any way, the applicability, scope, or obligations set forth in such insurance provisions. The purchase of insurance by the Contractor with respect to the obligations required herein shall in no event be construed as fulfillment or discharge of such obligations. In any and all claims against the Indemnitees by any employee of the Contractor, any Subcontractor, any supplier of the Contractor or Subcontractors, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, the obligations under this Paragraph 11 shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Contractor or any Subcontractor or any supplier of either of them, under workers' or workmen's compensation acts, disability benefit acts or other employee benefit acts. Failure of the City to monitor compliance with these requirements imposes no additional obligations on the City and will in no way act as a waiver of any rights hereunder.

10.8. Withholding to Secure Obligations. In the event an Indemnity Claim arises prior to final payment to Contractor, the City may, in its sole discretion, reserve, retain or apply any monies due Contractor for the purpose of resolving such Indemnity Claims; provided, however, the City may release such funds if the Contractor provides the City with reasonable assurances of protection of the Indemnitees' interests. The City shall, in its sole discretion, determine whether such assurances are reasonable.

10.9. Survival of Indemnity Obligations. Contractor's obligations under this Paragraph 11 are binding on Contractor's and its Subcontractors' successors, heirs and assigns and shall survive the completion of the Work or termination of the Contractor's performance of the Work.

11. FEDERAL REQUIREMENTS. If the Contractor or Subcontractor is performing work on Section 3, Housing and Urban Development Act of 1968, projects for which the amount of the assistance exceeds \$200,000 and the contract or subcontract exceeds \$100,000:

11.1 The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

11.2 The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implements Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

11.3 The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

11.4 The contractor agrees to include this Section 3 Clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 Clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

11.5 The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

11.6 Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

11.7 With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to

the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

12. SUCCESSORS AND ASSIGNS. The Parties bind themselves, their heirs, executors, administrators, successors and assigns the covenants, agreements and obligations contained in the Contract Documents. The Contractor shall not, either voluntarily or by action of law, assign any right or obligation of the Contractor under the Contract Documents without prior written consent of the City.

(SIGNATURE PAGE FOLLOWS)

CITY OF MORENO VALLEY, Municipal Corporation

F S Construction

BY: _____
City Manager

License No./
Classification: _____

DATE: _____

Expiration Date: _____

Federal I.D. No.: _____

<u>INTERNAL USE ONLY</u>	
APPROVED AS TO LEGAL FORM:	
_____	_____
City Attorney	
_____	_____
Date	
RECOMMENDED FOR APPROVAL:	
_____	_____
Public Works Director/City Engineer <i>(if contract exceeds \$15,000)</i>	
_____	_____
Date	
_____	_____
Chief Financial Officer	
_____	_____
Date	

PRINT NAME: _____

SIGNATURE: _____

TITLE: _____

DATE: _____

PRINT NAME: _____

SIGNATURE: _____

TITLE: _____

DATE: _____

SIGNING INSTRUCTIONS TO THE CONTRACTOR:

Signature(s) must be accompanied by a completed notary certificate of acknowledgement attached hereto. A general partner must sign on behalf of a partnership. **Two (2)** corporate officers must sign on behalf of a corporation unless the corporation has a corporate resolution that allows one person to sign on behalf of the corporation; if applicable, said resolution must be attached hereto. The corporate seal may be affixed hereto.

**CALIFORNIA ALL-PURPOSE
CERTIFICATE OF ACKNOWLEDGMENT
SAMPLE**

State of California

County of _____

On _____ before me, _____,
(Here insert name and title of the officer)

personally appeared _____

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledgement to me that he/she they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

(Notary Seal)

ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

BIDDER'S BOND SIGNATURE PAGE

(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages _____

Document Date _____

Additional Information

CAPACITY CLAIMED BY THE SIGNER

- Individual(s)
- Corporate Officer

(Title)

- Partner (s)
- Attorney-in-Fact
- Other _____

INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly appears above in the notary section or a separate acknowledgment form must property completed and attached to that document. The only exception is if a document is recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he~~/she/~~they~~, is/~~are~~) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
- Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
- Indicate title or type of attached document, number of pages and date.
- Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document.

Equal Employment Opportunity Certification

Excerpt From 41 CFR §60-1.4(b)

U.S. Department of Housing and Urban Development

Office of Housing
Federal Housing Commissioner

Department of Veterans Affairs

form HUD-92010 (3-2006)

The applicant hereby agrees that it will incorporate or cause to be incorporated into any contract for construction work, or modification thereof, as defined in the regulations of the Secretary of Labor at 41 CFR Chapter 60, which is paid for in whole or in part with funds obtained from the Federal Government or borrowed on the credit of the Federal Government pursuant to a grant, contract, loan insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan, insurance, or guarantee, the following equal opportunity clause:

During the performance of this contract, the contractor agrees as follows:

- (1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin, such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- (2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, or national origin.
- (3) The contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (4) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.
- (5) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be

anceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

- (7) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: **Provided, however,** That in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency the contractor may request the United States to enter into such litigation to protect the interests of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work:

Provided, That if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and Federally-assisted construction contracts pursuant to the Executive order and will carry out such sanctions and penalties for violation of the equal opportunity

Firm Name and Address

By
Title

clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

Excerpt from HUD Regulations

200.410 Definition of term "applicant".

- (a) In multifamily housing transactions where controls over the mortgagor are exercised by the Commissioner either through the ownership of corporate stock or under the provisions of a regulatory agreement, the term "applicant" as used in this subpart shall mean the mortgagor.
- (b) In transactions other than those specified in paragraph(a) of this section, the term "applicant" as used in this subpart shall mean the builder, dealer or contractor performing the construction, repair or rehabilitation work for the mortgagor or other borrower.

200.420 Equal Opportunity Clause to be included in contracts and subcontracts.

- (a) The following equal opportunity clause shall be included in each contract and subcontract which is not exempt:

During the performance of this contract, the contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, creed, color, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of the nondiscrimination clause.

(2) The contractor will in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard race, creed, color, or national origin.

(3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided, advising the said labor union or workers' representative of the contractor's commitments under this section, and shall post copies of the notices in conspicuous places available to employees and applicants for employment.

(4) The contractor will comply with all provisions of Executive Order 10925 of March 6 1961, as amended, and of the regulations, and relevant orders of the President's Committee on Equal Employment Opportunity created thereby.

(5) The contractor will furnish all information and reports required by Executive Order 10925 of March 6, 1961, as amended, and by the regulations, and orders of the said Committee, or pursuant thereto, and will permit access to his books, records, and accounts by HUD and the Committee for purposes of investigation to ascertain compliance with such regulations, and orders.

(6) In the event of the contractor's non-compliance with the nondiscrimination clause of this contract or with any of the said regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or Federally-assisted construction contracts in accordance with procedures authorized in Executive Order 10925 of March 6, 1961, as amended, and such other sanctions may be imposed and remedies invoked provided in the said Executive Order or by regulations, or order of the President's Committee on Equal Employment Opportunity, or as otherwise provided by law.

(7) The contractor will include the provisions of Paragraphs (1) through (7) in every subcontract or purchase order unless exempted by regulations, or orders of the President's Committee on Equal Employment Opportunity issued pursuant to Section 303 of Executive Order 10925 of March 6, 1961, as amended, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase orders as HUD may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by HUD, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

- (b) Except in subcontracts for the performance of construction work at the site of construction, the clause is not required to be inserted in subcontracts below the second tier. Subcontracts may incorporate by referenced to the equal opportunity clause.

200.425 Modification in and exemptions from the regulations in this subpart.

- (a) The following transactions and contracts are exempt from the regulations in this subpart:

(1) Loans, mortgages, contracts and subcontracts not exceeding \$10,000;

(2) Contract and subcontracts not exceeding \$100,000 for standard commercial supplies or raw material;

(3) Contracts and subcontracts under which work is to be or has been performed outside the United States and where no recruitment of workers within the United States is involved. To the extent that work pursuant to such contracts is done within the United States, the equal opportunity clause shall be applicable;

(4) Contracts for the sale of Government property where no appreciable amount of work is involved; and

(5) Contracts and subcontracts for an indefinite quantity which are not to extend for more than one year if the purchaser determines that the amounts to be ordered under any such contract or subcontract are not reasonably expected to exceed \$100,000 in the case of contracts or subcontracts for standard commercial supplies and raw materials, or \$10,000 in the case of all other contracts and subcontracts.

CONTRACTOR'S SECTION 3 AFFIRMATIVE ACTION PLAN

PROJECT NO. 801 0053 70 77, 801 0061 & 801 0054 70 77

**CYCLE 3 PEDESTRIAN ACCESS RAMPS ENHANCEMENTS &
CYCLE 4 PEDESTRIAN AND BICYCLE ENHANCEMENTS
Various Locations**

The undersigned contractor agrees to implement the following affirmative action steps directed at increasing the utilization of lower-income residents and business concerns located within the City of Moreno Valley.

1. Take affirmative action to ensure that employees or applicants for employment or training are not discriminated against because of race, color, religion, sex, or national origin.
2. Send a notice of Contractor's Section 3 commitment to each labor organization or representative of workers, and post a copy of the notice at a conspicuous place available to employees and applicants for employment or training.
3. To the greatest extent feasible, make a good faith effort to recruit for employment or training lower-income residents from the city, and to award contracts to business concerns which are located in or owned in substantial part by persons residing in the city through use of: Local advertising media, signs placed at the project site, and notification to community organizations and public or private institutions operating within or serving the project area such as Service Employment and Redevelopment (SER), Opportunities Industrialization Center (OIC), Urban League, Concentrated Employment Program, U.S. Employment Service, Chamber of Commerce, labor unions, trade associations, and business concerns.
4. Maintain a file of all low-income area residents who applied for employment or training either on their own or on referral from any source, and the action taken with respect to each area resident.
5. Maintain a file of all business concerns located in the city who submitted a bid for work on the project, and the action taken with respect to each bid.
6. Maintain records, including copies of correspondence, memoranda, etc., which document that affirmative action steps have been taken.
7. Incorporate the Section 3 clause provisions in all subcontracts, and require subcontractors to submit a Section 3 Affirmative Action Plan.
8. List project work force needs for the project by occupation, trade, skill level, and number of positions on the work force profile forms.
9. List information related to subcontracts to be awarded.

Dated: _____

Signed: _____

Name: _____

Title: _____

Contractor's Section 3 Affirmative Action Plan
00502-1

NOTICE of SECTION 3 COMMITMENT

PROJECT NO. 801 0053 70 77, 801 0061 & 801 0054 70 77

**CYCLE 3 PEDESTRIAN ACCESS RAMPS ENHANCEMENTS &
CYCLE 4 PEDESTRIAN AND BICYCLE ENHANCEMENTS
Various Locations**

TO: _____
(Name of Labor Union, Worker's Representative, etc.)

(Address)

The undersigned currently holds a contract with the City of Moreno Valley involving Community Development Block Grant funds from the U.S. Department of Housing and Urban Development, or a subcontract with a prime contractor holding such contract.

You are advised that under the provisions of the above contract or subcontract, and in accordance with Section 3 of the Housing and Urban Development Act of 1968, the undersigned is obliged, to the greatest extent feasible, to give opportunities for employment and training to lower-income persons residing within the city where the project is located, and to award contracts for work on the project to business concerns which are located in or are owned in substantial part by persons residing in the city.

This notice is furnished to you pursuant to the provisions of the above contract or subcontract and Section 3 of the Housing and Urban Development Act of 1968.

A copy of this notice will be posted by the undersigned in a conspicuous place available to employees or applicants for employment.

Dated: _____ Signed: _____

Name: _____

Title: _____

CONTRACTOR'S BONDS

BOND NO. _____

PREMIUM \$ _____

**FAITHFUL PERFORMANCE BOND
(100% of Total Contract Price)**

PROJECT NO. 801 0053 70 77, 801 0061 & 801 0054 70 77

**CYCLE 3 PEDESTRIAN ACCESS RAMPS ENHANCEMENTS &
CYCLE 4 PEDESTRIAN AND BICYCLE ENHANCEMENTS
Various Locations**

KNOW ALL MEN AND WOMEN BY THESE PRESENTS:

THAT WHEREAS, the City Council of the City of Moreno Valley, State of California, known as "City," has awarded to _____, as Principal hereinafter designated as "Contractor" and have entered into an Agreement whereby the Contractor agrees to construct or install and complete certain designated public improvements, which said Agreement, effective on the date signed by the City of Moreno Valley, and identified as **Project No. 801 0053 70 77, 801 0061 & 801 0054 70 77**, and all Contract Documents are hereby referred to and made a part hereof; and

WHEREAS, said Contractor under the terms of said Contract Documents is required to furnish a bond guaranteeing the faithful performance of said Agreement;

NOW THEREFORE, we the undersigned Contractor and _____, as Surety, are held and firmly bound unto the City of Moreno Valley, County of Riverside in the penal sum of _____ dollars, (\$ _____), lawful money of the United States, to be paid to the said City or its certain attorney, its successors and assigns; for which payment, well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally liable (CCP 995.320 (a)(1)), firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that if the above bound Contractor, his or her or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in said Contract Documents and any alterations thereof made as therein provided, on his or her or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the City of Moreno Valley, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect. In the event suit is brought upon this bond by the City and judgement is recovered, the Surety shall pay all costs incurred by the City in such suit, including a reasonable attorney fee to be fixed by the court.

The Surety hereby stipulates and agrees that no change, extension of time, alteration, or addition to the terms of the Contract Documents or to the Work to be performed thereunder, or the Provisions accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract Documents or to the Work or the Provisions.

(SIGNATURE PAGE FOLLOWS)

BOND NO. _____

IN WITNESS WHEREOF, we have hereunto set our hands, and seals on this _____ day
of _____ 20____.

CONTRACTOR (Principal)

SURETY

Contractor Name: _____

Name: _____

Address: _____

Address: _____

Telephone No.: _____

Telephone No.: _____

Print Name: _____

Print Name: _____
Attorney-in-Fact

Signature: _____

Signature: _____

Approved as to Form this

_____ day of _____ 20____

City Attorney
City of Moreno Valley

NOTE:

- The bond shall be executed by a California admitted surety insurer (CCP 995.311).
- The bond shall include an attached Notary Certificate for the Attorney-in-Fact.
- The bond shall include an attached Notary Certificate for the Bidder.
- The bond shall include an attached original Power of Attorney only authorizing the Attorney-in-Fact to act for the Surety.
- The bond shall include the address at which the Principal (Bidder) and Surety may be served with notices, papers and other documents.
- The Bidder's and Surety's corporate seal may be affixed hereto.

**CALIFORNIA ALL-PURPOSE
CERTIFICATE OF ACKNOWLEDGMENT
SAMPLE**

State of California

County of _____

On _____ before me, _____,
(Here insert name and title of the officer)
personally appeared _____,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledgement to me that he/she they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

(Notary Seal)

ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

BIDDER'S BOND SIGNATURE PAGE
(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages _____

Document Date _____

Additional Information

CAPACITY CLAIMED BY THE SIGNER

- Individual(s)
- Corporate Officer

(Title)

- Partner (s)
- Attorney-in-Fact
- Other _____

INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly appears above in the notary section or a separate acknowledgment form must property completed and attached to that document. The only exception is if a document is recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he~~/she/~~they~~, is/~~are~~) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
- Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
- Indicate title or type of attached document, number of pages and date.
- Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document.

BOND NO. _____

PREMIUM \$ _____

**LABOR AND MATERIALS PAYMENT BOND
(100% of Total Contract Amount)**

PROJECT NO. 801 0053 70 77, 801 0061 & 801 0054 70 77

**CYCLE 3 PEDESTRIAN ACCESS RAMPS ENHANCEMENTS &
CYCLE 4 PEDESTRIAN AND BICYCLE ENHANCEMENTS
Various Locations**

KNOW ALL MEN AND WOMEN BY THESE PRESENTS

THAT WHEREAS, the City Council of the City of Moreno Valley, State of California, known as "City", has awarded to _____, as Principal hereinafter designated as "Contractor" and have entered into an Agreement whereby the Contractor agrees to construct or install and complete certain designated public improvements, which said Agreement, effective on the date signed by the City of Moreno Valley, and identified as **Project No. 801 0053 70 77, 801 0061 & 801 0054 70 77**, and Contract Documents are hereby referred to and made a part hereof; and

WHEREAS, said Contractor under the terms of said Contract Documents is required to furnish a bond to secure the payment of claims of laborers, mechanics, materialmen, and other persons, as provided by law;

NOW, THEREFORE, we the undersigned Contractor and _____, as Surety are held and firmly bound unto the City of Moreno Valley, County of Riverside, in the penal sum of _____ dollars, (\$ _____), lawful money of the United States, for which payment, well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally liable (CCP 995.320 (a)(1)), firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that if said Contractor, his or her or its heirs, executors, administrator, successors or assigns, or subcontractors, shall fail to pay any of the persons described in the State of California Civil Code, Section 3181, or amounts due under the Unemployment Insurance Code with respect to work or labor performed by any such claimant, or any amounts required to be deducted, withheld, and paid over to the Franchise Tax Board from the wages of employees of the Contractor and his or her subcontractors, pursuant to Section 13020, of the Unemployment Insurance Code, with respect to such work and labor, that the Surety or Sureties herein will pay for the same in an amount not exceeding the sum specified in this bond, otherwise the above obligation shall be void. In the event suit is brought upon this bond by the City or other person entitled to bring such an action and judgement is recovered, the Surety shall pay all costs incurred by the City in such suit, including a reasonable attorney fee to be fixed by the court.

This bond shall inure to the benefit of any of the persons described in the State of California Civil Code Section 3181, to give a right of action to such persons or their assigns in any suit brought upon this bond.

(SIGNATURE PAGE FOLLOWS)

BOND NO. _____

IN WITNESS WHEREOF, we have hereunto set our hands, and seals on this _____ day
of _____ 20____.

CONTRACTOR (Principal)

SURETY

Contractor Name: _____

Name: _____

Address: _____

Address: _____

Telephone No.: _____

Telephone No.: _____

Print Name: _____

Print Name: _____
Attorney-in-Fact

Signature: _____

Signature: _____

Approved as to Form this

_____ day of _____ 20____

City Attorney
City of Moreno Valley

NOTE:

- The bond shall be executed by a California admitted surety insurer (CCP 995.311).
- The bond shall include an attached Notary Certificate for the Attorney-in-Fact.
- The bond shall include an attached Notary Certificate for the Bidder.
- The bond shall include an attached original Power of Attorney only authorizing the Attorney-in-Fact to act for the Surety.
- The bond shall include the address at which the Principal (Bidder) and Surety may be served with notices, papers and other documents.
- The Bidder's and Surety's corporate seal may be affixed hereto.

**CALIFORNIA ALL-PURPOSE
CERTIFICATE OF ACKNOWLEDGMENT
SAMPLE**

State of California

County of _____

On _____ before me, _____,
(Here insert name and title of the officer)

personally appeared _____,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledgement to me that he/she they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature of Notary Public

(Notary Seal)

ADDITIONAL OPTIONAL INFORMATION

INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly appears above in the notary section or a separate acknowledgment form must property completed and attached to that document. The only exception is if a document is recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he~~/she/~~they~~, is/~~are~~) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
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- Signature of the notary public must match the signature on file with the office of the county clerk.
- Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
- Indicate title or type of attached document, number of pages and date.
- Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document.

DESCRIPTION OF THE ATTACHED DOCUMENT

BIDDER'S BOND SIGNATURE PAGE
(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages _____

Document Date _____

Additional Information

CAPACITY CLAIMED BY THE SIGNER

- Individual(s)
- Corporate Officer

(Title)

- Partner (s)
- Attorney-in-Fact
- Other _____

**CITY OF MORENO VALLEY
SUPPLEMENTARY GENERAL CONDITIONS**

The following provisions, pursuant to 44 Code of Federal Regulations, Part 13, Subpart C, Section 13.36, as it may be amended from time to time, are included in the Agreement and are required to be included in all subcontracts entered into by CONTRACTOR for work pursuant to the Agreement, unless otherwise expressly provided herein. These provisions supersede any conflicting provisions in the General Conditions and shall take precedence over the General Conditions for purposes of interpretation of the General Conditions. These provisions do not otherwise modify or replace General Conditions not in direct conflict with these provisions. Definitions used in these provisions are as contained in the General Conditions.

- (1) CONTRACTOR shall be subject to the administrative, contractual, and legal remedies provided in the General Conditions in the event CONTRACTOR violates or breaches terms of the Agreement.
- (2) CITY may terminate the Agreement for cause or for convenience, and CONTRACTOR may terminate the Agreement, as provided the General Conditions.
- (3) CONTRACTOR shall comply with Executive Order 11246 of September 24, 1965, entitled Equal Employment Opportunity, as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR chapter 60). (All construction contracts awarded in excess of \$10,000 by CITY and/or subcontracts in excess of \$10,000 entered into by CONTRACTOR.)
- (4) CONTRACTOR shall comply with the Copeland Anti-Kickback Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR Part 3) (All contracts and subcontracts for construction or repair.)
- (5) CONTRACTOR shall comply with the Davis-Bacon Act (40 U.S.C. 276a to 276a7) as supplemented by Department of Labor regulations (29 CFR Part 5).
- (6) CONTRACTOR shall comply with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327330) as supplemented by Department of Labor regulations (29 CFR Part 5).
- (7) CONTRACTOR shall observe CITY requirements and regulations pertaining to reporting included in the General Conditions.
- (8) Patent rights with respect to any discovery or invention which arises or is developed in the course of or under the Agreement shall be retained by the CITY.

- (9) Copyrights and rights in data developed in the course of or under the Agreement shall be the property of the CITY. FEMA/CalOES reserve a royalty-free, nonexclusive, irrevocable license to reproduce, publish or otherwise use or authorize to others to use for federal purposes a copyright in any work developed under the Agreement and/or subcontracts for work pursuant to the Agreement.
- (10) CONTRACTOR shall provide access by the City, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.
- (11) CONTRACTOR shall retain all required records for three years after CITY makes final payments and all other pending matters relating to the Agreement are closed.
- (12) CONTRACTOR shall comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). (This provision applies to contracts exceeding \$100,000 and to subcontracts entered into pursuant to such contracts.)
- (13) CONTRACTOR shall comply with mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94163, 89 Stat. 871).

City of Moreno Valley	Contractor/Consultant Name
BY: _____	BY: _____
	TITLE: _____ <i>(Select only one please)</i> (President or Vice President)
_____	_____
Date	Date
	BY: _____
	TITLE: _____ (Corporate Secretary)

	Date

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>MJD</i>

Report to City Council

TO: Mayor and City Council

FROM: Ahmad R. Ansari, P.E. Public Works Director/City Engineer

AGENDA DATE: January 6, 2015

TITLE: APPROVAL OF POWER PURCHASE AGREEMENT BETWEEN WHITNEY POINT SOLAR, LLC (AS SELLER) AND POWER AND WATER RESOURCES POOLING AUTHORITY (PWRPA), PITTSBURG POWER COMPANY, EASTSIDE POWER AUTHORITY, AND THE CITY OF MORENO VALLEY (TOGETHER, AS BUYERS)

RECOMMENDED ACTION

Recommendations:

1. Approve the Power Purchase Agreement between Whitney Point Solar, LLC (as Seller) and Power and Water Resources Pooling Authority (PWRPA), Pittsburg Power Company, Eastside Power Authority, and the City of Moreno Valley (as Buyers).
2. Authorize the City Manager to execute the Power Purchase Agreement.

SUMMARY

All publicly owned utilities must adopt a Renewables Portfolio Standard (RPS) program with mandated goals for purchasing energy generated through eligible renewable sources. Common renewable resources include biomass, water (small hydro), geothermal, wind, and solar energy. This report recommends approval of an agreement through which Moreno Valley Utility will purchase renewable energy from the Whitney Point solar generating facility being developed by NextEra Energy Resources. The City of Moreno Valley is one of several buyers in the project; the other buyers include PWRPA, Pittsburg Power Company, and Eastside Power Authority.

DISCUSSION

On June 11, 2013, the City Council approved Resolution No. 2013-37 adopting a Renewable Energy Procurement Plan pursuant to Senate Bill 2-1X (SB 2X). SB 2X requires all publicly owned utilities to adopt a RPS program with prescribed goals for procuring renewable energy resources and the criteria for achieving such goals. The goals for procuring renewable energy are as follows:

- Procurement targets are described as a percentage of retail sales –
 - Compliance Period One: an average of 20% RPS eligible resource procurement
 - Compliance Period Two: by December 31, 2016, 25% RPS eligible resource procurement
 - Compliance Period Three: by December 31, 2020, 33% RPS eligible resource procurement

PWRPA is a joint-powers authority comprised of nine irrigation districts that are located in the Sacramento-San Joaquin and coastal counties of California. PWRPA issued a Renewable Supply Request for Offers in January, 2014 and selected NextEra Energy Resources' proposed Whitney Point Solar Project.

The Whitney Point Solar Project is a 20 MW photovoltaic power project located in Fresno County. The expected commercial operation date of the facility is November 15, 2016. The guaranteed commercial operation date is December 31, 2016.

The output of the project is allocated as follows:

- Eastside Power Authority 2.0 MW
- Pittsburg Power Company 2.5 MW
- City of Moreno Valley 4.5 MW
- PWRPA 11.0 MW

The terms of the Power Purchase Agreement include a fixed price less than \$60.00 per MWh over 20 years for the energy and renewable attributes. If the Seller fails to achieve commercial operation by December 31, 2016, the Seller will pay daily penalties to the Buyers, and the Buyers will have the right to terminate the agreement if commercial operation is not achieved by December 31, 2017. If the Seller fails to achieve any Key Milestone by the applicable Milestone Date, the Seller shall pay to each Buyer liquidated damages in an amount equal to the Buyer's proportionate share of the total due to the Buyers. In addition, the Agreement may be terminated early for numerous reasons including: (1) mutual written agreement of each of the Parties; (2) pursuant to a default by a Party; and (3) pursuant to certain Force Majeure events.

MVU's allocation in this project will count towards the renewable energy requirement for Compliance Period 3 as defined in the Renewable Energy Procurement Plan, and

conforms to the policies established by the 10-Year Resource Plan that the City Council approved on June 11, 2013.

ALTERNATIVES

1. Approve the Power Purchase Agreement. Staff recommends this alternative. *The approval of this Agreement will help the City to comply with the State mandate for the purchase of renewable energy.*
2. Do not approve the Power Purchase Agreement. Staff does not recommend this alternative. *The City could be found non-compliant with the State mandate for renewable energy.*

FISCAL IMPACT

The Project will require no contributions to construction costs, and therefore will have no fiscal impact for Fiscal Year 14/15 or Fiscal Year 15/16. MVU will only pay for the actual energy received beginning in 2017. The projected average annual cost is approximately \$200,000, based on anticipated Project output and an offset for the value of energy.

CITY COUNCIL GOALS

POSITIVE ENVIRONMENT:

The diversified portfolio of the City's power supply resources will foster a positive environment and potentially help contribute to the reduction of the State's reliance on fossil-fueled generation.

NOTIFICATION

Posting of the Agenda.

ATTACHMENTS

Attachment 1 – Power Purchase Agreement

Prepared By:
Jeannette Olko
Electric Utility Division Manager

Department Head Approval:
Ahmad R. Ansari, P.E.
Public Works Director/City Engineer

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POWER PURCHASE AGREEMENT

AMONG

WHITNEY POINT SOLAR, LLC
(as “Seller”)

AND

POWER AND WATER RESOURCES POOLING AUTHORITY

AND

PITTSBURG POWER COMPANY

AND

EASTSIDE POWER AUTHORITY

AND

CITY OF MORENO VALLEY

(together, as “Buyers”)

Dated as of _____, 2015

(Effective Date)

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POWER PURCHASE AGREEMENT

PARTIES

THIS POWER PURCHASE AGREEMENT (this “*Agreement*”), dated as of this ___ day of _____, 2015, is being entered into by and among the POWER AND WATER RESOURCES POOLING AUTHORITY, a joint powers authority and a public entity organized under the laws of the State of California and created under the provisions of the Act (“*PWRPA*”), the PITTSBURG POWER COMPANY, a joint powers agency organized and existing under the laws of the State of California (“*Pittsburg Power*”), the EASTSIDE POWER AUTHORITY, a joint powers authority and a public entity organized under the laws of the State of California and created under the provisions of the Act (“*Eastside*”), and CITY OF MORENO VALLEY, a California municipal corporation organized and existing under the laws of the State of California (“*Moreno Valley*”) and WHITNEY POINT SOLAR, LLC, a limited liability company organized and existing under the laws of the State of Delaware (“*Seller*”). PWRPA, Pittsburg Power, Eastside and Moreno Valley are each referred to herein as a “*Buyer*,” and together as “*Buyers*.” Each Buyer and Seller is referred to individually in this Agreement as a “*Party*” and together as the “*Parties*.”

RECITALS

WHEREAS, Buyers have adopted policies to comply with the California Renewable Energy Resources Act that are designed to increase the amount of energy that they provide to their retail customers from eligible renewable energy resources; and

WHEREAS, Seller has agreed to sell to Buyers, and Buyers have agreed to purchase from Seller, certain renewable energy and associated environmental attributes for the purchase price set forth in Appendix A hereto; and

WHEREAS, the Parties desire to set forth the terms and conditions pursuant to which such sales and purchases shall be made.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing Recitals, which are incorporated herein, the mutual covenants and agreements herein set forth, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

ARTICLE I DEFINITIONS AND INTERPRETATION

Section 1.1 Definitions. The following terms in this Agreement and the appendices hereto shall have the following meanings when used with initial capitalized letters:

“**Act**” means all of the provisions contained in the California Joint Exercise of Powers Act found in Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California, beginning at California Government Code Section 6500 et seq.

“**Affiliate**” means, as to any Person, any other Person that, directly or indirectly, is in control of, is controlled by or is under common control with such Person or is a director or officer of such Person or of an Affiliate of such Person. As used in this Agreement, “control” shall mean the possession, directly or indirectly, of the power to direct or cause the direction of management, policies or activities of a Person, whether through ownership of voting securities, by contract or otherwise.

“**After-Tax Basis**” means, with respect to any payment received or deemed to have been received by any Person, the amount of such payment (the “Base Payment”) supplemented by a further payment (the “Additional Payment”) to such Person so that the sum of the Base Payment plus the Additional Payment shall, after deduction of the amount of all taxes required to be paid by such Person in respect of the receipt or accrual of the Base Payment and the Additional Payment (taking into account any current or previous credits or deductions arising from the underlying event giving rise to the payment, the Base Payment and the Additional Payment), be equal to the amount required to be received. Such calculations shall be made on the assumption that the recipient is subject to federal income taxation at the highest applicable statutory rate applicable to corporations for the relevant period or periods, is subject to state and local income taxation at the highest applicable statutory rates applicable to corporations doing business in the State of California and shall take into account the deductibility (for federal income tax purposes) of state and local income taxes. “Agreement” has the meaning set forth in the preamble to the Cover Sheet.

“**Agreement**” has the meaning set forth in the preamble of this Agreement, and includes Appendices A through O, and Schedules 6.5 and 12.2(h) attached hereto.

“**Agreement Term**” has the meaning set forth in Section 2.2(a).

“**Ancillary Documents**” means all other material agreements entered into by and between the Seller and Buyers, in each case, related to the Facility or the Site.

“**Annual Contract Quantity**” means, for each Contract Year, the number of MWh set forth on Appendix C.

“**Applicable MW Share**” means the amount, measured as a percentage of Contract Capacity, of Facility output allocated as of the Effective Date to PWRPA, Pittsburg Power, Eastside, and Moreno Valley, as set forth in Appendix M.

“**ASME**” means American Society of Mechanical Engineers.

“**Assumed Daily Deliveries**” has the meaning set forth in Section 13.4(d).

“**ASTM**” means American Society for Testing and Materials.

“**Authorized Auditors**” means representatives of any Buyer or a Buyer’s Authorized Representative who are authorized to conduct audits on behalf such Buyer.

“**Authorized Representative**” has the meaning set forth in Section 14.1.

“**AWS**” means American Welding Society.

“**Bankruptcy**” means any case, action or proceeding under any bankruptcy, reorganization, insolvency or receivership law or any dissolution or liquidation proceeding commenced by or against a Person and, if such case, action or proceeding is not commenced by such Person, such case or proceeding shall be consented to or acquiesced in by such Person or shall result in an order for relief or shall remain undismissed for ninety (90) days.

“**Brown Act**” has the meaning set forth in Section 14.21(d).

“**Business Day**” means any day that is not a Saturday, a Sunday, or a day on which commercial banks are required to be closed in San Francisco or Sacramento, California or New York, New York.

“**Buyer**” or “**Buyers**” has the meaning set forth in the preamble of this Agreement.

“**Buyer Collateral Event**” refers to any point in time when the Termination Payment that would be owed to Seller exceeds the Buyer Collateral Threshold.

“**Buyer Collateral Threshold**” means One-Hundred Thousand Dollars (\$100,000) times the Contract Capacity, allocated to each Buyer on the basis of such Buyer’s Applicable MW Share.

“**Buyer Indemnitees**” has the meaning set forth in Section 14.19(a).

“**Buyer Performance Assurance**” has the meaning set forth in Section 5.7(a)(i).

“**Buyers’ Agent**” means the agent appointed by Buyers pursuant to a written agreement among Buyers for the purpose of administering this Agreement on behalf of Buyers, which appointment may be changed from time to time, subject to the representation, warranty and covenant in Section 12.1(e), by written agreement among Buyers with notice thereof to Seller. Notice information for Buyers’ Agent shall be as set forth on Appendix J. As of the Effective Date, Buyers’ Agent shall be PWRPA.

“**Buyers’ Percentage of Facility Output**” means the percentage of Facility output allocated to each Buyer as set forth in Appendix M, as may be adjusted due to any withdrawal, termination or other change to the interest of a Buyer in the Facility as permitted or required by this Agreement, subject to the right, but not the obligation, of the remaining Buyers to take all or any portion of such partially terminated or withdrawn Buyer’s share of the Facility output.

“**Cal-OSHA**” means the California Occupational Safety & Health Administration.

“**CAISO**” means the California Independent System Operator.

“**CAISO Integration Amounts**” means fees, costs and charges that are: (a) at the time such fees, costs and charges come into existence (there are none applicable to generators as of the Effective Date), identified as an “Integration Cost Charge Code” on Appendix N, as updated by Seller from time to time with the consent of Buyers’ Agent (not to be unreasonably withheld)

due to changes in the CAISO Tariff or changes in CAISO procedures or practices, and (b) assessed by the CAISO to Seller in its capacity as Scheduling Coordinator for the Facility, and (c) result in a charge on Seller's Settlement Statement, and (d) are not already charged to Seller under any other provision to this Agreement.

“CAISO Integration Amounts Cost Cap” means the maximum dollar amount of CAISO Integration Amounts for which Seller is liable and shall equal [REDACTED – CONFIDENTIAL TRADE SECRET]

“CAISO Settlement Price” means the Locational Marginal Price at the Point of Delivery for each Settlement Interval, or, in the case of Replacement Product delivered to another CAISO node in accordance with Section 9.2, the LMP at such CAISO node for such deliveries of Replacement Product.

“CAISO Tariff” means the CAISO FERC Electric Tariff, Fifth Replacement Volume, including the rules, protocols, procedures and standards attached thereto, all as may be amended from time to time (unless the context herein refers to the CAISO Tariff as it existed as of the Effective Date).

“Calculation Period” means the twenty-four (24) month period immediately preceding the end of each Contract Year, commencing at the end of the second Contract Year, with the first and second Contract Year constituting the first Calculation Period.

“CAMD” means the Clean Air Markets Division of the EPA and any other state, regional or federal or intergovernmental entity or Person that is given authorization or jurisdiction or both over a program involving the registration, validation, certification or transferability of Environmental Attributes.

“Capacity Rights” means the rights, whether in existence as of the Effective Date or arising thereafter during the Agreement Term, to capacity, Local Capacity Requirement Attributes, associated attributes or reserves, or any of the foregoing as may in the future be defined by the CAISO, or any other balancing authority, reliability entity or Governmental Authority associated with the electric generating capability (based on the Contract Capacity) of the Facility, including the right to resell such rights.

“CEC” means California's State Energy Resources Conservation and Development Commission, also known as the California Energy Commission.

“CEC Certified” means that the CEC has certified that the Facility is an eligible renewable Energy resource in accordance with Public Utilities Code Section 399.12(e) and the guidelines adopted by the CEC, as amended from time to time, and any successor statute.

“CEC Performance Standard” means, at any time, the applicable greenhouse gas emissions performance standard in effect at such time for baseload electric generation facilities that are owned or operated (or both) by local publicly owned electric utilities, or for which a local publicly owned electric utility has entered into a contractual agreement for the purchase of power from such facilities, as established by the CEC or other Governmental Authority having jurisdiction over any Buyer.

“**CEQA**” means the California Environmental Quality Act, California Public Resources Code §§ 21000, et seq.

“**CEQA Determinations**” means that:

(a) The lead agency conducting the review of the Facility as required under CEQA shall have (i) reviewed and approved the CEQA Documents, (ii) issued a final land use entitlement or other discretionary permit for the Facility, and (iii) filed a Notice of Determination in compliance with CEQA; and

(b) The applicable period for any legal challenges to any action by either the lead agency or any responsible agency under CEQA shall have expired without any such challenge having been filed or, in the event of any such challenge, the challenge shall have been determined adversely to the challenger by final judgment or settlement.

“**CEQA Documents**” means a final environmental impact report, mitigated negative declaration or equivalent document upon which the lead agency issued a final approval for the Facility.

“**Change in Control**” means the occurrence, whether in a single transaction or in a series of related transactions, of any one or more of the following: (i) a merger or consolidation of Seller with or into any other Person, other than an Affiliate of Seller, or any other reorganization in which the members of Seller immediately prior to such consolidation, merger, or reorganization, or one or more Affiliates of Seller, own less than fifty percent (50%) of the equity ownership of the surviving entity or cease to have the power to control the management and policies of the surviving entity immediately after such consolidation, merger, or reorganization, (ii) any transaction or series of related transactions in which the power to control the management and policies of Seller is transferred to another Person, other than an Affiliate of Seller (iii) a sale, lease, or other disposition of all or substantially all of the assets of Seller to a Person other than an Affiliate of Seller, (iv) the dissolution or liquidation of Seller, or (v) any transaction or series of related transactions that has the substantial effect of any one or more of the foregoing; *provided, however*, that a Change in Control shall not include any Permitted Transaction.

“**Change in Law**” means a change to any WREGIS standards, rules, or requirements, or a change to any federal, state, local or other law (including any environmental law, EPS Law or RPS Law), resolution, standard, code, rule, ordinance, directive, regulation, order, judgment, decree, ruling, determination, permit, certificate, authorization, or approval of a Governmental Authority, including the adoption of any new law, resolution, standard, code, rule, ordinance, directive, regulation, order, judgment, decree, ruling, determination, permit, certificate, authorization, or approval.

“**Charge Codes**” has the meaning set forth in the CAISO Tariff.

“**Commercial Operation**” means all of the following have occurred:

(a) Construction of the Facility has been completed in accordance with the terms and conditions of this Agreement, “substantial completion” under the relevant construction

contracts has been achieved, and the Facility possesses all of the characteristics and satisfies all of the requirements set forth for the Facility in this Agreement;

(b) The Facility has successfully completed all testing required by Prudent Utility Practices or any Requirement of Law to operate the Facility;

(c) Seller has delivered to Buyers' Agent a certificate, executed by Seller and a Licensed Professional Engineer, substantially in the form attached hereto of Appendix L-2.

(d) Seller has obtained all Permits (including the CEQA Determinations) required for the operation and maintenance of the Facility in accordance with this Agreement, including the Permits identified on Appendix B-1, and all such Permits are final and non-appealable;

(e) Seller has entered into an agreement providing for the operation and maintenance of the Facility with a Qualified Operator;

(f) Each Buyer has received the Delivery Term Security as provided in Section 5.6 in a form reasonably acceptable to Buyers;

(g) The Facility is both authorized and able to operate and deliver Energy at the Contract Capacity in accordance with the Generator Interconnection Agreement, Prudent Utility Practices, the Requirements, and all Requirements of Law; *provided* that the Facility need not be CEC Certified as a condition to achieving Commercial Operation; and

(h) Seller has delivered to Buyers' Agent notice from the CAISO that the Facility has completed startup testing and has been approved by the CAISO to commence operations.

“Commercial Operation Date” means the date on which Commercial Operation of the Facility occurs, as determined pursuant to Section 3.3.

“Confidential Information” has the meaning set forth in Section 14.21(a).

“Construction Start Date” means the date on which Seller delivers to Buyers' Agent a written certification substantially in the form attached hereto as Appendix L-1.

“Contract Capacity” means 20 MW from the Commercial Operation Date, as measured by the sum of the inverter nameplate capacity of the Facility.

“Contract Price” means, for any period of time, the applicable Contract Price set forth in Appendix A.

“Contract Year” means (i) the period beginning on the Commercial Operation Date and ending at 24:00 hours on December 31 in the year during which the Commercial Operation Date occurs; (ii) the following twenty (20) calendar years, beginning on the first day of January following the end of the stub year described in (i) above, and each succeeding twelve-month

period up to and including the period ending with December 31 of such twentieth (20th) calendar year.

“**Costs**” has the meaning set forth in Section 13.4(g)(iii).

“**Cover Damages**” has the meaning set forth in Section 6.3.

“**CPRA**” has the meaning set forth in Section 14.21(d).

“**Credit Rating**” means, with respect to any entity, the rating then assigned to such entity’s unsecured, senior long-term debt obligations (not supported by third party credit enhancements) by S&P or Moody’s.

“**Curtailed Period**” means a period of time during the Delivery Term during which the generation of Facility Energy is required to be curtailed or reduced (in whole or part) as a result of an order, direction, alert, request, notice, instruction or directive from a Transmission Provider, the CAISO, WECC, NERC, or any other reliability entity due to (a) a System Emergency, (b) system improvements, curtailments, or scheduled and unscheduled repairs or maintenance at or downstream from the Point of Delivery, (c) an event of Force Majeure at or downstream from the Point of Delivery, or (d) over-generation or any other reason adversely affecting the normal function and operation of the CAISO grid or a Transmission Provider’s system, as may from time to time be identified by the CAISO, the Transmission Provider, WECC, NERC, or any other reliability entity. For the avoidance of doubt, the term “Curtailed Period” shall not include periods of time associated with curtailments directed by CAISO for economic reasons, including over-generation or other condition that is resolved through reliance on Economic Bids as that term is used in the CAISO Tariff.

“**Daily Delay Damages**” has the meaning set forth in Section 3.4(c).

“**Day-Ahead Market**” has the meaning set forth in the CAISO Tariff.

“**Deemed Generated Energy**” has the meaning set forth in Section 7.4(c).

“**Default**” has the meaning set forth in Section 13.1.

“**Defaulting Party**” has the meaning set forth in Section 13.1.

“**Delivery Term**” has the meaning set forth in Section 2.2(b).

“**Delivery Term Security**” has the meaning set forth in Section 5.6(b).

“**Dispute**” has the meaning set forth in Section 14.3(a).

“**Dispute Notice**” has the meaning set forth in Section 14.3(a).

“**Early Termination Date**” has the meaning set forth in Section 13.4(a).

“**Eastside**” has the meaning set forth in the preamble of this Agreement.

“**EI**” means Edison Electric Institute.

“**Effective Date**” has the meaning set forth in Section 2.1.

“**EIRP Forecast**” means the final forecast of the Energy to be produced by the Facility prepared by the CAISO in accordance with the Eligible Intermittent Resources Protocol for use in submitting a Schedule for the output of the Facility in the Real-Time Market.

“**Electric Metering Devices**” means all meters, metering equipment, and data processing equipment used to measure, record, or transmit data relating to the Facility Energy. Electric Metering Devices include the metering current transformers and the metering voltage transformers.

“**Eligible Intermittent Resources Protocol**” or “**EIRP**” means the Eligible Intermittent Resource Protocol, as may be amended from time to time, as set forth in the CAISO Tariff.

“**Energy**” means electrical energy.

“**Energy Only Deliverability Status**” means a condition elected by an Interconnection Customer for a Large Generating Facility interconnected with the CAISO Controlled Grid the result of which is that the Interconnection Customer is responsible only for the costs of Reliability Network Upgrades and is not responsible for the costs of Delivery Network Upgrades, but the Large Generating Facility will be deemed to have a Net Qualifying Capacity of zero, and, therefore, cannot be considered to be a Resource Adequacy Resource, with capitalized terms used in the preceding clause having the meanings given to such terms in the CAISO Tariff.

“**Environmental Attributes**” means RECs, and any and all other current or future credits, benefits, emissions reductions, offsets or allowances, howsoever entitled, named, registered, created, measured, allocated or validated that are (a) at any time recognized or deemed of value (or both) by any Buyer, applicable law, or any voluntary or mandatory program of any Governmental Authority or other Person, and (b) attributable to (i) generation by the Facility of Energy during the Delivery Term or any Replacement Product required to be delivered by Seller to Buyers during the Delivery Term, and (ii) the emissions or other environmental characteristics of such generation or such Replacement Product or its displacement of conventional or other types of Energy generation. Environmental Attributes include any of the aforementioned arising out of legislation or regulation concerned with oxides of nitrogen, sulfur, carbon, or any other greenhouse gas or chemical compound, particulate matter, soot, or mercury, or implementing the United Nations Framework Convention on Climate Change (the “**UNFCCC**”), the Kyoto Protocol to the UNFCCC, California’s greenhouse gas legislation (including California Assembly Bill 32 (Global Warming Solutions Act of 2006) and any regulations implemented pursuant to that act, including without limitation any compliance instruments accepted under the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms regulations of the California Air Resources Board or any successor regulations thereto), or any similar international, federal, state or local program or crediting “early action” with a view thereto, or laws or regulations involving or administered by the CAMD, and all Environmental Attribute Reporting Rights, including all evidences (if any)

thereof such as renewable Energy certificates of any kind. Environmental Attributes for purposes of this definition are separate from the Facility Energy. Environmental Attributes exclude (1) investment tax credits, any local, state or federal production tax credits, depreciation deductions or other tax credits providing a tax benefit to Seller or any other Person based on ownership or a security interest in the Facility or Energy production from any portion of the Facility, including any investment or production tax credit expected to be available to Seller with respect to the Facility, (2) depreciation deductions and benefits, and other tax benefits arising from ownership or operation of the Facility unrelated to its status as a generator of renewable or environmentally clean Energy, and (3) cash grants or other financial incentives from any local, state or federal government available to Seller with respect to the Facility.

“Environmental Attribute Reporting Rights” means all rights to report ownership of the Environmental Attributes to any Person, including under Section 1605(b) of the Energy Policy Act of 1992 (Title 42, United States Code § 13385) or any other current or future international, federal, state or local law, regulation or bill, or otherwise.

“Environmental Attributes Value” means the value of Environmental Attributes purchased by Buyers under this Agreement, stated in \$/MWh, determined based on a Renewable Energy Credit pricing index that has been mutually agreed upon by Seller and Buyers’ Agent or, if such index is not available, the value of the Environmental Attributes as determined by the average of three (3) nationally-recognized broker quotes for Environmental Attributes that meet the definition of Environmental Attributes set forth in this Agreement; *provided* that such index pricing or broker quotes shall relate to Environmental Attributes that are derived from comparable vintage and generation technology as the Environmental Attributes that are being replaced, and are from a generator that qualifies as an “eligible renewable energy resource” within the meaning of Section 399.16(b)(1)(A) of the California Public Utilities Code at the time of such pricing or broker quotes, as applicable.

“EPA” means the United States Environmental Protection Agency.

“EPC Contractor” means an engineering, procurement, and construction contractor, or if not utilizing an engineering, procurement and construction contractor, the entity having lead responsibility for the management of overall construction activities, selected by Seller, with substantial experience in the engineering, procurement, and construction of power plants of the same type of facility as Seller’s; *provided, however*, that Seller or Seller’s Affiliate(s) may serve as EPC Contractor.

“EPS Compliance” or **“EPS Compliant”** when used with respect to the Facility, means that the Facility satisfies both the PUC Performance Standard and the CEC Performance Standard in effect at the time; *provided*, if it is impossible for the Facility to satisfy both the PUC Performance Standard and the CEC Performance Standard in effect at any time, the Facility shall be deemed EPS Compliant if it satisfies the CEC Performance Standard in effect at the time and those portions of the PUC Performance Standard in effect at the time that it is possible for the Facility to satisfy while at the same time satisfying the CEC Performance Standard in effect at the time.

“EPS Law” means Sections 8340 and 8341 of the California Public Utilities Code.

“**Escrow Account**” has the meaning set forth in Section 5.6(a).

“**Excess Energy**” means, in any Contract Year, Facility Energy delivered in excess of one hundred twenty percent (120%) of the Annual Contract Quantity for such Contract Year, which deliveries shall be verified in invoices provided by Seller as set forth in Section 11.2(a)(i).

“**Facility**” means the 20 MW solar photovoltaic power generating facility described in Appendix B-1 and depicted on Appendix B-2, including all property interests and related transmission and other facilities.

“**Facility Energy**” means Energy generated by the Facility based on the Contract Capacity, less station load and transmission losses to the Point of Delivery, as measured by CAISO-approved Electric Metering Devices.

“**Facility Lender**” means any financing party or Tax Equity Investor providing senior or subordinated construction, interim or long-term debt or equity financing or refinancing for or in connection with the development, construction, purchase, installation or operation of the Facility, including in connection with any Tax Equity Transaction, any trustee or agent acting on their behalf, and any Person providing interest rate protection agreements to hedge any of the foregoing debt obligations.

“**Facility Lender Consent**” has the meaning set forth in Section 13.3.

“**FERC**” means the Federal Energy Regulatory Commission.

“**Fixed Rate**” means [REDACTED – CONFIDENTIAL TRADE SECRET]

“**Force Majeure**” has the meaning set forth in Section 14.6(b).

“**Force Majeure Notice**” has the meaning set forth in Section 14.6(a).

“**Forced Outage**” means the removal of service availability of the Facility, or any portion of the Facility, for emergency reasons or conditions in which the Facility, or any portion thereof, is unavailable due to unanticipated failure, including as a result of Force Majeure.

“**Full Capacity Deliverability Status**” or “**FCDS**” has the meaning set forth in the CAISO Tariff.

“**Full Capacity Deliverability Status Finding**” or “**FCDS Finding**” means a written confirmation from the CAISO that the Project is eligible for FCDS.

“**Gains**” has the meaning set forth in Section 13.4(g)(i).

“**GAAP**” means generally accepted accounting principles set forth in opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as may be approved by a significant segment of the accounting profession, in each case as the same are applicable to the circumstances as of the

date of determination.

“**Generator Interconnection Agreement**” means the agreement and associated documents (or any successor agreement and associated documentation approved by FERC) by and among Seller, Southern California Edison, and the CAISO governing the terms and conditions of Seller’s interconnection with the CAISO grid, including any description of the plan for interconnecting to the CAISO grid.

“**Governmental Authority**” means any federal, state, regional, city or local government, any intergovernmental association or political subdivision thereof, or other governmental, regulatory or administrative agency, court, commission, administration, department, board, or other governmental subdivision, legislature, rulemaking board, tribunal, or other governmental authority, or any Person acting as a delegate or agent of any Governmental Authority. The term “Governmental Authority” shall not include any Party.

“**Guaranteed Commercial Operation Date**” means December 31, 2016.

“**Guarantor Downgrade Event**” means, with respect to the issuer of a Guaranty, any event that results in (a) the failure of such issuer to maintain the Credit Rating of a Qualified Guarantor, or (b) the commencement by such issuer of involuntary or voluntary bankruptcy, insolvency, reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar proceeding (whether under any present or future statute, law or regulation).

“**Guaranteed Generation**” means, with respect to each Calculation Period, [REDACTED – CONFIDENTIAL TRADE SECRET] of the sum of the Annual Contract Quantity for the Contract Years in such Calculation Period, which amount shall be reduced by the aggregate amount of Deemed Generated Energy during all Seller Excused Hours during such Calculation Period.

“**Guaranty**” means a guaranty, security agreement, or any other document containing an obligation of a Qualified Guarantor in favor of, and supporting any obligations of, one Party to the other Party.

“**IEEE**” means the Institute of Electrical and Electronics Engineers.

“**Initial Delivery Date**” means the date that Seller first delivers Facility Energy to the Point of Delivery.

“**Initial Negative Intervals**” has the meaning set forth in Section 6.5(a)(ii).

“**Insurance**” means the policies of insurance as set forth in Appendix F.

“**Interest Rate**” has the meaning set forth in Section 11.3.

“**ISA**” means the Instrument Society of America.

“**Issuer Downgrade Event**” means, with respect to a financial institution, or a provider of a letter of credit or Escrow Account hereunder, any event that results in (a) the failure of such

financial institution to maintain the Credit Rating or organizational status of a Qualified Issuer, as applicable, or (b) the commencement by such a financial institution of involuntary or voluntary bankruptcy, insolvency, reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar proceeding (whether under any present or future statute, law or regulation), or (c) any Buyer electing to terminate any relationship with such Person pursuant to directives from any Governmental Authorities applicable to such Buyer.

“**Key Milestone**” means the Construction Start Date and the Guaranteed Commercial Operation Date.

“**Licensed Professional Engineer**” means an independent, professional engineer reasonably acceptable to Buyers’ Agent, licensed in the State of California, and otherwise qualified to perform the work required hereunder.

“**Lien**” means any mortgage, deed of trust, lien, security interest, retention of title or lease for security purposes, pledge, charge, encumbrance, equity, attachment, claim, easement, right of way, covenant, condition or restriction, leasehold interest, purchase right or other right of any kind, including any option, of any other Person in or with respect to any real or personal property.

“**Local Capacity Requirement Attributes**” means the benefits or attributes now or existing in the future based on the procurement obligations of Buyers with respect to local resource capacity requirements as prescribed by the PUC, the CAISO or other regional entity, and that are associated with the electric generating capability of the Facility.

“**Locational Marginal Price**” or “**LMP**” has the meaning set forth in Appendix C of the CAISO Tariff.

“**Losses**” has the meaning set forth in Section 13.4(g)(ii).

“**Major Maintenance Blockout**” has the meaning set forth in Section 4.4(a).

“**Milestone**” has the meaning set forth in Section 3.4(a).

“**Milestone Date**” has the meaning set forth in Section 3.4(a).

“**Moody’s**” means Moody’s Investor Services, Inc.

“**Month**” means a calendar month commencing at 00:00 Pacific Prevailing Time on the first day of such month and ending at 24:00 Pacific Prevailing Time on the last day of such month.

“**Moreno Valley**” has the meaning set forth in the preamble of this Agreement.

“**MW**” means megawatt in alternating current, or ac.

“**MWh**” means megawatt-hours.

“**NEER**” means NextEra Energy Resources, LLC.

“**NERC**” means the North American Electric Reliability Corporation.

“**NextEra YieldCo**” means, collectively, NextEra Energy Operating Partners, LP and any entity in which NextEra Energy Operating Partners, LP holds, directly or indirectly, fifty percent (50%) or more of the equity interests.

“**Non-Defaulting Party**” has the meaning set forth in Section 13.4(a).

“**Notice to Proceed**” means the notice provided by Seller to EPC Contractor by which Seller authorizes EPC Contractor to begin construction of the Facility without any delay or waiting periods.

“**Notifying Party**” has the meaning set forth in Section 14.3(a).

“**NP-15 Price**” means the CAISO NP-15 Trading Hub Day-Ahead Market hourly LMP, as published by the CAISO. For the avoidance of doubt, the NP-15 Price shall not include the value of any Environmental Attributes or Capacity Rights, if any.

“**OSHA**” means the Occupational Safety and Health Administration of the United States Department of Labor.

“**Outside Commercial Operation Date**” means December 31, 2017, which date shall not be subject to extension of any kind (except as provided in Section 3.4(d)).

“**Pacific Prevailing Time**” means the local time in the State of California.

“**Party**” or “**Parties**” has the meaning set forth in the preamble of this Agreement.

“**Performance Security**” means the Project Development Security or Delivery Term Security for the Facility, together or individually, as applicable.

“**Permits**” means all applications, permits, licenses, franchises, certificates, concessions, consents, authorizations, approvals, registrations, orders, filings, entitlements and similar requirements of whatever kind and however described that are required to be obtained or maintained by any Person with respect to the development, siting, design, acquisition, construction, equipping, financing, ownership, possession, shakedown, start-up, testing, operation or maintenance of the Facility, the production and delivery of Products from the Facility, including Facility Energy, Capacity Rights and Environmental Attributes, or any other transactions or matter contemplated by this Agreement (including those pertaining to electrical, building, zoning, environmental and occupational safety and health requirements), including the CEQA Determinations and the Permits described in Appendix B-1.

“**Permitted Encumbrances**” means (a) the Lien of any Facility Lender on the Facility, (b) any Lien approved by Buyers’ Agent in a writing separate from this Agreement that expressly identifies the Lien as a Permitted Encumbrance, and (c) other Liens secured by, or encumbrances on, the Facility that (i) at any time do not, in the aggregate, exceed Twenty-Five

Million Dollars (\$25,000,000), and (ii) satisfy one or more of the following criteria: (A) Liens for Taxes not yet due or for Taxes being contested in good faith by appropriate proceedings, (B) suppliers', vendors', mechanics', workman's, repairman's, employees' or other like Liens arising in the ordinary course of business for work or service performed or materials furnished in connection with the Facility for amounts the payment of which is either not yet delinquent or is being contested in good faith by appropriate proceedings, (C) Liens of any judgment, if such judgment shall not have remained undischarged or unstayed on appeal for more than three (3) months, (D) encumbrances consisting of zoning restrictions, licenses, easements, restrictions on the use of the Site and minor defects and irregularities in title which do not materially impair the use of the Site, the Facility or any portion thereof by Seller or materially impact the value of the Site, the Facility or any portion thereof, or (E) other Liens incidental to the conduct of Seller's business or the ownership of its property that were not incurred in connection with the borrowing of money or obtaining advances of credit and do not materially detract from the value of the Facility, or any portion thereof, or its use.

"Permitted Intervals Amount" means the Initial Negative Intervals Amount.

"Permitted Transaction" means any transaction or series of transactions in which (a) any equity interest in Seller are issued or transferred to another Person solely for the purpose of a Tax Equity Transaction; (b) all or substantially all of the assets or equity interests in NEER or its ultimate parent company are transferred to an Affiliate; (c) all or substantially all of NEER's or its ultimate parent company's renewable energy generation portfolio; (d) all or substantially all of NEER's or its ultimate parent company's solar generation portfolio are transferred to an Affiliate; (e) all or substantially all of the equity interests of NextEra YieldCo are transferred to an Affiliate; *provided, however*, that in each case the entity that operates the Facility following such transfer is (or contracts with) a Qualified Operator.

"Person" means any individual, corporation, partnership, joint venture, limited liability company, association, joint stock company, trust, unincorporated organization, entity, government or other political subdivision.

"Pittsburg Power" has the meaning set forth in the preamble of this Agreement.

"Point of Delivery" means the CAISO Pricing Node (as defined in the CAISO Tariff) to be established by CAISO at the 70kV switchyard on Pacific Gas and Electric Company's Schindler-Huron-Gates 70kV circuit and to be identified by notice from Seller to Buyers' Agent prior to the Commercial Operation Date, *provided* that in the case of Replacement Product, an alternative delivery point may designated in accordance with Section 9.2.

"Pre-Certification Period" has the meaning set forth in Section 6.1(d).

"Present Value Rate" means, at any date, the sum of 0.50% plus the yield reported on page "USD" of the Bloomberg Financial Markets Services Screen (or, if not available, any other nationally-recognized trading screen reporting on-line intraday trading in United States government securities) at 11:00 a.m. (New York City, New York time) for the United States government securities having a maturity that most nearly matches the Remaining Term at that date.

“**Products**” means any and all Facility Energy, Capacity Rights, Environmental Attributes, and ancillary products, services or attributes similar to the foregoing that are or can be produced by, or are associated with, the Contract Capacity of the Facility, whether now attainable or established in the future using commercially reasonable efforts, including delivered energy, renewable attributes, and renewable energy credits. The Products shall meet the standard of “Portfolio Content Category 1” as defined by RPS Law.

“**Project Development Security**” has the meaning set forth in Section 5.6(a).

“**Prudent Utility Practices**” means those practices, methods, and acts, that are commonly used by a significant portion of the solar-powered electric generation industry in prudent engineering and operations to design and operate electric equipment (including solar-powered facilities) lawfully and with safety, dependability, reliability, efficiency, and economy, including any applicable practices, methods, acts, guidelines, standards and criteria of the CAISO, FERC, NERC, WECC, as each may be amended from time to time, and all applicable Requirements of Law. Prudent Utility Practices are not intended to be limited to the optimum practice, method, or act, to the exclusion of all others, but rather is intended to include acceptable practices, methods, and acts generally accepted in the industry.

“**Public Utilities Code**” means the Public Utilities Code of the State of California, as may be amended from time to time.

“**PUC**” means the California Public Utilities Commission and any successor thereto.

“**PUC Performance Standard**” means, at any time, the greenhouse gas emission performance standard in effect at such time for baseload electric generation facilities owned or operated (or both) by load-serving entities and not local publicly-owned electric utilities, as established by the PUC or other Governmental Authority under the EPS Law.

“**PWRPA**” has the meaning set forth in the preamble of this Agreement.

“**QRE**” has the meaning set forth in Section 8.4.

“**Qualified Buyer Assignee**” means a third-party Person that is rated (a) “A3” or higher by Moody’s and “A-” or higher by S&P, if such Person is rated by both Moody’s and S&P, or (b) “A3” or higher by Moody’s or “A-” or higher by S&P if such Person is rated by either S&P or Moody’s, or (c) equivalent ratings by any other credit rating agency of recognized national standing.

“**Qualified Guarantor**” means a Person which at the time it is to provide a Guaranty (a) has a Credit Rating of at least BBB from S&P or Baa2 from Moody’s if rated by only one Ratings Agency or at least BBB- from S&P and Baa3 from Moody’s if rated by both Ratings Agencies, and (b) is incorporated or organized in a jurisdiction of the United States and is in good standing in such jurisdiction.

“**Qualified Issuer**” means a Person that maintains a United States domestic branch, and a Credit Rating of (a) “A3” or higher by Moody’s and “A-” or higher by S&P, if such Person is

rated by both Moody's and S&P or (a) "A3" or higher by Moody's, or "A-" or higher by S&P if such Person is rated by either S&P or Moody's.

"Qualified Operator" means (a) a Person that has at least three (3) years of operating experience with solar projects with an aggregate capacity of 5 MW ac or higher, (b) any Person identified on Appendix H or any such Person's Affiliates, or (c) any other Person reasonably acceptable to Buyers' Agent.

"Qualified Transferee" means a Person that (a) maintains a Credit Rating of (i) "Baa2" or higher by Moody's and "BBB" or higher by S&P, if such Person is rated by both Moody's and S&P or (ii) "Baa2" or higher by Moody's, or "BBB" or higher by S&P if such Person is rated by either S&P or Moody's, or (iii) equivalent ratings by any other credit rating agency of recognized national standing and retains, causes Seller to retain, a Qualified Operator to operate the Facility (or otherwise agrees not to interfere with the existing Qualified Operator for the Facility), or (b) is reasonably acceptable to Buyers' Agent.

"Real-Time Market" has the meaning set forth in the CAISO Tariff.

"REC" or "Renewable Energy Credit" means a certificate of proof associated with the generation of electricity from an eligible renewable energy resource, which certificate is issued through the accounting system established by the CEC pursuant to the RPS Law, evidencing that one (1) MWh of Energy was generated and delivered from such eligible renewable energy resource. Such certificate is a tradable environmental commodity (also known as a "green tag") for which the owner of the REC can prove that it has purchased renewable Energy.

"Recipient Party" has the meaning set forth in Section 14.3(a).

"Remedial Action Plan" has the meaning set forth in Section 3.4(a).

"Remaining Term" means, at any date, the remaining portion of the Delivery Term at that date without regard to any early termination of this Agreement.

"Replacement Capacity Rights" means Capacity Rights, if any, equivalent to those that would have been provided by the Facility during the Contract Year for which the Replacement Product is being provided.

"Replacement Energy" means Energy produced by a facility other than the Facility that, at the time delivered to Buyers, is (i) both RPS Compliant and EPS Compliant, (ii) qualifies under Public Utilities Code 399.16(b)(1), and (iii) includes Environmental Attributes that have the same or comparable value, including with respect to the timeframe for retirement of such Environmental Attributes, if any, as the Environmental Attributes that would have been generated by the Facility during the Contract Year for which the Replacement Energy is being provided.

"Replacement Price" means the price at which Buyers' Agent, acting in a commercially reasonable manner, purchases Replacement Product, or, absent such a purchase, (a) the NP-15 Price, plus (b) the price of the Environmental Attributes that would have been generated by the Facility valued at the Environmental Attributes Value, plus (c) the value of Capacity Rights, if

any, equivalent to those that would have been provided by the Facility, whether sold separately or bundled as a package, in each case, for the calculation period, all as reasonably calculated by Buyers' Agent.

“Replacement Product” means (a) Replacement Energy, and (b) Replacement Capacity Rights.

“Requirements” means, collectively, (a) any standards or requirements of ASTM, ASME, AWS, EPA, EEI, IEEE, ISA, National Electrical Code, National Electric Safety Code, OSHA, Cal-OSHA, Uniform Building Code, or Uniform Plumbing Code applicable to the design or construction of the Facility, (b) any applicable local county fire department standards or codes, (c) Prudent Utility Practices, (d) all applicable Requirements of Law, and (e) all other requirements of this Agreement.

“Requirement of Law” means any federal, state, local or other law (including any environmental law, EPS Law or RPS Law), resolution, standard, code, rule, ordinance, directive, regulation, order, judgment, decree, ruling, determination, permit, certificate, authorization, or approval of a Governmental Authority, including those pertaining to electrical, building, zoning, environmental and occupational safety and health requirements.

“Revenue Meter” has the meaning set forth in Section 11.6(a).

“ROFO” has the meaning set forth in Section 14.25(a).

“ROFO Notice” has the meaning set forth in Section 14.25(a).

“RPS Compliance” or **“RPS Compliant”** means, when used with respect to the Facility or any other facility at any time, that all Energy generated by such facility at all times shall, together with all of the associated Environmental Attributes, qualify as a “portfolio content category 1” eligible renewable resource under the RPS Law and meet the requirements of Public Utilities Code Section 399.16(b)(1).

“RPS Compliance Period” means each “Compliance Period” as defined in California Public Utilities Code Section 399.30(c).

“RPS Law” means the California Renewable Energy Resources Act, including the California Renewables Portfolio Standard Program, Article 16 of Chapter 2.3, Division 1 of the Public Utilities Code, California Public Resources Code § 25740 through 25751, any related regulations or guidebooks promulgated by the CEC or, as applicable, the PUC.

“SCADA” means the supervisory control and data acquisition system for the Facility.

“Schedule” or **“Scheduling”** means the actions of Seller and each Scheduler, their Authorized Representatives, and their Transmission Providers, if applicable, of notifying, requesting and confirming to the CAISO the amounts of Facility Energy and Replacement Product expected to be delivered consistent with the Scheduling interval at the Point of Delivery on any given date during the Delivery Term, all in the manner contemplated by the CAISO Tariff.

“**Scheduled Outage**” means any outage affecting more than ten percent (10%) of the Contract Capacity other than a Forced Outage.

“**Scheduled Outage Projection**” has the meaning set forth in Section 4.4(a).

“**Scheduler**” means the Persons conducting Scheduling on behalf of the Buyers. The contact information for each Scheduler is set forth in Section 4 of Appendix J.

“**Scheduling Coordinator**” has the meaning set forth in the CAISO Tariff.

“**Seller**” has the meaning set forth in the preamble of this Agreement.

“**Seller Excused Hour**” means an hour during which Seller is unable to produce or deliver Facility Energy from the Facility as a result of (a) curtailments, as set forth in Section 7.4, (b) a Scheduled Outage, (c) any Buyer’s failure to perform, or (d) Force Majeure.

“**Seller Indemnites**” has the meaning set forth in Section 14.19(b).

“**Settlement Interval**” has the meaning set forth in the CAISO Tariff.

“**Settlement Period**” has the meaning set forth in the CAISO Tariff.

“**Settlement Statement**” has the meaning set forth in the CAISO Tariff.

“**Shortfall Energy**” has the meaning set forth in Section 9.1.

“**Shortfall Damages**” has the meaning set forth in Section 9.3.

“**Shortfall Makeup Period**” means the Contract Year following the Contract Year during which Shortfall Energy accrues.

“**Site**” means the real property (including all fixtures and appurtenances thereto) and related physical and intangible property generally identified in Appendix B-1 and Appendix B-2 where the Facility is or will be located.

“**Site Control**” means that Seller (a) owns the Site; (b) is the lessee of the Site; (c) is the holder of a right-of-way grant or similar instrument with respect to the Site; (d) is the managing partner or other person or entity authorized to act in all matters relating to the control and operation of the Site and the Facility, or (e) has a binding option to purchase or lease the Site, in each case, so as to permit Seller to perform its obligations under this Agreement.

“**S&P**” means Standard & Poor’s Financial Services LLC.

“**Subcontract**” means any agreement or contract entered into on or after the Effective Date by Seller and a Person other than any Buyer or Buyers’ Agent, which Person is providing goods or services to Seller that are related to the performance of Seller’s obligations under this Agreement. Subcontracts specifically include any agreement or contract that is referred to or defined as a “subcontract” in the policies, ordinances, codes or laws with which Seller must

comply pursuant to this Agreement, or that is made with a “subcontractor” as such term is used or defined in such policies, ordinances, codes, or laws.

“**Subcontractor**” means any party to a Subcontract with Seller.

“**System Emergency**” has the meaning set forth in the CAISO Tariff.

“**Tax**” or “**Taxes**” means each federal, state, county, local and other (a) net income, gross income, gross receipts, sales, use, ad valorem, business or occupation, transfer, franchise, profits, withholding, payroll, employment, excise, property or leasehold tax and (b) customs, duty or other fee, assessment or charge of any kind whatsoever, together with any interest and any penalties, additions to tax or additional amount with respect thereto.

“**Tax Equity Transaction**” means, with respect to Seller, any transaction or series of transactions pursuant to which (i) a Person either (A) obtains less than a one hundred percent (100%) of the equity interest in Seller that has an interest in Seller, or (B) obtains all of the equity interest of Seller in connection with a sale-leaseback transaction (in either case, such Person, a “**Tax Equity Investor**”), and (ii) such Tax Equity Investor is allocated a share of profits, losses, and tax allocations associated with such equity interest or the Facility, as applicable.

“**Tax Equity Investor**” has the meaning set forth in the definition of “Tax Equity Transaction.”

“**Termination Notice**” has the meaning set forth in Section 13.4(a).

“**Termination Payment**” means a payment in an amount equal to the Non-Defaulting Party’s (a) Losses, plus (b) Costs, minus (c) Gains; *provided, however*, that if such amount is a negative number, the Termination Payment shall be equal to zero.

“**Test Energy**” means Facility Energy that is delivered to the Point of Delivery prior to the Commercial Operation Date.

“**Transmission Providers**” means Persons operating the Transmission System to and from the Point of Delivery.

“**Transmission Services**” means the transmission and other services required to transmit Facility Energy to or from the Point of Delivery.

“**Transmission System**” means the facilities utilized to provide Transmission Services.

“**UNFCCC**” has the meaning set forth in the definition of “Environmental Attributes.”

“**Unused Initial Negative Intervals Credit**” has the meaning set forth in Section 6.5(c).

“**WECC**” means the Western Electricity Coordinating Council.

“**WREGIS**” means Western Renewable Energy Generation Information System.

“**WREGIS Certificates**” has the meaning set forth in Section 8.4.

“**WREGIS Operating Rules**” means the rules describing the operations of the WREGIS, as published by WREGIS.

Other terms defined herein have the meanings so given when used in this Agreement with initial-capitalized letters.

Section 1.2 Interpretation. In this Agreement, unless a clear contrary intention appears:

- (a) time is of the essence
- (b) the singular number includes the plural number and vice versa;
- (c) reference to any Person includes such Person’s successors and assigns (regardless of whether such Person’s successors and assigns are expressly referenced in the provision) but, in case of a Party hereto, only if such successors and assigns are permitted by this Agreement, and reference to a Person in a particular capacity excludes such Person in any other capacity or individually;
- (d) reference to any gender includes the other;
- (e) reference to any agreement (including this Agreement), document, act, statute, law, instrument, tariff or Requirement means such agreement, document, act, statute, law, instrument, or tariff, or Requirement, as amended, modified, replaced or superseded and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof, regardless of whether the reference to the agreement, document, act, statute, law, instrument, tariff, or Requirement expressly refers to amendments, modifications, replacements, or successors;
- (f) reference to any Article, Section, or Appendix means such Article of this Agreement, Section of this Agreement, or such Appendix to this Agreement, as the case may be, and references in any Article or Section or definition to any clause means such clause of such Article or Section or definition;
- (g) “hereunder,” “hereof,” “hereto” and words of similar import shall be deemed references to this Agreement as a whole and not to any particular Article or Section or other provision hereof or thereof;
- (h) “including” (and with correlative meaning “include”) means including without limiting the generality of any description preceding such term, regardless of whether words such as “without limitation” are expressly included in the applicable provision;
- (i) relative to the determination of any period of time, “from” means “from and including,” “to” means “to but excluding” and “through” means “through and including”;

(j) unless otherwise indicated, reference to time shall always refer to Pacific Prevailing Time; and reference to any “day” shall mean a calendar day, unless otherwise indicated; and

(k) the word “or” will have the inclusive meaning represented by the phrase “and/or”, unless the context clearly indicates otherwise.

ARTICLE II EFFECTIVE DATE, TERM, AND EARLY TERMINATION

Section 2.1 Effective Date. This Agreement shall be effective as of the date on which all Parties have executed this Agreement (the “*Effective Date*”). Seller shall confirm its acknowledgement of the Effective Date by electronic mail to Buyers’ Agent as soon as reasonably practicable following the Effective Date, providing as attachments to such electronic mail electronic copies of (i) the cover page of this Agreement and the appendices hereto dated with the Effective Date and (ii) a conformed copy of this Agreement.

Section 2.2 Term.

(a) **Agreement Term.** The term of this Agreement (the “*Agreement Term*”) shall commence on the Effective Date and end on the last day of the Delivery Term or upon the earlier termination of this Agreement in accordance with the terms hereof.

(b) **Delivery Term.** This Agreement shall have a delivery term (the “*Delivery Term*”) commencing on the Initial Delivery Date and ending at 11:59 pm on December 31 of the twentieth (20th) full Contract Year, unless sooner terminated in accordance with the terms of this Agreement.

Section 2.3 Survivability. The provisions of this Article II, Article XII, Article XIII, Section 14.19 and Section 14.21 shall survive for a period of one year following the termination of this Agreement. The provisions of Article XI shall survive for a period of four (4) years following final payment made by Buyers hereunder or the expiration or termination date of this Agreement, whichever is later. The provisions of Article V, Article VI, Article VIII, and Article IX shall continue in effect after termination to the extent necessary to provide for final billing, adjustments, and deliveries (including the provision to Buyers of Replacement Product or Shortfall Damages) related to any period prior to termination of this Agreement.

Section 2.4 Early Termination.

(a) **Early Termination by Mutual Agreement.** This Agreement may be terminated by mutual written agreement of all of the Parties.

(b) **Early Termination for Failure to Provide Performance Security.** Any Buyer may, in its sole discretion, without penalty to such Buyer, withdraw from this Agreement, and Buyers may collectively, in their sole discretion, terminate this Agreement, in either case, effective upon notice to Seller, if Seller fails to deliver the Project Development Security within ten (10) Business Days after the Effective Date.

(c) **Early Termination for Default.** Upon the occurrence of a Default, the Non-Defaulting Party, or Non-Defaulting Parties, as the case may be, may terminate this Agreement as set forth in Section 13.4.

(d) **Early Termination for Failure to Achieve a Key Milestone.** Any Buyer may, in its sole discretion, without penalty to such Buyer, withdraw from this Agreement, and Buyers may collectively, in their sole discretion, terminate this Agreement, in either case, effective upon notice to Seller, pursuant to Section 3.4(c).

(e) **Early Termination for Failure to Achieve Commercial Operation Date.** Any Buyer may, in its sole discretion and without penalty to such Buyer, withdraw from this Agreement, and Buyers may collectively, in their sole discretion and without penalty to Buyers, terminate this Agreement, in either case, effective upon notice to Seller, if Seller fails to achieve the Commercial Operation Date on or before the Outside Commercial Operation Date, except as set forth in Section 3.4.

(f) **Early Termination for Failure to Obtain CEC Certification.** Any Buyer may, in its sole discretion and without penalty to such Buyer, withdraw from this Agreement, and Buyers may collectively, in their sole discretion and without penalty to Buyers, terminate this Agreement, in either case, effective upon notice to Seller if the Facility is not CEC Certified by the date that is six (6) months following the Commercial Operation Date, *provided* that a Buyer or Buyers, as applicable, may not terminate this Agreement if Seller (i) demonstrates to the reasonable satisfaction of Buyers' Agent that the failure to obtain CEC Certification is not due to any act or omission by Seller or any Affiliate of Seller, (ii) has provided the Delivery Term Security, and (iii) is otherwise in compliance with the terms and conditions of this Agreement.

(g) **Early Termination for Force Majeure.** This Agreement may be terminated pursuant to Section 14.6(c).

(h) **Early Termination for Shortfall.** Any Buyer may in its sole discretion and without penalty to such Buyer, withdraw from this Agreement, and Buyers may collectively, in their sole discretion and without penalty to Buyers, terminate this Agreement, in either case, effective upon notice to Seller, pursuant to Section 9.4.

(i) **Effect of Termination.** Any withdrawal from, or early termination of, this Agreement under this Section 2.4 shall be without prejudice to the rights and remedies of a Party for Defaults occurring prior to such termination; *provided* that the unused portion of the Project Development Security or Delivery Term Security, as applicable, if any, shall be returned by any withdrawing or terminating Buyer to Seller within ten (10) Business Days after any such withdrawal or termination in accordance with Section 5.6(c).

ARTICLE III DEVELOPMENT OF THE FACILITY

Section 3.1 CEQA Determinations. Seller has obtained the CEQA Determinations. Seller shall provide evidence thereof reasonably satisfactory to each Buyer.

Section 3.2 Project Design. Seller shall determine the proposed location, design, and configuration of the Facility as it deems appropriate, subject to the Requirements, including the characteristics and other requirements for the Facility set forth in Appendix B-1, and also subject to any conditions imposed by any responsible agency as part of the CEQA review of the Facility.

Section 3.3 Certification of Commercial Operation Date. Seller shall provide Buyers' Agent with notice in accordance with Section 14.2 when Seller believes that Seller is approximately thirty (30) days from achieving the Commercial Operation Date. Seller shall thereafter provide Buyers' Agent with written weekly updates on the status of Seller's progress in achieving Commercial Operation. Seller shall provide Buyers' Agent with notice in accordance with Section 14.2 when Seller believes that all conditions precedent to achieving Commercial Operation of the Facility as specified in the definition of "**Commercial Operation**" have been satisfied and that the Facility has therefore achieved Commercial Operation. The Commercial Operation Date shall be deemed to have occurred as of the next Business Day following the date of Seller's notice of Commercial Operation.

Section 3.4 Milestone Schedule.

(a) Attached as Appendix I is a milestone schedule with deadlines for the development of the Facility through the Commercial Operation Date (each milestone, a "**Milestone**" and each date by which a Milestone is to be completed, a "**Milestone Date**"). Seller shall use commercially reasonable efforts to achieve each Milestone by the Milestone Date therefor. Until the Commercial Operation Date, Seller shall provide Buyers' Agent with a report on a quarterly basis (until three (3) months prior to the scheduled Commercial Operation Date, at which time such reports shall be provided on a Monthly basis) that includes: (i) a description of the Site plan for the Facility, (ii) a description of any planned changes to the Facility or Site plan since the previously delivered report, (iii) a bar chart schedule showing progress to achieving the remaining Milestones, (iv) a chart showing the critical path schedule of major items and activities, (v) a summary of activities at the Facility during the previous Month, (vi) a forecast of activities during the then-current Month, (vii) a list of any issues that could impact Seller's achievement of Milestones by the applicable Milestone Dates, and (viii) pictures, in sufficient quantity and of appropriate detail, documenting construction and startup progress with respect to the Facility. If Seller anticipates that it will not achieve a Milestone by the applicable Milestone Date, Seller shall promptly prepare and deliver to Buyers' Agent a remedial action plan ("**Remedial Action Plan**") which shall set forth (1) the anticipated period of delay, (2) the basis for such delay, (3) an outline of the commercially reasonable steps that Seller is taking to address the delay and to ensure that future Milestones, including the Guaranteed Commercial Operation Date, will be timely achieved, (4) a proposed revised date for achievement of the applicable Milestone and (5) such other information and in such detail as may be reasonably requested by Buyers. Except as set forth in Section 3.4(c), Seller shall not have any liability for failure to timely achieve a Milestone other than the obligation to submit a Remedial Action Plan *provided, however*, that the foregoing shall not limit any Buyer's right to exercise any right or remedy available under this Agreement or at law or in equity for any Default occurring concurrently with or before or after Seller's delay in achievement of the applicable Milestone.

(b) The Milestone Dates for the Key Milestones shall be extended, on a day-for-day basis to the extent Seller is actually, demonstrably and unavoidably delayed in achieving such Key Milestone due to (i) the failure by any Buyer to perform any covenant or obligation under this Agreement, (ii) Force Majeure, or (iii) the failure of the Facility to be connected to the CAISO grid and to complete all interconnection upgrades, if any, if Seller has used commercially reasonable efforts and complied with all applicable Requirements to have the Facility physically interconnected to the CAISO grid, provided, in the case of (iii), that such extension shall not exceed one hundred eighty (180) days.

(c) If Seller fails to achieve any Key Milestone by the applicable Milestone Date (as may be extended pursuant to Section 3.4(b)), Seller shall pay to each Buyer liquidated damages in an amount equal to such Buyer's proportionate share, based on the Buyers' Percentage of Facility Output, of the aggregate amount payable to Buyers. The amount of liquidated damages shall be calculated as (i) the number of days between such missed Milestone Date and the date upon which either (A) such Key Milestone is achieved, or (B) a Buyer withdraws (without penalty to such Buyer) from this Agreement pursuant to Section 2.4, or (C) this Agreement is terminated by Buyers pursuant to Section 2.4, as applicable, multiplied by (ii) Two Thousand Dollars (\$2,000) (the "**Daily Delay Damages**"), subject to a maximum amount for any Key Milestone equal to the Daily Delay Damages multiplied by three hundred sixty-five (365) days. If, after the conclusion of such three hundred sixty-five (365) day period, Seller has not achieved the applicable Key Milestone, each Buyer shall have the right in its sole discretion to either (1) withdraw from this Agreement at no penalty to such Buyer, or, if all Buyers withdraw, to terminate this Agreement, or (2) allow Seller to continue to pay Daily Delay Damages to each Buyer, during which time such Buyer, or Buyers, shall not withdraw from or terminate the Agreement based on Seller's failure to timely achieve a Key Milestone. If Seller, notwithstanding having failed to timely achieve any other Key Milestone, is able to achieve the Commercial Operation Date on or before the Guaranteed Commercial Operation Date (and prior to the exercise by each Buyer of its right to withdraw without penalty from this Agreement or the right of Buyers to terminate this Agreement, then each Buyer that has not, as of such date, withdrawn from or terminated this Agreement, shall refund to Seller any amounts previously paid to such Buyer as Daily Delay Damages. In addition, should any Buyer that has previously withdrawn from this Agreement elect to re-enter into the Agreement at any time on or prior to the achievement of the Commercial Operation Date, which re-entry shall require the consent of all Parties, then such Buyer shall also, as a condition to re-entering into this Agreement, refund to Seller any amounts previously paid to such Buyer as Daily Delay Damages except as may otherwise be agreed between Seller and such Buyer.

(d) In no event shall the Commercial Operation Date be extended beyond the Outside Commercial Operation Date, which date shall not be subject to extension except by mutual agreement of the Parties.

(e) Seller may change the Guaranteed Commercial Operation Date to a date that is earlier than the then-scheduled Guaranteed Commercial Operation Date by providing Buyers' Agent with notice at least six (6) months prior to the new Guaranteed Commercial Operation Date.

(f) The damages that Buyers would incur due to Seller's failure to timely achieve a Key Milestone would be difficult or impossible to predict with certainty, and it is impractical or difficult to assess actual damages in those circumstances, but the Daily Delay Damages are a fair and reasonable calculation of such damages, and shall be Seller's sole liability and obligation, and Buyers' sole right and remedy, other than withdrawal without penalty from, or termination of, this Agreement, for Seller's failure to achieve any Key Milestone by the Milestone Date therefor. Notwithstanding the foregoing, the Daily Delay Damages shall not limit any Buyer's right to exercise any right or remedy available under this Agreement or at law or in equity for any Default occurring concurrently with, before or after Seller's delay in achievement of the applicable Key Milestone.

Section 3.5 Decommissioning and Other Costs. No Buyer shall be responsible for any cost of decommissioning or demolition of the Facility or any environmental or other liability associated with the decommissioning or demolition of the Facility without regard to the timing or cause of the decommissioning or demolition. Seller agrees to indemnify Buyers for any costs incurred by Buyers if any or all of them become required, whether statutorily or otherwise, to bear the cost of any decommissioning or demolition of the Facility or any environmental or other liability associated therewith.

ARTICLE IV OPERATION AND MAINTENANCE OF THE FACILITY

Section 4.1 General Operational Requirements. Seller shall, at all times:

(a) At its sole expense, operate and maintain the Facility (i) in accordance with the Requirements and (ii) in a manner that is reasonably likely to achieve the Annual Contract Quantity and result in a useful life for the Facility of not less than the Delivery Term;

(b) At its sole expense, operate and maintain the Facility using a Qualified Operator in accordance with the Requirements;

(c) Use qualified and trained personnel for coordinating with Buyers' Agent, and ensure that necessary personnel are available on-site or on-call twenty-four (24) hours per day during the Delivery Term;

(d) Operate and maintain the Facility with due regard for the safety, security and reliability of the interconnected facilities and Transmission System; and

(e) Comply with operating and maintenance standards recommended or required by the Facility's equipment suppliers.

Section 4.2 Operation and Maintenance Plan. Seller, including through its Qualified Operator, shall devise and implement a plan of inspection, maintenance, and repair for the Facility and the components thereof in order to maintain such equipment in accordance with Prudent Utility Practices and shall keep records with respect to inspections, maintenance, and repairs thereto. The aforementioned plan and all records of such activities shall be available for inspection by Buyers' Agent during Seller's regular business hours upon no less than ten (10) Business Days' notice; *provided, however*, that ten (10) Business Days' notice shall not be

required if Buyers' Agent's inspection is prompted by an emergency situation at the Site, a Facility curtailment, or any other occurrence materially adversely impacting the operation of the Facility, in which case Buyers' Agent shall provide as much advance notice as is reasonably practicable under the circumstances..

Section 4.3 Environmental Credits. Seller shall, if applicable, obtain in its own name and at its own expense all pollution or environmental credits or offsets necessary to operate the Facility in compliance with any Requirement of Law.

Section 4.4 Scheduled Outage.

(a) Buyers' Agent and Seller shall cooperate to minimize Scheduled Outages during specified periods of time during each calendar year in accordance with Prudent Utility Practices and this Section 4.4 (such periods, the "**Major Maintenance Blockout**"); *provided* that the Major Maintenance Blockout during any calendar year shall not exceed eighty-four (84) days without the prior approval of Buyers' Agent, which approval shall not be unreasonably withheld, conditioned or delayed, which number shall be prorated (i) for the calendar year during which the Commercial Operation Date occurs, based on the number of days remaining in such calendar year as of the Commercial Operation Date, and (ii) for the calendar year during which the Delivery Term expires or terminates, based on the number of days occurring in such calendar year before such expiration or termination date. No later than thirty (30) days prior to the anticipated Commercial Operation Date and the commencement of each calendar year thereafter, Buyers' Agent shall provide Seller with the specified Major Maintenance Blockout. In the absence of such updated notification, the most recent previous Major Maintenance Blockout notification shall apply. Seller shall attempt to minimize its Scheduled Outages during the Major Maintenance Blockout consistent with Prudent Utility Practices; *provided* that Seller shall be permitted to perform scheduled and unscheduled maintenance on the Facility during such hours when solar irradiance levels are insufficient to permit the production of Energy, if such maintenance is permitted under the CAISO Tariff and conducted in accordance with all applicable Requirements (including, for avoidance of doubt, the requirements of the Transmission Provider). No later than thirty (30) days prior to the anticipated Commercial Operation Date, and for each calendar year thereafter, no later than the deadline for providing the CAISO with proposed maintenance outages for the following year as described in the CAISO Tariff, or thirty days prior to the commencement of the next Contract Year, if such CAISO deadline is not applicable, Seller shall provide Buyer's Agent with its non-binding written projection of all Scheduled Outages for the succeeding calendar year (the "**Scheduled Outage Projection**") reflecting a minimized schedule of scheduled maintenance during the Major Maintenance Blockout. In addition, Seller shall cooperate in good faith with maintenance scheduling requests by Buyers' Agent consistent with Prudent Utility Practices. The Scheduled Outage Projection shall include information concerning all projected Scheduled Outages during such period, including (A) the anticipated start and end dates of each Scheduled Outage; (B) a description of the maintenance or repair work to be performed during the Scheduled Outage; and (C) the anticipated Facility capacity, if any, during the Scheduled Outage. Seller shall notify Buyer's Agent of any change in the Scheduled Outage Projection as soon as practicable, but in no event later than seven (7) days prior to the originally-scheduled date of the Scheduled Outage, unless such change of the Scheduled Outage is at the direction of the CAISO or Transmission Provider under the CAISO Tariff or applicable Transmission Provider authority. Seller shall use

commercially reasonable efforts to accommodate reasonable requests of Buyers' Agent with respect to the timing of Scheduled Outages and shall, to the extent consistent with Prudent Utility Practices, coordinate Scheduled Outages to coincide with planned transmission outages. In the event of a System Emergency, Seller shall make reasonable efforts to reschedule any Scheduled Outage previously scheduled to occur during the System Emergency.

(b) In the event of a Forced Outage affecting 2 MW or greater of the Contract Capacity, to the extent practicable, Seller shall use reasonable efforts to notify each Scheduler within two (2) hours after the commencement of the Forced Outage and, in any event, within seven (7) days thereafter, and provide detailed information concerning the Forced Outage, including (i) the start and anticipated end dates of the Forced Outage; (ii) a description of the cause of the Forced Outage; (iii) a description of the maintenance or repair work to be performed during the Forced Outage; and (iv) the anticipated MW of operational capacity, if any, during the Forced Outage. Seller shall take all reasonable measures and exercise commercially reasonable efforts to avoid Forced Outages and to limit the duration and extent of any such outages.

(c) In addition to the requirements set forth in Sections 4.4(a) and (b), the Parties shall cooperate to develop mutually acceptable procedures for addressing Scheduled Outages and any other outages arising in connection with the Project.

(d) In the event of any inconsistency between the provisions in this Section 4.4 and any applicable requirements of CAISO, the Parties shall revise the provisions of this Section 4.4 to be consistent with the requirements of the CAISO.

ARTICLE V COMPLIANCE DURING OPERATIONS; GUARANTEES

Section 5.1 Guarantees. Seller shall perform, or cause to be performed, all engineering, design, construction, operation and maintenance functions in a good and workmanlike manner and in accordance with the Requirements. Throughout the Delivery Term, Seller shall ensure that the Facility will be free and clear of all Liens other than Permitted Encumbrances. Without limiting the foregoing, and subject to Section 14.6, Seller shall promptly repair and/or replace, or cause to be promptly repaired or replaced, consistent with Prudent Utility Practice, any component of the Facility that may be damaged or destroyed or otherwise not operating properly and efficiently. Seller shall exercise commercially reasonable efforts to timely undertake all updates or modifications to the Facility, and its equipment and materials, including procedures, programming and software, required by Prudent Utility Practice. Seller shall, at its expense, maintain, or cause to be maintained, throughout the Agreement Term an inventory of spare parts for the Facility in a quantity that is consistent with Prudent Utility Practice.

Section 5.2 Buyers' Rights to Inspect and Monitor in General. Upon no less than ten (10) Business Days' notice to Seller, each Buyer shall have the right, and Seller shall permit each Buyer and its Authorized Representative, advisors, engineers and consultants, to inspect and monitor the construction or operation of the Facility, and to have a representative present to witness the operations and activities at the Site before and after the Commercial Operation Date, including, but not limited to, reviewing and monitoring all initial performance

tests during Facility start-up and all material tests required under the Subcontracts to be performed prior to each Milestone; *provided, however*, that ten (10) Business Days' notice shall not be required if any Buyer's inspection or monitoring is prompted by an emergency situation at the Site, a Facility curtailment, or any other occurrence materially adversely impacting the operation of the Facility, in which case such Buyer shall provide as much advance notice as is reasonably practicable under the circumstances. Any Buyer conducting such inspections shall compensate or reimburse Seller for increased costs or delays, in each case, solely and directly arising in connection with such activities by such Buyer (including relief in respect of Milestones). Seller shall, or shall cause its contractors to, provide at least fifteen (15) Business Days' notice to Buyers' Agent before any test referenced in the previous sentence is scheduled to begin. The presence of any Buyer or its Authorized Representative on the Site shall be at such Buyer's sole risk and expense. While at the Site, such Buyer, or its Authorized Representative, shall (i) comply with all applicable Requirements and Seller's written Site safety rules (including any required Site safety protocols and orientation), and (ii) not interfere with Seller's normal commercial operations. Seller shall cause its personnel, consultants, and contractors to be available to Buyers and their Authorized Representatives, advisors, engineers, and consultants at reasonable times and with prior notice for purposes of discussing any aspect of the Facility or the development, engineering, construction, installation, testing, performance, operation, or maintenance thereof. Buyers shall be limited to no more than ten (10) such visits individually and fifteen (15) such visits collectively to the Facility each Contract Year, except that visits made by any Buyer due to emergency situations, Facility curtailments, or any occurrence causing an operational concern to a Buyer with respect to the Facility shall not count toward such limit.

Section 5.3 Effect of Review by Buyers. Any review by a Buyer or a Buyer's Authorized Representative of the construction or operation of the Facility, or observation of any testing, is solely for the information of such Buyer. Buyers shall have no obligation to share the results of any such review or observations with Seller, nor shall any such review or the results thereof (whether or not the results are shared with Seller), nor any failure to conduct any such review, nor any observation of testing or failure to observe testing, relieve Seller from any of its obligations under this Agreement. By making any such review or observing any such testing, no Buyer makes any representation as to the economic and technical feasibility, operational capability or reliability of the Facility. Seller is solely responsible for the economic and technical feasibility, operational capability and reliability thereof.

Section 5.4 No Liens. Except as otherwise permitted by this Agreement, the Facility shall be owned by Seller during the Agreement Term. Seller shall not sell or otherwise dispose of or create, incur, assume or permit to exist any Lien (other than Permitted Encumbrances) on any portion of the Facility or any other property or assets that are related to the operation, maintenance and use of the Facility without the prior written approval of Buyers' Agent.

Section 5.5 Reporting and Information. Seller shall provide to Buyers' Agent (a) Monthly reports of the operation of the Facility, which shall include (i) a performance summary of the Month- and Contract Year-to-date MWh delivery of Facility Energy, capacity factor, and availability, (ii) reasons for any downtime, maintenance or repairs, and Curtailment Periods and other curtailment events during the applicable Month, and (iii) a summary of any

material safety incidents at the Facility, and (b) such other information regarding the Facility as reasonably requested by the Buyers' Agent and agreed to by Seller.

Section 5.6 Seller Performance Security.

(a) Within ten (10) Business Days after the Effective Date, Seller shall furnish to each Buyer (i) one or more letters of credit issued by Qualified Issuers in the form attached hereto as Appendix E or (ii) cash (to be held in an escrow account pursuant to an escrow agreement with a Qualified Issuer in form and substance mutually satisfactory to Buyers and Seller (an "*Escrow Account*")), or a combination of the two, in the aggregate amount of Sixty Thousand Dollars (\$60,000) times the Contract Capacity, and delivered to each Buyer in an amount equal to such Buyer's proportionate share of such aggregate amount based on the Buyers' Percentage of Facility Output, which shall guarantee Seller's obligations under this Agreement (the "*Project Development Security*"). Seller shall maintain the Project Development Security until Seller posts the Delivery Term Security pursuant to Section 5.6(b), or until Buyers are required to return the Project Development Security under Section 5.6(c) below.

(b) As a condition to the achievement of the Commercial Operation Date, Seller shall have furnished to each Buyer (i) one or more letters of credit issued by Qualified Issuers in the form attached hereto as Appendix E, (ii) cash (to be held in an Escrow Account), or (iii) Guaranty issued by a Qualified Guarantor, or a combination of the three, and in the aggregate amount of One Hundred Fifty Thousand Dollars (\$150,000) times the Contract Capacity, and delivered to each Buyer in an amount equal to such Buyer's proportionate share of such aggregate amount based on the Buyers' Percentage of Facility Output, which, in each case, shall guarantee Seller's obligations under this Agreement ("*Delivery Term Security*"); *provided* that Seller may elect to apply the Project Development Security toward the Delivery Term Security. From and after the Commercial Operation Date, Seller shall maintain the Delivery Term Security until the end of the Delivery Term or until Buyers are required to return the Delivery Term Security to Seller as set forth in Section 5.6(c) below.

(c) Each Buyer shall return its proportionate share of the unused portion of the (i) Project Development Security, if any, to Seller within ten (10) Business Days after: (A) Seller's provision of the Delivery Term Security, unless Seller elects to apply the Project Development Security toward the Delivery Term Security, or (B) the effective date of any early termination of, or withdrawal from, the Agreement by any Buyer, so long as damages are no longer due and owing to such Buyer, and (ii) Delivery Term Security, if any, to Seller promptly after: (A) the Agreement Term has ended, and (B) all obligations of Seller arising under this Agreement are paid (whether directly or indirectly such as through set-off or netting) or performed in full.

(d) Each Buyer may draw on its proportionate share of the Performance Security (i) at any time following the accrual of Daily Delay Damages hereunder in the amount of such Daily Delay Damages, (ii) upon Seller's failure to pay Buyers the Shortfall Damages prior to the end of the Shortfall Makeup Period as provided in Section 9.3, or (iii) upon Seller's failure to make any other payment due to Buyers hereunder in the amount of such unpaid payment, including any Termination Payment, *provided*, that, in the case of a draw under clause

(iii), any such amount shall have been invoiced to Seller, or Seller shall have otherwise been notified thereof. Within ten (10) Business Days following any draw by any Buyer on its proportionate share of the Performance Security, Seller shall replenish the amount drawn such that the Performance Security is restored to the applicable amount set forth in Section 5.6(a) or Section 5.6(b).

(e) Seller shall notify each Buyer of the occurrence of a Guarantor Downgrade Event or an Issuer Downgrade Event within ten (10) Business Days after obtaining knowledge of the occurrence of such event. If at any time a Guarantor Downgrade Event or Issuer Downgrade Event, as applicable, should occur, any Buyer may require that Seller replace, in accordance with this Section 5.6, the Performance Security from the Person that has suffered the Guarantor Downgrade Event or Issuer Downgrade Event, as applicable, within ten (10) Business Days of notice from the Buyer to Seller requesting replacement of such Performance Security. If the replacement Performance Security is not provided by Seller, each Buyer shall have the right to demand payment of the full amount of its proportionate share of such Performance Security, and each Buyer shall retain such amount in order to secure Seller's obligations under this Agreement; *provided* that if and to the extent such amount exceeds payment and performance in full of all of Seller's obligations under this Agreement, each Buyer shall refund the excess to Seller promptly after all such obligations of Seller under this Agreement have been paid or performed in full.

(f) If any Performance Security is in the form of a letter of credit, then Seller shall provide, or cause to be provided, a replacement letter of credit from a Qualified Issuer, in the amount required under this Section 5.6 within ten (10) Business Days of notice from any Buyer to Seller requesting such replacement Performance Security after the occurrence of any one of the following events: (i) the failure of the issuer of the letter of credit to extend such letter of credit by thirty (30) Business Days prior to the expiration of such letter of credit; (ii) the failure of the issuer of the letter of credit to immediately honor any Buyer's properly documented request to draw on such letter of credit; or (iii) the issuer of the letter of credit becomes bankrupt. If the replacement letter of credit is not delivered in accordance with this Section 5.6(f), each Buyer shall have the right to demand payment of its proportionate share of such Performance Security, and each Buyer shall retain such amount in order to secure Seller's obligations under this Agreement; *provided* that, if and to the extent such retained amount exceeds payment and performance in full of all of Seller's obligations under this Agreement, each Buyer shall refund the excess to Seller promptly after all such obligations of Seller under this Agreement shall have been paid or performed in full.

(g) Seller shall, from time to time as requested by any Buyer or Buyers' Agent, execute, acknowledge, record, register, deliver and file all such notices, statements, instruments and other documents as may be necessary or advisable to render fully valid, perfected and enforceable under all Requirements of Law the Performance Security (including any Ancillary Documents required therefor) and the rights, Liens and priorities of Buyers with respect to such Performance Security.

(h) Notwithstanding the other provisions of this Agreement, the Performance Security (i) constitutes security for, but is not a limitation of, Seller's obligations under this Agreement, and (ii) except as set forth in Section 3.4(f) and subject to Section 14.19(f), shall not

be Buyers' exclusive remedy against Seller for Seller's failure to perform in accordance with this Agreement.

Section 5.7 Buyer Performance Security.

(a) Within ninety (90) days after the Commercial Operation Date, and quarterly thereafter, Seller shall calculate the Termination Payment. If the Termination Payment as calculated by the Seller exceeds the Buyer Collateral Threshold, then a Buyer Collateral Event will be deemed to have occurred, and the following shall apply:

(i) Within ten (10) Business Days of a written request from Seller, and only to the extent a Buyer does not have a Credit Rating of at least BBB- from S&P or Baa3 from Moody's as of that date, such Buyer shall provide performance assurance in the form of a letter of credit, cash (to be held in an Escrow Account) or a Guaranty in an amount equal to the amount by which the Termination Payment exceeds the Buyer Collateral Threshold, multiplied by such Buyer's Applicable MW Share ("**Buyer Performance Assurance**") to secure its performance under this Agreement.

(ii) Such Buyer shall maintain its Buyer Performance Assurance under this Section 5.7(a) during the Term until (A) such time as Buyer obtains a Credit Rating of at least BBB- from S&P or Baa3 from Moody's or (B) a Buyer Collateral Event shall have terminated, as described in Section 5.7(b).

(b) Upon termination of a Buyer Collateral Event, the amount of Buyer Performance Assurance posted pursuant to Section 5.7(a) shall be returned to such Buyer.

(c) Any amounts owed by Buyer to Seller under this Agreement (other than disputed amounts) and not satisfied within sixty (60) Days of becoming due and owing may be satisfied by Seller on a draw on the applicable Buyer Performance Assurance. Upon termination, Seller shall have the right to draw upon such Buyer Performance Assurance for any undisputed amounts owed to Seller under this Agreement if not paid when due.

(d) In the case of a Buyer that has posted Buyer Performance Assurance pursuant to Section 5.7(a), Seller shall return the unused portion of the Buyer Performance Assurance, if any, to the applicable Buyer promptly after: (i) the Agreement Term has ended, and (ii) all obligations of such Buyer arising under this Agreement are paid (whether directly or indirectly such as through set-off or netting) or performed in full.

(e) If any Buyer Performance Assurance is in the form of a letter of credit, then the applicable Buyer shall provide, or cause to be provided, a replacement letter of credit from a Qualified Issuer, in the amount required under this Section 5.7 within ten (10) Business Days of notice from Seller to such Buyer requesting such replacement Buyer Performance Assurance after the occurrence of any one of the following events: (i) the failure of the issuer of the letter of credit to extend such letter of credit by thirty (30) Business Days prior to the expiration of such letter of credit; (ii) the failure of the issuer of the letter of credit to immediately honor Seller's properly documented request to draw on such letter of credit; or (iii) the issuer of the letter of credit becomes bankrupt. If the replacement letter of credit is not delivered in accordance with this Section 5.7(f), Seller shall have the right to demand payment of

the Buyer Performance Assurance, and Seller shall retain such amount in order to secure such Buyer's obligations under this Agreement; *provided* that, if and to the extent such retained amount exceeds payment and performance in full of all of such Buyer's obligations under this Agreement, Seller shall refund the excess to the applicable Buyer promptly after all such obligations of such Buyer under this Agreement shall have been paid or performed in full.

(f) Buyers shall, from time to time as requested by Seller, execute, acknowledge, record, register, deliver and file all such notices, statements, instruments and other documents as may be necessary or advisable to render fully valid, perfected and enforceable under all Requirements of Law the Buyer Performance Assurance (including any Ancillary Documents required therefor) and the rights, Liens and priorities of Seller with respect to such Buyer Performance Assurance.

ARTICLE VI PURCHASE AND SALE OF PRODUCT

Section 6.1 Purchases by Buyers.

(a) Prior to the Commercial Operation Date, Seller shall sell and deliver, and each Buyer shall purchase and receive, its proportionate share of the Products associated with Test Energy for the applicable Contract Price set forth in Section 1 of Appendix A, as calculated in accordance with Section 6.5.

(b) Except as set forth in Section 6.1(d), on and after the Commercial Operation Date and continuing for the Delivery Term, Seller shall sell and deliver, and each Buyer shall purchase and receive, its proportionate share of (i) the Products associated with Facility Energy (other than Excess Energy, which is addressed in Section 6.1(c)) and (ii) the Replacement Product, at the applicable Contract Price set forth in Section 2 of Appendix A, as calculated in accordance with Section 6.5.

(c) Except as set forth in Section 6.1(d), on and after the Commercial Operation Date and continuing for the Delivery Term, Seller shall sell and deliver, and each Buyer shall purchase and receive, its proportionate share of the Products associated with Excess Energy at the applicable Contract Price set forth in Section 3 of Appendix A, as calculated in accordance with Section 6.5.

(d) Seller shall use good faith efforts to ensure that the Facility is CEC Certified as close to the Commercial Operation Date as reasonably practicable. Notwithstanding the provisions of Section 6.1(a) through Section 6.1(c), during the period of time between the Initial Delivery Date and the day that is one (1) Business Day following the Buyers' Agent's receipt from Seller of the CEC certificate confirming that the Facility is CEC Certified (the "***Pre-Certification Period***"), each Buyer shall have the right to retain a portion of any payment to be made to Seller under Sections 6.1(a) through Section 6.1(c) in an amount equal to the positive difference between (i) the applicable Contract Price, and (ii) the CAISO Settlement Price for the respective hours in which Facility Energy was generated. Each Buyer shall release such retained amount, without interest of any kind, within thirty (30) days following Buyers' Agent's receipt from Seller of the CEC certificate confirming that the Facility is CEC Certified, but only to the

extent that each such Buyer is able to apply the RECs generated by the Facility during the Pre-Certification Period towards compliance with each such Buyer's obligations under RPS Law and the requirements of Public Utilities Code Section 399.16(b)(1) to obtain a "portfolio content category 1" eligible resource.

(e) Each Buyer agrees that the Contract Price set forth in Section 2 of Appendix A shall be a basis for the calculation of all amounts due and payable pursuant to this Agreement with respect to such Buyer, including, for the avoidance of doubt, any Shortfall Damages and Termination Payments.

(f) The Parties acknowledge that the amount to be invoiced by Seller and paid by each Buyer for the purchases and sales described in this Section 6.1 shall be calculated for each Settlement Interval in accordance with the payment formulas set forth in Section 6.5, which are based on current CAISO market design, and subject to adjustment in accordance with Section 14.4.

Section 6.2 Seller's Failure. Except as provided in Article IX, in no event shall Seller have the right to procure Energy from sources other than the Facility for sale and delivery pursuant to this Agreement. Unless excused by Force Majeure or a Buyer's failure to perform, if Seller sells to a third party all or any part of the Products required to be delivered by Seller under this Article VI, Article VII, Article VIII or Article X, then Seller shall pay each Buyer, on the date payment would otherwise be due to Seller, an amount for each MWh of such deficiency calculated in proportion to Buyers' Percentage of Facility Output, equal to the positive difference, if any, obtained by subtracting (A) the price per MWh that would have been payable by Buyers for the Products not delivered from (B) the Replacement Price. Each Buyer shall provide Seller prompt written notice of the Replacement Price, together with back-up documentation.

Section 6.3 Buyers' Failure. Unless excused by Force Majeure or Seller's failure to perform, if any Buyer fails to purchase all or any part of the Facility Energy or Replacement Product required to be purchased by Buyers under this Article VI, such Buyer shall, on the date payment would otherwise be due to Seller, pay Seller Cover Damages. "**Cover Damages**" means the positive difference, if any, obtained by subtracting (A) the amount for which Seller, acting in a commercially reasonable manner, sells any such Facility Energy, which unless otherwise determined commercially reasonable shall be the CAISO Settlement Price (or, absent any such sales despite using commercially reasonable efforts to procure such sales, zero dollars (\$0)) from (B) the applicable Contract Price that would have been payable by PWRPA, Pittsburg Power, Eastside, and Moreno Valley, as applicable, for the applicable portion of Facility Energy not purchased by such Buyer. Seller shall provide any Buyer that fails to purchase all or any part of its portion of the Facility Energy with prompt written notice of the Cover Damages together with back-up documentation.

Section 6.4 Nature of Remedies. The Parties acknowledge and agree that the damages that Buyers would incur as a result of Seller's failure as described in Section 6.2 or that Seller would incur as a result of any Buyer's failure as described in Section 6.3 would be difficult or impossible to predict with certainty, and it is impractical and difficult to assess actual damages in those circumstances, and the liquidated damages set forth in Section 6.2 and Section

6.3 are fair and reasonable calculations of such damages. To the extent permitted by law and subject to Section 14.19(e), (a) the remedy set forth in Section 6.2 is in addition to, and not in lieu of, any other right or remedy of any Buyer under this Agreement or otherwise, for failure of Seller to sell and deliver the Products as and when required by this Agreement, and (b) the remedy set forth in Section 6.3 is in addition to, and not in lieu of, any other right or remedy of Seller for any failure by any Buyer to receive Energy as and when required by this Agreement.

Section 6.5 Payment of Contract Price.

(a) The amount payable to Seller, or Buyers, as the case may be, for each Settlement Interval shall be, for each Buyer, an amount equal to:

(i) in each Settlement Interval in which the CAISO Settlement Price is zero or positive, the product of (A), (B), and (C), where: (A) is the amount (in MWh) of Facility Energy generated during such Settlement Interval, (B) is the Buyers' Percentage of Facility Output, and (C) is the difference between (x) the Fixed Rate *minus* (y) the CAISO Settlement Price;

(ii) for the first three-hundred (300) Settlement Intervals in any Contract Year (or such other number of Settlement Intervals as would be equal to fifty (50) hours in the event that CAISO changes the number of minutes in a Settlement Interval as of the Effective Date) in which the CAISO Settlement Price is negative (the "***Initial Negative Intervals***"), for each such Settlement Interval, Zero Dollars (\$0.00); and

(iii) for all Settlement Intervals in any Contract Year, other than the Initial Negative Intervals, in which the CAISO Settlement Price is negative, the amount to be paid by such Buyer shall be the product of (A), (B), and (C), where (A) is the amount of (1) Deemed Generated Energy calculated during such period of curtailment, if the Seller has elected to curtail under Section 7.4(b) or (2) Facility Energy, (B) the Buyers' Percentage of Facility Output, and (C) the Fixed Rate.

(b) The Parties acknowledge that the foregoing payment formulas reflect both the Contract Price agreed upon by the Parties and the payment Seller shall receive from or pay to, as the case may be, the CAISO under current market design. Seller shall invoice each Buyer for the amounts calculated hereunder in accordance with Article XI. If the amount determined to be payable by a Buyer is negative, then Seller shall pay such Buyer such amount. For the avoidance of doubt, the preceding sentence shall be interpreted as follows. The CAISO Settlement Price under Section 6.5(a)(i) may be greater than the Fixed Rate. In those situations, the amount determined to be payable by a Buyer will be negative, and therefore Seller shall have an obligation to pay Buyer for the difference between the CAISO Settlement Price and the Fixed Rate.

(c) To the extent the actual Settlement Intervals in which the CAISO Settlement Price is negative is less than the Initial Negative Intervals, Seller shall pay Buyers an amount ("***Unused Initial Negative Intervals Credit***"), which shall be calculated as set forth in Schedule 6.5(c).

(d) For purposes of illustration only, sample calculations of the Contract Price

are provided in Schedule 6.5(d).

(e) For purposes of this Section 6.5, a “negative” CAISO Settlement Price occurs when the CAISO Settlement Price for a Settlement Interval is negative and the Facility Energy (or Deemed Generated Energy, as applicable to Section 6.5(a)(iv)) for that Settlement Interval is positive, and a “zero or positive” CAISO Settlement Price occurs when the CAISO Settlement Price for a Settlement Interval is zero or positive and the Facility Energy (or Deemed Generated Energy, as applicable to Section 6.5(a)(iv)) for that Settlement Interval is positive. For the avoidance of doubt, unless otherwise agreed in writing, as described in Section 7.4(b), Seller shall be solely responsible for the payment of negative CAISO Settlement Prices for Facility Energy delivered to the Point of Delivery during Settlement Intervals in which the CAISO Settlement Price is negative; provided, however, the foregoing shall not be construed as obligating Seller to deliver Facility Energy to the Point of Delivery during Settlement Intervals in which the CAISO Settlement Price is negative, it being the intent of the Parties that Seller may exercise its right to curtail deliveries of Facility Energy to the Point of Delivery during such periods, as further described in Section 7.4(b).

ARTICLE VII TRANSMISSION AND SCHEDULING; TITLE AND RISK OF LOSS

Section 7.1 In General.

(a) Seller shall use all reasonable efforts consistent with Prudent Utility Practices and the other provisions of this Agreement to maximize the output of Facility Energy except as otherwise set forth and in accordance with this Agreement. Seller shall arrange for, and shall bear all risks and benefits associated with, delivery of all Facility Energy and Replacement Product to the Point of Delivery, including the arrangement of and payment for the interconnection of the Facility to the CAISO grid and any Transmission Services required to deliver Test Energy, Facility Energy and Replacement Product to the Point of Delivery at the CAISO grid, including interconnection costs, transmission losses to the Point of Delivery, the transmission of Facility Energy, and transformer crossover fees associated with the transmission of Energy from the on-site substation to the Point of Delivery; *provided* that Replacement Product may be delivered at alternative locations as may be mutually agreed by the Parties.

(b) Each Buyer shall be obligated to pay for and receive its proportionate share of all Facility Energy and Replacement Product delivered to the Point of Delivery, and each Buyer shall arrange for, and shall bear all risks associated with, acceptance and transmission of its proportionate share of Facility Energy and Replacement Product at and from the Point of Delivery, including the arrangement of and payment for Transmission Services from the Point of Delivery at the CAISO grid, and shall arrange for Transmission Services with its Transmission Providers to deliver Facility Energy and Replacement Product to Buyers’ destination, including charges related to control area services, inadvertent energy flows, transmission losses, the transmission of Facility Energy and Replacement Product, and otherwise associated with the management of Buyers’ loads.

Section 7.2 Scheduling Coordinator; CAISO Cost Allocation.

(a) Seller or Seller's designee shall act as Scheduling Coordinator to cause the Scheduling of Facility Energy and Replacement Product to the Point of Delivery. Accordingly, (i) Seller shall schedule delivery with the CAISO, and (ii) the CAISO will pay Seller under the CAISO Tariff for delivery through the CAISO system.

(b) In its capacity as Scheduling Coordinator, Seller shall (i) except as set forth in Section 7.2(c) and Section 7.2(d), be responsible for and shall pay all (A) fees, charges, and costs necessary to Schedule the receipt of Facility Energy and Replacement Product to the Point of Delivery (including CAISO Scheduling Coordinator costs and CAISO charges and penalties including imbalance or deviation charges) and (B) CAISO Integration Amounts, up to the amount of the CAISO Integration Amounts Cost Cap, and (ii) be entitled to all payments and credits on all Settlement Statements issued by the CAISO with respect to the Facility.

(c) Seller shall provide each Buyer with an annual report of CAISO Integration Amounts. In the event that CAISO Integration Amounts exceed the CAISO Integration Amounts Cost Cap, each Buyer shall be obligated to pay or reimburse Seller for all CAISO Integration Amounts in excess of the CAISO Integration Amounts Cost Cap proportionately based upon Buyers' Percentage of Facility Output. Seller shall promptly notify each Buyer of such charges in a manner that is sufficient to allow any Buyer to timely request that Seller dispute with the CAISO those charges on behalf of that Buyer (and to the extent that Seller reasonably incurs costs during the course of such dispute above and beyond any CAISO dispute costs that Seller would otherwise have incurred, such costs shall be at Buyers' expense) that any Buyer or Seller believe to be incorrect and disputable under the CAISO Tariff. Seller shall provide Buyers with all documentation reasonably necessary to support such dispute. The obligation of each Buyer to reimburse Seller for its proportionate share based on the Buyers' Percentage of Facility Output of CAISO Integration Amounts in excess of the CAISO Integration Amounts Cost Cap shall still apply during the pendency of a dispute if Seller has actually incurred such CAISO Integration Amounts, *provided* that if some or all of such CAISO Integration Amounts are reimbursed to Seller by the CAISO upon resolution of the dispute, Seller shall promptly pay the amount so reimbursed to each Buyer proportionately in accordance with Buyers' Percentage of Facility Output.

(d) Each Buyer shall be obligated to either pay to the CAISO or reimburse Seller for any and all costs or charges under a Settlement Statement incurred by Seller because of such Buyer's failure to perform any covenant or obligation set forth in this Agreement.

Section 7.3 Forecasting and Scheduling of Energy.

(a) Except upon the occurrence of curtailment under Section 7.4, Seller shall Schedule all Facility Energy and Replacement Product in a reasonable and prudent manner in accordance with the CAISO Tariff, NERC and WECC operating policies and criteria, and any other applicable guidelines, and the Scheduling and forecasting procedures provided in or developed under this Section 7.3, based on the then-most-current forecast of energy provided under the EIRP Forecast or otherwise permitted in accordance with the CAISO Tariff, *provided* that the foregoing shall not restrict Seller from Scheduling Facility Energy and Replacement

Product during periods in which the Locational Marginal Price at the Point of Delivery is zero or negative in accordance with this Agreement. Seller, at its own cost, shall install metering, telemetry and control equipment so as to be able to provide Facility Energy to the Point of Delivery and respond to CAISO, Transmission Provider, or reliability coordinator's dispatch orders.

(b) Seller shall provide, or shall cause its designee to provide, the following non-binding forecasts, and any updates to such forecasts, to Buyer's Agent based on the most current forecast of Facility Energy and Replacement Product and prepared in accordance with mutually agreed upon communications protocols as they are implemented or upgraded from time to time in accordance with Prudent Utility Practices:

(i) At least one-hundred twenty (120) days before (a) the scheduled Commercial Operation Date and (b) the beginning of each Contract Year for the Facility, a non-binding forecast of each Month's average-day deliveries of Facility Energy and Replacement Product from the Facility, for the following eighteen (18) Months.

(ii) No later than sixty (60) days before the beginning of each Month during the Delivery Term, a non-binding forecast of each day's average hourly deliveries of Facility Energy and Replacement Product, for such Month.

(iii) No later than ten (10) Business Days before the beginning of each Month during the Delivery Term, a non-binding forecast of each day's average hourly deliveries of Facility Energy and Replacement Product for the following Month.

(iv) On the first Business Day of each calendar week during the Delivery Term, a non-binding forecast of each day's average deliveries of Facility Energy and Replacement Product, by hour, for the following fourteen (14) days.

(v) By 5:30 a.m. Pacific Prevailing Time on the Business Day immediately preceding each day of delivery of Facility Energy and Replacement Product during the Delivery Term, a copy of a non-binding hourly forecast of deliveries of Facility Energy and Replacement Product for each hour of the immediately succeeding day. Any forecast provided on a day prior to any non-Business Day shall include forecasts for the immediate day, each succeeding non-Business Day and the next Business Day. Seller shall, by 10:00 a.m. Pacific Prevailing Time, provide a copy of any updates to such forecast indicating a change in forecasted Facility Energy from the then-current forecast.

(vi) Prior to 12:00 p.m. Pacific Prevailing Time of the Business Day immediately preceding each WECC Prescheduling Day (as defined by WECC) for each hour of the Delivery Day (as defined by WECC) in MW or MWh units (as applicable), in the format reasonably designated by each Scheduler, a non-binding preschedule forecast of Facility Energy and Replacement Product via email. The pre-scheduled amounts of Facility Energy and Replacement Product shall be the good faith estimate of Seller or Seller's designee of the anticipated delivery of Facility Energy and Replacement Product at the time. A forecast provided a day prior to any non-Business Day shall include

forecasts for the next day, each succeeding non-Business Day and the next Business Day. Seller or Seller's designee shall provide a copy of any and all updates to the forecast of the Facility's availability from the then-current forecast. Except for Forced Outages, Seller shall operate the Facility with the objective that, for each hour scheduled, the actual Facility availability shall be maintained in accordance with the preschedule plan submitted to each Scheduler.

(c) Seller shall use commercially reasonable efforts to notify Buyer's Agent via email, telephone, or other mutually acceptable method, of any hourly changes due to a change in Facility availability or an outage at the Facility equal to or greater than 2 MW no later than one-hundred and twenty (120) minutes prior to the start of such Scheduling hour, or such other limit as specified in the CAISO Tariff. Seller shall notify Buyer's Agent of other unanticipated changes in availability unrelated to changes in solar insolation by email or telephone as promptly as reasonably possible. Any notice delivered under this Section 7.3(c) shall include the reason for the outage and an estimated duration of the outage. As soon as reasonably practicable after the outage has ended, Seller shall notify Buyer's Agent that the outage has ended.

(d) As reasonably requested by Buyers' Agent and only to the extent Seller maintains such data on a real-time basis for its own purposes, Seller shall provide to Buyers' Agent the following data on a real-time basis, and in a format that reasonably allows such Buyer to copy, paste or otherwise use such data:

(i) Read-only access to meteorological and related solar measurements, megawatt capacity and any other Facility availability information required in accordance with EIRP requirements;

(ii) Read-only access via secure login credentials to Energy output information collected by the SCADA system for the Facility; *provided* that if any Buyer is unable to access the Facility's SCADA system, then upon written request from such Buyer, Seller shall provide Energy output information and meteorological measurements through such other format as may be mutually acceptable to Seller and such Buyer, all as may be updated from time to time based on advancements in technology in accordance with Prudent Utility Practices; and

(iii) Read-only access to all Electric Metering Devices.

(e) Throughout the Delivery Term and as reasonably requested by Buyers' Agent, Seller shall provide each Scheduler and each Buyer's real time operators with continuously updated non-binding hourly forecasts of deliveries of Facility Energy and Replacement Product for each hour of the succeeding twenty four (24)-hour period, in either electronic format, via an internet website accessible via secure login credentials, or via email in the form of an excel spreadsheet (or any combination thereof, so long as such Scheduler or real time operator is able to readily access and utilize such forecasts), transmitted on an hourly basis. Seller shall reasonably cooperate with each Scheduler to attempt to optimize the estimates for such time period two (2) hours prior to such forecasts. Seller shall reasonably cooperate with each Scheduler to enable such forecasts to be prepared in accordance with mutually agreed upon

communications protocols as they are implemented or upgraded from time to time in accordance with Prudent Utility Practices.

(f) Seller and each Scheduler shall mutually develop forecasting and Scheduling procedures in addition to those set forth in this Section 7.3, in order to administer the provisions of this Agreement in compliance with all applicable Requirements and requirements of the Transmission Provider, CAISO, NERC, WECC, and any balancing authority involved in the Scheduling of Energy under this Agreement, *provided* that such procedures shall not subject Seller to any additional risks, costs, charges or liabilities. Seller and each Scheduler shall promptly cooperate to make any reasonably necessary and appropriate modifications to such forecasting or Scheduling procedures as may be required from time to time.

Section 7.4 Curtailment.

(a) Seller shall reduce deliveries of Facility Energy to the Point of Delivery during Curtailment Periods. Any Buyer affected by such a reduction shall not be obligated to pay Seller for the amount of reduced Facility Energy arising during a curtailment under this Section 7.4(a) and such a reduction shall not be counted against Initial Negative Intervals; *provided* that the Parties shall calculate the amount of Deemed Generated Energy (as defined below) for reductions of deliveries of Facility Energy arising under this Section 7.4(a), for purposes of determining Seller's compliance towards its Guaranteed Generation. If required by the CAISO, a Transmission Provider, or any balancing authority or reliability entity, Seller shall provide the capability to implement curtailments and adjust ramp rates, megawatt output, and (if applicable) megavar output in real-time by means of setpoints received from the SCADA system of Seller; *provided* that such capability is in compliance with the Facility's agreements to interconnect to the CAISO transmission system.. Any such reduction of deliveries of Facility Energy shall be allocated on a pro-rata basis among any affected Buyers in accordance with such Buyers' Percentage of Facility Output.

(b) In light of Seller's payment obligation, as summarized in Section 6.5(e), Seller may reduce deliveries of Facility Energy to the Point of Delivery during Settlement Intervals in which the CAISO Settlement Price is negative.

(c) "***Deemed Generated Energy***" means the amount of Energy, expressed in MWh, that the Facility would have produced and delivered to the Point of Delivery, but for a curtailment event arising under this Section 7.4, which amount shall be equal to (i) the amount of MWh provided for in the EIRP Forecast applicable to the curtailment event, regardless of whether Seller is participating in the EIRP during the curtailment event, less (ii) the amount of Facility Energy delivered to the Point of Delivery during the curtailment event, if any, or, if there is no EIRP Forecast available, (A) an amount of MWh calculated based on an equation that incorporates relevant Facility availability, weather and other pertinent data for the period of time during the curtailment event in order to approximate the amount of Facility Energy that would have been delivered, less (B) the amount of Facility Energy delivered to the Point of Delivery during the curtailment event, if any; *provided* that, if the applicable difference calculated pursuant to either of the formulas provided above is negative, the Deemed Generated Energy shall be zero (0). The equation in (A) and (B) shall be subject to review and approval by Buyers' Agent.

Section 7.5 No Payment. No Buyer shall be obligated to pay Seller for any Facility Energy that is not or cannot be delivered to the Point of Delivery for any reason (including Force Majeure), except as otherwise stated in Section 7.4.

Section 7.6 Title; Risk of Loss. As between the Parties, Seller shall be deemed to be in exclusive control (and responsible for any damages or injury caused thereby) of all Energy prior to the Point of Delivery, and each Buyer shall be deemed to be in exclusive control (and responsible for any damages or injury caused thereby), of its proportionate share of the Energy at and from the Point of Delivery. Seller warrants that it shall deliver all Energy and all of the associated Environmental Attributes to Buyers free and clear of all Liens created by any Person other than Buyers. Title to and risk of loss as to all Energy and all of the associated Products shall pass from Seller to Buyers at the Point of Delivery.

Section 7.7 RPS and EPS Compliance.

(a) Seller warrants and guarantees that, from the time it receives notice from the CEC that the Facility is CEC Certified, and at all times thereafter until the expiration or earlier termination of the Agreement, the Facility (including the Facility Energy and the associated Environmental Attributes) shall be both RPS Compliant and EPS Compliant.

(b) Notwithstanding Section 7.7(a), if a Change in Law occurs after the Commercial Operation Date that causes the Facility to cease to be both RPS Compliant and EPS Compliant, Seller shall use commercially reasonable efforts to comply with such Change in Law, which efforts shall include incurring up to Fifteen Thousand Dollars (\$15,000) times the Contract Capacity in any Contract Year, or Sixty Thousand Dollars (\$60,000) times the Contract Capacity in the aggregate over the Agreement Term in costs and expenses, including registration fees, volumetric expenses, license renewal fees, external consultant fees, and capital costs, but excluding lobbying activities, to cause the Facility to be both RPS Compliant and EPS Compliant. If, notwithstanding such commercially reasonable efforts, the Facility is still not RPS Compliant and EPS Compliant due to the occurrence of a Change in Law, each Buyer shall remain obligated to purchase its proportionate share based on the Buyers' Percentage of Facility Output of the Products at the applicable full Contract Price.

(c) From time to time and at any time requested by any Buyer or any of its Authorized Representatives, Seller will furnish to each Buyer, Governmental Authorities, or other Persons designated by any Buyer, all certificates and other documentation reasonably requested by any Buyer or such Authorized Representatives in order to demonstrate that the Facility, the Facility Energy, and the associated Environmental Attributes were or are RPS Compliant and EPS Compliant.

**ARTICLE VIII
ENVIRONMENTAL ATTRIBUTES**

Section 8.1 Transfer of Environmental Attributes. For and in consideration of Buyers entering into this Agreement, and in addition to the agreement by and among Buyers and Seller to purchase and sell Facility Energy on the terms and conditions set forth herein, Seller shall transfer to each Buyer, and each Buyer shall receive from Seller, proportionately in

accordance with the Buyers' Percentage of Facility Output, all right, title, and interest in and to all Environmental Attributes, whether now existing or acquired by Seller or that hereafter come into existence or are acquired by Seller during the Agreement Term associated with the Facility Energy and any Replacement Energy. Seller agrees to transfer and make such Environmental Attributes available to Buyers upon Seller's production or acquisition of the Environmental Attributes as soon as reasonably practicable after such Environmental Attributes have been produced or acquired by Seller and subject to and in accordance with applicable law, WREGIS Operating Rules, and applicable regulatory procedures. Seller shall not assign, transfer, convey, encumber, sell or otherwise dispose of all or any portion of such Environmental Attributes to any Person other than Buyers or attempt to do any of the foregoing with respect to any of the Environmental Attributes. The consideration for the transfer of Environmental Attributes is contained within the Contract Price.

Section 8.2 Reporting of Ownership of Environmental Attributes. During the Agreement Term, Seller shall not report to any Person that the Environmental Attributes granted hereunder to Buyers belong to any Person other than Buyers, and Buyers may report under any program that such Environmental Attributes purchased hereunder belong to them.

Section 8.3 Environmental Attributes. Upon request by any Buyer's Authorized Representative, Seller shall take all actions and execute all documents or instruments necessary under applicable law, bilateral arrangements or other voluntary Environmental Attribute programs of any kind, as applicable, to maximize the attribution, accrual, realization, generation, production, recognition and validation of Environmental Attributes throughout the Agreement Term.

Section 8.4 WREGIS. In furtherance and not in limitation of Section 8.3, prior to Seller's first delivery of Facility Energy hereunder, Seller shall register with WREGIS (or any successor system) to evidence the transfer of any Environmental Attributes considered RECs under applicable law or any voluntary program ("**WREGIS Certificates**") associated with Facility Energy or Replacement Product in accordance with WREGIS reporting protocols and WREGIS Operating Rules and shall register the Facility with WREGIS. After the Facility is registered with WREGIS, Seller shall transfer WREGIS Certificates from Seller's WREGIS account to each Buyer's WREGIS accounts, as designated by each Buyer's Authorized Representative, proportionately in accordance with the Buyers' Percentage of Facility Output in whole MWh. Seller shall be responsible for WREGIS Certificate issuance fees and WREGIS expenses associated with registering the Facility, maintaining its account, acquiring and arranging for a Qualified Reporting Entity ("**QRE**") and any applicable QRE agreements, and transferring WREGIS Certificates to each Buyer, each such Buyer's Authorized Representatives, or any other designees. Each Buyer shall be responsible for its WREGIS expenses associated with maintaining its own account, or the accounts of its designees, if any, and subsequent transferring or retiring by it of WREGIS Certificates, or Seller's fees for the retirement of WREGIS Certificates on behalf of any Buyer. Seller shall be responsible for, at its expense, validating and disputing data with WREGIS prior to WREGIS Certificate creation each Month. In the event that WREGIS is not in operation, or WREGIS does not track Seller's transfer of WREGIS Certificates to any Buyer's Authorized Representative or its designees for purposes of any RECs attributed, accrued, realized, generated, produced, recognized or validated relative to the Facility Energy or Replacement Product, if any, or any Buyer chooses not to use WREGIS

for any reason, Seller shall document the production and transfer of RECs under this Agreement to such Buyer by delivering to such Buyer an attestation in substantially the form attached as Appendix D for the RECs associated with the Buyers' Percentage of Facility Output, or Replacement Product, if any, measured in whole MWh, or by such other method as such Buyer shall designate.

Section 8.5 Further Assurances. Pursuant to Section 8.4, if WREGIS (or any successor thereto) is not in operation, or for Environmental Attributes to which WREGIS does not apply, Seller shall document the production of Environmental Attributes other than RECs by delivering with each invoice to Buyers an attestation for the amount of such Environmental Attributes associated with Facility Energy or included with Replacement Product, if any, for the preceding Month in the form of the attestation set forth as Appendix D. At Buyers' Agent's request, the Parties shall execute all such documents and instruments and take such other action in order to affect the transfer of the Environmental Attributes specified in this Agreement to Buyers and to maximize the attribution, accrual, realization, generation, production, recognition and validation of Environmental Attributes throughout the Agreement Term. In the event of the promulgation of a scheme involving Environmental Attributes administered by CAMD, upon notification by CAMD that any transfers contemplated by this Agreement shall not be recorded, each Party shall promptly cooperate in taking all reasonable actions necessary so that such transfer can be recorded. Each Party shall promptly give the other Party copies of all documents it submits to CAMD to effectuate any transfers.

ARTICLE IX MAKEUP OF SHORTFALL ENERGY

Section 9.1 Makeup of Shortfall. Within thirty (30) days after the end of each Contract Year, Seller shall provide Buyers' Agent with a calculation of Facility Energy for such Contract Year. If Seller fails during any Contract Year to deliver Facility Energy in an amount equal to the Guaranteed Generation for the Facility, then Seller shall make up the shortfall of Facility Energy ("*Shortfall Energy*") in accordance with this Article IX.

Section 9.2 Replacement Product. During the Shortfall Makeup Period, the amount of Shortfall Energy shall first be reduced by the amount of any (a) Facility Energy or Deemed Generated Energy delivered or deemed to be delivered above the Guaranteed Generation during the applicable Shortfall Makeup Period, and (b) Replacement Product delivered by Seller during the Shortfall Makeup Period. Such Replacement Product shall be delivered to the Point of Delivery or such other point of delivery as is mutually agreed upon by the Parties (which point of delivery shall be deemed the "Point of Delivery" for such Replacement Product for purposes of Article VII and the other Scheduling and delivery provisions hereof) and on a delivery schedule mutually agreed to by Seller and Buyers' Agent. Any additional costs or expenses associated with delivery of Replacement Product to a Point of Delivery designated under this Section 9.2 shall be borne by Seller. To the extent Seller is unable to deliver or provide sufficient Facility Energy, Deemed Generated Energy, or Replacement Product to make up the remaining Shortfall Energy, then Seller shall, at the end of the Shortfall Makeup Period, pay each Buyer damages in accordance with Section 9.3.

Section 9.3 Shortfall Damages. If Seller is required to pay damages pursuant to Section 9.2, such damages shall be an amount, for each MWh of remaining Shortfall Energy, equal to the positive difference, if any, obtained by subtracting (a) the Fixed Rate from (b) the Replacement Price, and adding, in the case of the positive difference, the amount of all documented and reasonable out-of-pocket costs and expenses incurred by such Buyer to purchase such Replacement Product (“*Shortfall Damages*”). If Seller fails to pay any Buyer its proportionate share of the Shortfall Damages prior to the end of the Shortfall Makeup Period, such Buyer shall have the right, as early as the last day of such Shortfall Makeup Period, to draw the applicable amount of Shortfall Damages owed to such Buyer from the Delivery Term Security. The Shortfall Damages payable under this Section 9.3 shall be each Buyer’s sole remedy, and Seller’s sole liability, for Seller’s failure to achieve the Guaranteed Generation and to deliver Replacement Product in the amount of the Shortfall Energy, except that the foregoing shall not limit any Buyer’s right to withdraw from or terminate this Agreement under Section 9.4 or exercise any right or remedy available under this Agreement or at law or in equity for any Default occurring concurrently with or before or after the accrual of such Shortfall Energy.

Section 9.4 Shortfall Energy Termination. If Seller fails during any Calculation Period to deliver at least Sixty Two and One Half percent (62.5%) of the Guaranteed Generation for such Calculation Period, then each Buyer, in its sole discretion, may within thirty (30) days after the end of such Calculation Period, elect to either (a) collect Shortfall Damages for the Shortfall Energy pursuant to Section 9.3 and withdraw from this Agreement (or Buyers may collectively agree to terminate this Agreement), *provided* that such withdrawal, or termination, as applicable, shall be without further liability to such Buyer or Buyers; or (b) allow Seller to cure such failure by providing such Buyer or Buyers with Replacement Product or Shortfall Damages as described in Section 9.2 and Section 9.3.

ARTICLE X CAPACITY RIGHTS

Section 10.1 Capacity Rights. For and in consideration of each Buyer entering into this Agreement, and in addition to the agreement by Buyers and Seller to purchase and sell Facility Energy and Environmental Attributes on the terms and conditions set forth herein, Seller hereby transfers to each Buyer, and each Buyer hereby accepts from Seller, all of Seller’s rights, title and interest in and to the Capacity Rights in the Contract Capacity, proportionately in accordance with the Buyers’ Percentage of Facility Output. The consideration for the transfer of Capacity Rights, if any, is contained within the applicable Contract Price. No Buyer shall have any obligation or liability whatsoever for any debt pertaining to the Facility by virtue of any Buyer’s ownership of the Capacity Rights or otherwise.

Section 10.2 Covenant Regarding Capacity Rights. Without limiting any of Seller’s obligations under this Agreement, Seller shall annually, as of the Effective Date and continuing for a period of time through the first five (5) Contract Years, and at Seller’s sole expense, submit applications to the CAISO pursuant to Section 9.2 of Appendix DD to the CAISO Tariff, or its successor, to obtain Full Capacity Deliverability Status for the Project, *provided* that the conversion of the Facility, as of the Effective Date, from Energy Only Deliverability Status to achievement of Full Capacity Deliverability Status shall not be a condition to the achievement of Commercial Operation, and no Default shall occur hereunder

solely due to the failure of the Facility to obtain such status or the loss of such status once obtained, unless such failure is due to the actions or omissions of Seller. Seller shall promptly inform each Buyer upon the Project's receipt of a Full Capacity Deliverability Status Finding.

Section 10.3 Representation Regarding Ownership of Capacity Rights. Seller shall not assign, transfer, convey, encumber, sell or otherwise dispose of any of the Capacity Rights in the Contract Capacity to any Person other than Buyers or attempt to do any of the foregoing with respect to any of the Capacity Rights. During the Agreement Term, Seller shall not report to any Person that any of the Capacity Rights in the Contract Capacity belong to any Person other than Buyers. Each Buyer may, at each Buyer's own risk and expense, report to any Person that such Buyer's proportionate share of the Capacity Rights belongs to it. Seller makes no representations, warranties or covenants to Buyers, either expressed or implied, regarding the current or future characterization or treatment of the Capacity Rights under any Requirement of Law. Seller, as Scheduling Coordinator, shall submit to CAISO a Supply Plan (as defined in the CAISO Tariff) in accordance with applicable CAISO requirements noting Buyers as the entities to which such Capacity Rights belong.

Section 10.4 Further Assurances. Seller shall execute and deliver such documents and instruments and take such other action as required by the CAISO and as any Buyers' Authorized Representative may reasonably request to effect recognition and transfer of the Capacity Rights to Buyers. Seller shall bear the costs associated therewith.

ARTICLE XI

BILLING; PAYMENT; AUDITS; METERING; ATTESTATIONS; POLICIES

Section 11.1 Billing and Payment. Billing and payment for all Products shall be as set forth in this Article XI.

Section 11.2 Calculation of Energy Delivered; Invoices and Payment.

(a) Not later than the fifteenth (15th) day of each Month, commencing with the next Month following the Month in which Facility Energy is first delivered by Seller and received by Buyers under this Agreement, Seller shall deliver to each Buyer a proper invoice showing the amount due for the preceding Month from each Buyer to Seller for Facility Energy, Capacity Rights and Environmental Attributes based on the Buyers' Percentage of Facility Output. Each invoice shall show the title of the Agreement and, if applicable, the Agreement number, the name, address and identifying information of Seller and the identification of material, equipment or services covered by the invoices, and shall be sent to the address set forth in Appendix J or such other address as each Buyer may provide to Seller. Seller shall separately provide in such invoice (i) evidence supporting the total amount of Facility Energy generated during such period (including any reasonable documentation requested by Buyers' Agent for purposes of verifying the delivery of Test Energy and Excess Energy), (ii) Seller's computation of the number of Initial Negative Intervals, if any, that occurred during such Month, (iii) Seller's computation of any allocation for Replacement Product delivered by Seller and taken by each Buyer under this Agreement during the preceding Month, any Deemed Generated Energy calculated during the preceding Month (including any supporting documentation associated therewith) and (iv) any other amounts due to Seller, including amounts due under Section 6.3 or

Section 7.3. Seller shall also separately designate in such invoice the generation of Excess Energy, if any. Seller shall also provide each Buyer with a summary of the calculations pursuant to Section 6.2, and in the case of Replacement Product, the amount in MWh actually supplied by Seller pursuant to Section 9.2. Any electronic information delivered by Seller under this Article XI shall be in a format such as Microsoft Excel (or its equivalent) that allows each Buyer to cut, paste or otherwise readily use and work with such information or documentation or as otherwise mutually agreed by the Parties.

(b) Subject to Section 11.2(c) and Section 11.3, not later than the thirtieth (30th) day after receipt by a Buyer of Seller's Monthly invoice (or the next succeeding Business Day, if the thirtieth (30th) day is not a Business Day), each Buyer shall pay to Seller, by wire transfer of immediately available funds to an account specified by Seller or by any other means agreed to by the Parties from time to time, the amount set forth as due by such Buyer in such Monthly invoice.

(c) With respect to Deemed Generated Energy, within twenty (20) days after receipt of an invoice from Seller, if any Buyer believes that it has insufficient information to verify the amount of Deemed Generated Energy calculated by Seller in the invoice, or if such Buyer requires additional time to verify such information, such Buyer shall notify Seller and the other Buyers thereof. Within twenty (20) days after receipt by such Buyer of additional information regarding such Deemed Generated Energy calculation, or on the date mutually agreed to by the Parties pursuant to such Buyer's request for additional time to verify the information provided by Seller, such Buyer shall notify Seller of any discrepancies with respect to its calculation of the Deemed Generated Energy, in which event such invoice may be subject to the provisions of Section 11.3. The failure of such Buyer to respond to Seller's calculation of Deemed Generated Energy, if any, within twenty (20) days of receipt of an invoice shall be deemed approval of such calculation by such Buyer.

(d) Seller shall, in subsequent invoices, adjust previously invoiced amounts to reflect (i) adjustments pursuant to Section 11.3, or (ii) adjustments, reconciliations or final settlements with WREGIS occurring after the date of the initial invoice, or any other adjustments agreed to by the Parties (which shall be without interest of any kind), *provided* that Buyers shall not be required to make invoice payments if the invoice is received more than one (1) year after the billing period.

Section 11.3 Disputed Invoices. If any portion of any invoice is in dispute, the undisputed amount, as applicable, shall be paid when due. The Party disputing a payment shall promptly notify the other Parties of the basis for the dispute, setting forth the details of such dispute in reasonable specificity. If necessary, Disputes may be discussed directly by the Parties' Authorized Representatives, who shall use reasonable efforts to amicably and promptly resolve such Disputes, and any failure to agree shall be subject to resolution in accordance with Section 14.3. Upon resolution of any Dispute, if all or part of the disputed amount is later determined to have been due, then the Party owing such payment or refund shall pay within ten (10) days after receipt of notice of such determination the amount determined to be due plus interest thereon at the Interest Rate from the due date until the date of payment. For purposes of this Section 11.3, "**Interest Rate**" shall mean the lesser of (i) two percent (2%) above the per annum Prime Rate reported daily in *The Wall Street Journal*, or (ii) ten percent (10%) per annum.

Section 11.4 Buyers' Right of Setoff. In addition to any right now or hereafter granted under applicable law and not by way of limitation of any such rights, each Buyer shall have the right at any time to set off against any amount due Seller from such Buyer under this Agreement or otherwise any amount due such Buyer from Seller under this Agreement or otherwise, including any amounts due because of breach of this Agreement or any other obligation if and to the extent paid in the first instance by such Buyer.

Section 11.5 Records and Audits. Seller shall maintain, and the Authorized Auditors shall have access to, all records and data pertaining to the performance and management of this Agreement (including compliance with the Requirements), and as necessary to properly reflect all costs claimed to have been incurred hereunder and thereunder, including (a) all documents provided to Seller in the ordinary course of business for the Facility, (b) documents for billing, costs, metering, and Environmental Attributes, (c) books, records, documents, reports, deliverables, accounting procedures and practices, and (d) records of financial transactions, and (e) other evidence, regardless of form (for example, machine readable media such as disk or tape, etc.) or type (for example, databases, applications software, database management software, or utilities). If Seller is required to submit cost or pricing data in connection with this Agreement, Seller shall maintain all records and documents necessary to permit adequate evaluation of the cost or pricing data submitted, along with the computations and projections used. In the event of a Dispute, records that relate to the Agreement, Dispute, litigation or costs, or items to which an audit exception has been taken, shall be maintained. Buyers' Agent and the Authorized Auditors may discuss such records with Seller's officers and independent public accountants (and by this provision Seller authorizes said accountants to discuss such billings and costs), all at such times and as often as may be reasonably requested. All such records shall be retained, and shall be subject to examination and audit by the Authorized Auditors, for a period of not less than four (4) years following final payment made by a Buyer hereunder, the expiration or termination date of this Agreement, or final settlement of all disputes, claims, or litigation, whichever is later. Seller shall make said records or, to the extent accepted by the Authorized Auditors, photographs, micro-photographs, or other authentic reproductions thereof, available to the Authorized Auditors at Seller's principal business office or any other of Seller's offices as mutually agreed upon by Buyers' Agent and Seller, at all reasonable times and without charge. The Authorized Auditors may reproduce, photocopy, download, transcribe, and the like any such records. Any information provided by Seller on machine-readable media shall be provided in a format accessible and readable by the Authorized Auditors. Seller shall not, however, be required to furnish the Authorized Auditors with commonly available software. Seller shall be subject at any time with fourteen (14) days prior written notice to audits or examinations by Authorized Auditors, relating to all billings and required to verify compliance with all Agreement requirements relative to practices, methods, procedures, performance, compensation, and documentation. Examinations and audits shall be performed using generally accepted auditing practices and principles and applicable governmental audit standards. If Seller utilizes or is subject to Federal Acquisition Regulation, Part 30 and 31, et seq. accounting procedures, or a portion thereof, examinations and audits shall utilize such information. To the extent that an Authorized Auditor's examination or audit reveals inaccurate, incomplete or non-current records, or records are unavailable, the records shall be considered defective. Consistent with standard auditing procedures, Seller shall be provided fifteen (15) days to review an Authorized Auditor's examination results or audit and respond to Buyers' Agent prior to the examination's or audit's finalization and public release. If an

Authorized Auditor's examination or audit indicates Seller has been overpaid under a previous payment application, the identified overpayment amount shall be paid by Seller to Buyers within fifteen (15) days of notice to Seller of the identified overpayment. If an Authorized Auditor's examination or audit reveals that Buyers' overpayment to Seller is more than five percent (5.0%) of the billings reviewed, Seller shall pay all expenses and costs incurred by the Authorized Auditors arising out of or related to the examination or audit, which examination or audit expenses and costs shall be paid by Seller to Buyers within fifteen (15) days of notice to Seller. Seller shall contractually require all Subcontractors performing services under this Agreement to comply with the provisions of this Section 11.5 by inserting this Section 11.5 into each Subcontract.

Section 11.6 Electric Metering Devices.

(a) Facility Energy shall be measured using a single CAISO-approved revenue-quality Electric Metering Device that complies with the CAISO Tariff and relevant protocols and is dedicated exclusively to the Facility ("**Revenue Meter**"). Seller shall arrange and bear all costs associated with the installation of the Revenue Meter needed for the registration, recording and transmission of information regarding the Facility Energy. Seller hereby agrees to provide a mutually agreed set of meter data to Buyers' Agent, which data shall be accessible to, and usable by, Buyers. In addition to providing Buyers' Agent with its meter data, Seller shall use commercially reasonable efforts to support any efforts by Buyers' Agent to obtain CAISO meter data applicable to the Facility and all inspection, testing and calibration data and reports from the CAISO. If the CAISO makes any adjustment to any CAISO meter data for a given time period, Seller agrees that it shall submit revised Monthly invoices, pursuant to this Article XI covering the entire applicable time period in order to fully conform such adjustments to the meter data. Seller shall submit any revised invoices no later than thirty (30) days after the date on which the CAISO provides Seller with binding adjustments to the meter data.

(b) Seller or its Authorized Representative, at no expense to Buyers, shall inspect and test the Revenue Meter upon installation and at least annually thereafter. Seller shall provide Buyers' Agent with reasonable advance notice of, and permit representatives of Buyers and Buyers' Agent to witness and verify, such inspections and tests. Upon request by Buyers' Agent, Seller or its Authorized Representative shall perform additional inspections or tests of the Revenue Meter and shall permit a qualified representative of any Buyer to inspect or witness the testing of the Revenue Meter. The actual expense of any such requested additional inspection or testing shall be borne by Seller. Seller shall provide copies of any inspection or testing reports to Buyers' Agent.

(c) If the Revenue Meter fails to register, or if the measurement made by the Revenue Meter is found upon testing to be inaccurate by more than plus or minus one percent (+/- 1.0%), an adjustment shall be made to correct all measurements made by the inaccurate or defective Revenue Meter for both the amount of the inaccuracy and the period of the inaccuracy. The adjustment period shall be determined by reference to Seller's check-meters, if any, or as far as can be reasonably ascertained by Seller from the best available data, subject to review and approval by Buyers' Agent (such approval not to be unreasonably withheld). If the period of the inaccuracy cannot be reasonably ascertained, any such adjustment shall be for a period equal to one-third of the time elapsed since the preceding test of the Revenue Meter. To the extent that

the adjustment period covers a period of deliveries for which payment has already been made by Buyers, Buyers' Agent shall use the corrected measurements as determined in accordance with this Section 11.6 to recompute the amount due for the period of the inaccuracy and shall subtract the previous payments by Buyers for this period from such recomputed amount. If the difference is a positive number, the difference shall be paid by Buyers to Seller; if the difference is a negative number, that difference shall be paid by Seller to Buyers, or at the direction of Buyers' Agent, may take the form of an offset to payments due to Seller from Buyers. Payment of such difference by the owing Party or Parties, as applicable, shall be made not later than thirty (30) days after the owing Party or Parties, as applicable, receives notice of the amount due, unless Buyers elect payment via an offset.

Section 11.7 Taxes. Seller shall pay or cause to be paid all Taxes on or with respect to the Products or the transaction arising before the Point of Delivery. Each Buyer shall pay or cause to be paid its proportionate share of all Taxes on or with respect to the Products or the transaction at and from the Point of Delivery to such Buyer. If Seller is required by a Requirement of Law to remit or pay Taxes that are the responsibility of any Buyer hereunder, such Buyer shall promptly reimburse Seller for such Taxes. If any Buyer is required by Requirement of Law to remit or pay Taxes that are Seller's responsibility hereunder, such Buyer may deduct such amounts from payments to Seller hereunder; if such Buyer elects not to deduct such amounts from Seller's payments, Seller shall promptly reimburse such Buyer for such amounts upon request. Nothing shall obligate or cause a Party to pay or be liable to pay any Taxes for which it is exempt under law. A Party that is exempt at any time and for any reason from one or more Taxes shall bear the risk that such exemption shall be lost or the benefit of such execution be reduced.

ARTICLE XII REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 12.1 Representations, Warranties and Covenants of Buyers. Each Buyer makes the following representations, warranties and covenants to Seller as of the Effective Date and continuing throughout the Agreement Term:

(a) Such Buyer is, (i) with respect to PWRPA, Eastside and Pittsburg Power, a validly existing California joint powers authority, and (ii) with respect to Moreno Valley, a validly existing California municipal corporation, and has the legal power and authority to own its properties, to carry on its business as now being conducted and to enter into this Agreement, and to carry out the transactions contemplated hereby and thereby, and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement.

(b) The execution, delivery and performance by such Buyer of this Agreement (i) have been duly authorized by all necessary action, and does not and will not require any consent or approval of such Buyer's regulatory or governing bodies, other than that which has been obtained; and (ii) does not violate any federal, state, and local law, including the California Government Code and similar laws.

(c) This Agreement constitutes the legal, valid and binding obligation of such Buyer enforceable in accordance with its terms, except as such enforceability may be limited by

bankruptcy, insolvency, reorganization or similar laws relating to or affecting the enforcement of creditors' rights generally or by general equitable principles, regardless of whether such enforceability is considered in a proceeding in equity or at law.

(d) Such Buyer is not in violation of any federal, state, and local law, which violations, individually or in the aggregate, would reasonably be expected to result in a material adverse effect on the business, assets, operations, condition (financial or otherwise) or prospects of such Buyer, or the ability of such Buyer to perform any of its obligations under this Agreement.

(e) The Buyers intend to appoint Buyers' Agent for Buyers pursuant to an agreement entered into by Buyers, dated as close to the Effective Date as reasonably practicable, a draft copy of which has been furnished to Seller, for the purposes of administering this Agreement, and, upon the execution of such agreement, Buyers' Agent shall have the power and authority to take such actions, grant such consents, and bind Buyers with respect to the matters provided for in this Agreement in a manner consistent with the term and conditions set forth in this Agreement. Buyers shall use best efforts to ensure the continuous appointment of Buyers' Agent during the Agreement Term for purposes of administration of this Agreement. If, at any time during the Agreement Term, Buyers' Agent shall not be appointed, Seller, upon written notice to Buyers, may treat the Buyer with the largest Buyer Percentage of Facility Output as the Buyers' Agent.

Section 12.2 Representations and Warranties of Seller. Seller makes the following representations and warranties to Buyers as of the Effective Date and continuing throughout the Agreement Term:

(a) Seller is a limited liability company duly organized and validly existing and in good standing under the laws of the State of Delaware and is qualified to do business in the State of California, and has the legal power and authority to own or lease its properties, to carry on its business as now being conducted and to enter into this Agreement and the Ancillary Documents to which it is a party, and to carry out the transactions contemplated hereby and thereby and to perform and carry out all covenants and obligations on its part to be performed under and pursuant to this Agreement and any Ancillary Documents to which it is a party.

(b) Seller has taken all corporate or limited liability company action required to authorize the execution, delivery, and performance of this Agreement and all Ancillary Documents requiring execution by Seller, and Seller has delivered to Buyers (i) copies of all resolutions and other documents evidencing such corporate or limited liability company actions, certified by an authorized representative of Seller as being true, correct, and complete, and (ii) an incumbency certificate signed by the secretary of Seller certifying as to the names and signatures of the authorized representatives of Seller.

(c) The execution, delivery and performance by Seller of this Agreement and any Ancillary Documents to which it is a party have been duly authorized by all necessary

organizational action, and do not require any consent or approval other than those which have already been obtained.

(d) The execution and delivery of this Agreement and all Ancillary Documents to which Seller is a party, the consummation of the transactions contemplated hereby and thereby and the fulfillment of and compliance with the provisions of this Agreement and any Ancillary Documents to which Seller is a party, do not conflict with or constitute a breach of or a default under, any of the terms, conditions or provisions of any Requirement of Law, or any organizational documents, agreement, deed of trust, mortgage, loan agreement, other evidence of indebtedness or any other agreement or instrument to which Seller is a party or by which it or any of its property is bound, or result in a breach of or a default under any of the foregoing or result in or require the creation or imposition of any Lien upon any of the properties or assets of Seller (except as contemplated hereby), and Seller has obtained or shall use commercially reasonable efforts to timely obtain (and expects to obtain in due course) all Permits required for the performance of its obligations hereunder and operation of the Facility in accordance with the Requirements.

(e) This Agreement and any Ancillary Documents to which Seller is a party constitute the legal, valid and binding obligation of Seller enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws relating to or affecting the enforcement of creditors' rights generally or by general equitable principles, regardless of whether such enforceability is considered in a proceeding in equity or at law.

(f) There is no pending, or to the knowledge of Seller, threatened action or proceeding affecting Seller before any Governmental Authority, which purports to affect the legality, validity or enforceability of this Agreement or any Ancillary Documents to which it is a party.

(g) Seller is not in violation of any Requirement of Law, which violations, individually or in the aggregate, would reasonably be expected to result in a material adverse effect on the business, assets, operations, condition (financial or otherwise) or prospects of Seller, or the ability of Seller to perform any of its obligations under this Agreement or any Ancillary Documents to which it is a party.

(h) The corporate organizational structure and ownership of Seller is as set forth on Schedule 12.2(h). The limited liability company interests in Seller have been duly issued under and authorized by their respective limited liability company agreements and in accordance with applicable Requirements of Law.

(i) Seller has (i) not entered into this Agreement or any Ancillary Document to which it is a party with the actual intent to hinder, delay or defraud any creditor, and (ii) received reasonably equivalent value in exchange for its obligations under this Agreement and any Ancillary Document to which it is a party. No petition in bankruptcy has been filed against Seller, and Seller has not made an assignment for the benefit of creditors or taken advantage of any insolvency act for its benefit as a debtor.

(j) The Permits required to construct, maintain or operate the Facility in accordance with the Requirements have been or are reasonably expected to be timely obtained in the ordinary course of business.

(k) Seller has not assigned, transferred, conveyed, encumbered, sold or otherwise disposed of the Products except as provided herein.

(l) Seller has obtained the CEQA Determinations.

(m) Seller has Site Control.

Section 12.3 Covenants of Seller Related to Material Adverse Effects. In the event of a material adverse effect on the business, assets, operations, condition (financial or otherwise) or prospects of Seller or an event of default by Seller, Seller shall promptly thereafter notify Buyers' Agent, and Seller shall, within thirty (30) days after providing such notice, provide Buyers' Agent with a plan or report, including the report (at Seller's sole cost and expense) of a Licensed Professional Engineer with respect to any operational problem related to the Facility if reasonably requested by Buyers' Agent that demonstrates in detail reasonably acceptable to Buyers' Agent, that the material adverse effect or event of default by Seller has been mitigated or cured, or will be mitigated or cured within a reasonable period or within the cure periods provided therefor (and listing, in detail, the actions that Seller has taken, is taking, or proposes to take with respect to such condition or event), or that such material adverse effect or event of default by Seller will not have a material adverse effect on the performance of Seller under this Agreement. A failure to provide such plan or report within thirty (30) days, or to diligently undertake any of the actions set forth under such plan or report, will be deemed a failure by Seller to perform under Section 13.1(b).

Section 12.4 Covenants of Seller to Provide Annual Attestations. Seller shall provide to Buyers' Agent no later than January 31 of each Contract Year or at the reasonable request of Buyers' Agent, but not exceeding twice per Contract Year, a certificate executed by an authorized officer of Seller certifying that the representations and warranties set forth in Section 12.2 of this Agreement remain true and correct as of the date of such certificate, and that there exists no event of default by Seller or any event that, after notice or with the passage of time or both, would constitute a Default hereunder; *provided*, that (i) with respect to any attestation with respect to the representation and warranty set forth in Section 12.2(f), Seller may include a disclosure schedule with any such attestation in order to make such representation true and (ii) with respect to any attestation as to any representation and warranty set forth in Section 12.2(h), Seller may update such attestation and Schedule 12.2(h) in order to account for any mergers, transfers, consolidations, assignments, restructurings, or similar transactions to the extent that such transactions either (A) do not constitute a Change of Control or (B) have been consented to by Buyers.

Section 12.5 Covenant of Seller Related to Site Control. Seller shall deliver evidence of Seller's Site Control within sixty (60) days of the Effective Date and thereafter upon the reasonable request of Buyers.

ARTICLE XIII
DEFAULT; TERMINATION AND REMEDIES; PERFORMANCE DAMAGE

Section 13.1 Default. Each of the following events or circumstances shall constitute a “*Default*” by the responsible Party (the “*Defaulting Party*”):

(a) **Payment Default.** Failure by a Party to make any payment under this Agreement when and as due (other than payments disputed in good faith) that is not cured within fifteen (15) days after receipt of notice thereof from the other Party (which amount shall include payment of interest from the due date at the Interest Rate);

(b) **Performance Default.** Failure by a Party to perform any of its material duties or obligations under this Agreement (other than any failure for which a sole remedy is provided in this Agreement and any failure which is separately listed as a Default of Seller under this Section 13.1) that is not cured within thirty (30) days after receipt of notice thereof from the other Party; *provided* that if such failure cannot be cured within such thirty (30) day period despite reasonable commercial efforts and such failure is not a failure to make a payment when due, such Party shall have up to sixty (60) additional days to cure or as otherwise mutually agreed.

(c) **Breach of Representation and Warranty.** Any representation, warranty, certification, or other statement made by a Party in this Agreement or any Ancillary Document, or in the case of Seller, made in a certification delivered pursuant to Section 12.4, is materially false or inaccurate at the time made; *provided* that no Default shall exist if such falsity or inaccuracy is remedied within thirty (30) days after receipt of notice thereof from another Party.

(d) **Bankruptcy.** Bankruptcy of any Buyer (which shall only be a Default with respect to such Bankrupt Buyer) or Seller.

(e) **Performance Security Failure.** The failure of Seller to maintain or replace the Performance Security in compliance with Section 5.6, which failure has not been cured within ten (10) days after receipt of notice thereof from Buyer.

(f) **Buyer Performance Assurance Failure.** The failure of a Buyer to maintain or replace the Buyer Performance Assurance in compliance with Section 5.7, which failure has not been cured within ten (10) days after receipt of notice thereof from Seller.

(g) **Insurance Default.** The failure of Seller to maintain and provide acceptable evidence of the required Insurance for the required period of coverage as set forth in Appendix F that is not cured within ten (10) Business Days after receipt of notice of such failure from Buyers.

(h) **Fundamental Change.** Except as permitted by Section 14.7, (i) a Party makes an assignment of its rights or delegation of its obligations under this Agreement, or (ii) a Change in Control occurs (whether voluntary or by operation of law).

Section 13.2 Default Remedy.

(a) If any Buyer is in Default for nonpayment, subject to any duty or obligation under this Agreement, Seller may continue to provide services to such Defaulting Buyer, and shall continue to provide services with respect to the non-Defaulting Buyers, pursuant to its obligations under this Agreement; *provided* that nothing in this Section 13.2(a) shall affect Seller's rights and remedies set forth in this Section 13.2. Seller's continued service to a Defaulting Buyer shall not act to relieve such Defaulting Buyer of any of its duties or obligations under this Agreement.

(b) Notwithstanding any other provision herein, if any Default has occurred and is continuing, the affected Party may, whether or not the dispute resolution procedure set forth in Section 14.3 has been invoked or completed, bring an action in any court of competent jurisdiction as set forth in Section 14.13 seeking injunctive relief in accordance with applicable rules of civil procedure.

(c) Except as expressly limited by this Agreement, if a Default has occurred and is continuing and a Buyer is the Defaulting Party, Seller may without further notice exercise any rights and remedies provided herein or otherwise available at law or in equity with respect to such Buyer, including drawing down on any applicable Buyer Performance Assurance and a partial termination of this Agreement with respect to the Defaulting Buyer pursuant to Section 13.4; *provided* that the non-Defaulting Buyer (or Buyers, as applicable), shall have the opportunity, upon the termination of this Agreement with respect to such Defaulting Buyer or Buyers, to take over such Defaulting Buyer's or Buyers' portion of the Buyers' Percentage of Facility Output. No failure of Seller to exercise, and no delay in exercising, any right, remedy or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by Seller of any other right, remedy or power hereunder preclude any other or future exercise of any right, remedy or power.

(d) Except as expressly limited by this Agreement, if a Default has occurred and is continuing and Seller is the Defaulting Party, each Buyer may without further notice exercise any rights and remedies provided for herein, or otherwise available at law or equity, including (i) application of all amounts available under the Performance Security against any amounts then payable by Seller to Buyers under this Agreement, and (ii) withdrawal from or termination of this Agreement pursuant to Section 13.4. No failure of any Buyer to exercise, and no delay in exercising, any right, remedy or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by any Buyer of any right, remedy or power hereunder preclude any other or future exercise of any right, remedy or power by such Buyer.

Section 13.3 Cure Rights of Facility Lender. In connection with any financing or refinancing of the Facility, Buyers' Agent shall in good faith negotiate and agree upon a consent to collateral assignment of this Agreement or an estoppel certificate that is commercially reasonable and customary in the industry for limited or non-recourse project financing transactions and in form and substance reasonably satisfactory to Buyers' Agent, which consent shall include, among other things, provisions permitting reasonable extensions of the cure periods for Defaults hereunder to permit the Facility Lender to cure any Default prior to Buyers' termination of this Agreement, and each Buyer shall be obligated to enter into such consent (such

consent, the “**Facility Lender Consent**”). The Facility Lender Consent shall provide the Facility Lender or its agent notice of the occurrence of any Default described in Section 13.1 and the opportunity to cure any such default. Seller shall pay Buyers up to an aggregate amount of Fifty Thousand Dollars (\$50,000) for the reasonable costs and expenses incurred by Buyers arising (a) in connection with the negotiation of the Facility Lender Consent (including reasonable attorneys’ fees and expenses) for a transaction or related series of transactions, or (b) to enable any transaction or series of related transactions pursuant to Section 14.7(d).

Section 13.4 Termination for Default.

(a) In the event of a Default by any Buyer, each Party that is not a Defaulting Party, as the context requires (each, a “**Non-Defaulting Party**”) may, for so long as the Default is continuing and, to the extent permitted by applicable law, without limiting any other rights or remedies available to each Non-Defaulting Party under this Agreement, by notice from any Non-Defaulting Party to the Defaulting Party (a “**Termination Notice**”) (i) establish a date, which shall be no earlier later than twenty (20) days after the date of such notice (“**Early Termination Date**”) on which this Agreement shall terminate with respect to such Defaulting Party and (ii) Seller may withhold any payments due to such Defaulting Buyer in respect of this Agreement. Any non-Defaulting Buyer, or Buyers, shall have the right to agree in writing to assume the Defaulting Buyer’s or Buyers’ portion of the Buyers’ Percentage of Facility Output and pay the Contract Price for such Buyer’s or Buyers’ portion of the Buyers’ Percentage of Facility Output set forth on Appendix M, in which case this Agreement shall continue and such non-Defaulting Buyer(s) may assume the Buyers’ Percentage of Facility Output from the Defaulting Buyer. For the avoidance of doubt, a Buyer that is a Non-Defaulting Party shall not have the right to terminate this Agreement with respect to itself.

(b) In the event of a Default by Seller, each Buyer, as a Non-Defaulting Party may, for so long as the Default is continuing and, to the extent permitted by applicable law, without limiting any other rights or remedies available to each Non-Defaulting Party under this Agreement, (i) establish by delivery of a Termination Notice which shall be no earlier than twenty (20) days after such Termination Notice, on which such Non-Defaulting Buyer may withdraw, without penalty to such Non-Defaulting Buyer, from this Agreement or, upon the mutual agreement of the Buyers, this Agreement shall terminate, and (ii) withhold any payments due Seller in respect of this Agreement.

(c) If an Early Termination Date has been designated, each Non-Defaulting Party shall calculate in a commercially reasonable manner its Gains, Losses and Costs resulting from the termination of this Agreement and the resulting Termination Payment. The Gains, Losses and Costs relating to the Products that would have been required to be delivered under this Agreement had it not been terminated shall be determined by comparing the amounts each Buyer would have paid for the Products under this Agreement to the equivalent quantities and relevant market prices, either quoted by one or more bona fide third party offers, or which are reasonably expected by each Buyer to be available in the market under a replacement contract for this Agreement covering the same products and having a term equal to the Remaining Term at the date of the Termination Notice, adjusted to account for differences in transmission, if any. To ascertain the market prices of a replacement contract, each Non-Defaulting Party may consider, among other valuations, quotations from dealers in Energy contracts and bona fide

third party offers. Each Non-Defaulting Party shall not be required to enter into any such replacement agreement in order to determine its Gains, Losses and Costs or the Termination Payment.

(d) For purposes of each Non-Defaulting Party's determination of its Gains, Losses and Costs and the Termination Payment, it shall be presumed, regardless of the facts, that Seller would have sold, and each Buyer would have purchased, each day during the Remaining Term (i) Facility Energy in an amount equal to the Assumed Daily Deliveries, (ii) the Environmental Attributes associated therewith, and (iii) all other components of the Products. The "*Assumed Daily Deliveries*" shall be an amount equal to the greater of (A) the quotient of the Guaranteed Generation divided by Three Hundred Sixty-Five (365), and (B) the average daily amount of Facility Energy during the Delivery Term, if any.

(e) Each Non-Defaulting Party shall notify the Defaulting Party of the Termination Payment, which notice shall include a written statement explaining in reasonable detail the calculation of such amount. The Defaulting Party shall, within ten (10) Business Days after receipt of such notice, pay the Termination Payment to each Non-Defaulting Party, together with interest accrued at the Interest Rate from the Early Termination Date until paid.

(f) If the Defaulting Party disagrees with the calculation of the Termination Payment and the Parties cannot otherwise resolve their differences, the calculation of the Termination Payment shall be submitted to the dispute resolution process provided in Section 14.3. Following resolution of the dispute, the Defaulting Party shall pay the full amount of the Termination Payment (if any) as determined by such resolution as and when required, but no later than thirty (30) days following the date of such resolution, together with all interest, at the Interest Rate, that accrued from the Early Termination Date until the date the Termination Payment is paid.

(g) For purposes of this Agreement:

(i) "*Gains*" means, with respect to a Party, an amount equal to the present value of the economic benefit (exclusive of Costs), if any, resulting from the termination of its obligations under this Agreement, determined in a commercially reasonable manner;

(ii) "*Losses*" means, with respect to a Party, an amount equal to the present value of the economic loss (exclusive of Costs), if any, resulting from the termination of its obligations under this Agreement, determined in a commercially reasonable manner;

(iii) "*Costs*" means, with respect to a Party, brokerage fees, commissions, financing fees and penalties, and other similar transaction costs and expenses reasonably incurred, including, but not limited to, cost of funding, third party indemnity obligations, or, at the election of such Party but without duplication, loss or cost incurred as a result of its terminating, liquidating, obtaining or reestablishing any hedge or related trading position (or any gain resulting from any of them), or in entering into new arrangements which replace this Agreement, excluding attorneys' fees, if any,

incurred in connection with enforcing its rights under this Agreement. Each Party shall use reasonable efforts to mitigate or eliminate its Costs;

(iv) In no event shall a Party's Gains, Losses or Costs include any penalties or similar charges imposed by any Non-Defaulting Party.

(v) The Present Value Rate shall be used as the discount rate in all present value calculations required to determine Gains, Losses and Costs.

(h) At the time for payment of any amount due under this Section 13.4, each Party shall pay to any other Party, as applicable, all additional amounts, if any, payable by it under this Agreement (including any amounts withheld pursuant to Section 13.4(a)(ii) above).

ARTICLE XIV MISCELLANEOUS

Section 14.1 Authorized Representative. Each Party shall designate an authorized representative who shall be authorized to act on its behalf with respect to those matters contained herein (each an "**Authorized Representative**"), which shall be the functions and responsibilities of such Authorized Representatives. Each Party may also designate an alternate who may act for the Authorized Representative. Within thirty (30) days after execution of this Agreement, each Party shall notify the other Party of the identity of its Authorized Representative, and alternates if designated, and such Party shall promptly notify the other Party of any subsequent changes in such designation. The Authorized Representatives shall have no authority to alter, modify, or delete any of the provisions of this Agreement.

Section 14.2 Notices. With the exception of billing invoices pursuant to Section 11.2(a) hereof, all notices, requests, demands, consents, approvals, waivers and other communications which are required under this Agreement shall be (a) in writing (regardless of whether the applicable provision expressly requires a writing), (b) deemed properly sent if delivered in person or sent by facsimile transmission, reliable overnight courier, or sent by registered or certified mail, postage prepaid to the persons specified in Appendix J, and (c) deemed delivered, given and received on the date of delivery, in the case of facsimile transmission, or on the date of receipt or rejection in the case of registered or certified mail. In addition to the foregoing, the Parties may agree in writing at any time to deliver notices, requests, demands, consents, waivers and other communications through alternate methods, such as electronic mail.

Section 14.3 Dispute Resolution.

(a) In the event of any claim, controversy or dispute between the Parties arising out of or relating to or in connection with this Agreement (including any dispute concerning the validity of this Agreement or the scope and interpretation of this Section 14.3) (a "**Dispute**"), any Party (the "**Notifying Party**") may deliver to the other Parties (the "**Recipient Party**") notice of the Dispute with a detailed description of the underlying circumstances of such Dispute (a "**Dispute Notice**"). The Dispute Notice shall include a schedule of the availability of the Notifying Party's senior officers (having a title of vice president (or its equivalent) or higher)

duly authorized to settle the Dispute during the thirty (30) day period following the delivery of the Dispute Notice.

(b) The Recipient Party shall, within five (5) Business Days following receipt of the Dispute Notice, provide to the Notifying Party a parallel schedule of availability of the Recipient Party's senior officers (having a title of vice president (or its equivalent) or higher) duly authorized to settle the Dispute. Following delivery of the respective senior officers' schedules of availability, the senior officers of the Parties shall meet and confer as often as they deem reasonably necessary during the remainder of the thirty (30) day period in good faith negotiations to resolve the Dispute to the satisfaction of each Party.

(c) In the event a Dispute is not resolved pursuant to the procedures set forth in Sections 14.3(a) and (b) by the expiration of the thirty (30) day period set forth in Section 14.3(a), then a Party may pursue any legal remedy available to it in accordance with the provisions of Section 14.12 and Section 14.3 of this Agreement.

(d) In addition to the Dispute Resolution process set forth in this Section 14.3, the Parties shall comply with California law governing claims against public entities and presentment of such claims.

Section 14.4 Further Assurances; Change in Electric Market Design.

(a) Each Party agrees to execute and deliver all further instruments and documents, and take all further action not inconsistent with the provisions of this Agreement that may be reasonably necessary to effectuate the purposes and intent of this Agreement.

(b) If a change in the CAISO Tariff renders this Agreement or any provisions hereof incapable of being performed or administered, then any Party may request that Buyers' Agent and Seller enter into negotiations to make the minimum changes to this Agreement necessary to make this Agreement capable of being performed and administered, while attempting to preserve to the maximum extent possible the benefits, burdens, and obligations set forth in this Agreement as of the Effective Date. Upon delivery of such a request, Buyers' Agent and Seller shall engage in such negotiations in good faith. If Buyers' Agent and Seller are unable, within sixty (60) days after delivery of such request, to agree upon changes to this Agreement or to resolve issues relating to changes to this Agreement, then any Party may submit issues pertaining to changes to this Agreement to the dispute resolution process set forth in Section 14.3. Notwithstanding the foregoing, a change in cost shall not in and of itself be deemed to render this Agreement or any of the provisions hereof incapable of being performed or administered, or constitute, or form the basis of, a Force Majeure.

Section 14.5 No Dedication of Facilities. Any undertaking by one Party to the other Parties under any provisions of this Agreement shall not constitute the dedication of the Facility or any portion thereof of any Party to the public or to the other Party or any other Person, and it is understood and agreed that any such undertaking by any Party shall cease upon the termination of such Party's obligations under this Agreement.

Section 14.6 Force Majeure.

(a) A Party shall not be considered to be in Default in the performance of any of its obligations under this Agreement (other than the obligation to pay amounts due) when and to the extent such Party's performance is prevented by a Force Majeure that, despite the exercise of due diligence, such Party is unable to prevent or mitigate, *provided* the Party has given a written detailed description of the Force Majeure to the other Party promptly after becoming aware thereof (and in any event within fourteen (14) days after becoming aware of the claimed Force Majeure event) (the "***Force Majeure Notice***"), which notice shall include information with respect to the nature, cause and date and time of commencement of such event, and the anticipated scope and duration of the delay. The Party providing such Force Majeure Notice shall be excused from fulfilling its obligations under this Agreement until such time as the Force Majeure has ceased to prevent performance or other remedial action is taken, at which time such Party shall promptly notify the other Party of the resumption of its obligations under this Agreement. If Seller is unable to deliver, or any Buyer is unable to receive, Facility Energy due to a Force Majeure, then such Buyer shall have no obligation to pay Seller for Facility Energy not delivered or received by reason thereof. The foregoing provisions shall not excuse any obligation of Seller with respect to Shortfall Energy (and Replacement Product, as applicable) arising prior to the occurrence of any Force Majeure event. In no event shall any Party be obligated to compensate the other Parties or any other Person for any losses, expenses or liabilities sustained as a consequence of any Force Majeure.

(b) The term "***Force Majeure***" means any act of God (including fire, flood, earthquake, storm, lightning strike, tornado, volcanic eruption, hurricane or other natural disaster), labor disturbance, strike or lockout, act of the public enemy, war (declared or undeclared), insurrection, riot, explosion, terrorist activities or any order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities that (i) prevents one Party from performing any of its obligations under this Agreement, (ii) could not reasonably be anticipated as of the date of this Agreement, (iii) is not within the reasonable control of, or the result of negligence, willful misconduct, breach of contract, intentional act or omission or wrongdoing on the part of the affected Party (or any subcontractor or Affiliate of that Party, or any Person under the control of that Party or any of its subcontractors or Affiliates, or any Person for whose acts such subcontractor or Affiliate is responsible), and (iv) by the exercise of due diligence the affected Party is unable to overcome or avoid or cause to be avoided; *provided*, nothing in clause (iv) above shall be construed so as to require a Party to accede or agree to any provision not satisfactory to it in order to settle and terminate a strike or labor dispute in which it may be involved. Any Party rendered unable to fulfill any of its obligations by reason of a Force Majeure shall exercise due diligence to remove such inability with reasonable dispatch within a reasonable time period and mitigate the effects of the Force Majeure. The relief from performance shall be of no greater scope and of no longer duration than is required by the Force Majeure. Without limiting the generality of the foregoing, a Force Majeure does not include any of the following: (1) any requirement to meet an RPS Law or any change (whether voluntary or mandatory) in any RPS Law, or other Change in Law, that may affect the value of the Products; (2) any increase of any kind in any cost; (3) delays in or inability of a Party to obtain financing or other economic hardship of any kind; (4) Seller's ability to sell any Facility Energy at a price in excess of those provided in this Agreement; (5) curtailment or other interruption of any Transmission Service; (6) failure of third parties to provide goods or services essential to a

Party's performance, unless such failure is itself due to Force Majeure; (7) Facility or equipment failure of any kind, unless such failure is itself due to Force Majeure; or (8) any changes in the financial condition of any Buyer, Seller, the Facility Lender or any subcontractor or supplier affecting the affected Party's ability to perform its obligations under this Agreement.

(c) Any Buyer may withdraw from this Agreement if (i) a Force Majeure event occurs that diminishes the production of the Facility by more than fifty percent (50%) of the Contract Capacity for a period of eighteen (18) consecutive months, or (ii) the Facility is damaged and thereby rendered inoperable and an independent engineer that is mutually acceptable to the Parties determines that the Facility cannot be repaired or replaced within a period not to exceed twenty four (24) months following the date of the occurrence of the Force Majeure event. In addition, Seller may terminate this Agreement if, pursuant to (ii), the Facility is rendered inoperable and the mutually acceptable independent engineer determines in writing that the Facility cannot be repaired or replaced within twenty-four (24) months of the issuance of the independent engineer's written determination.

(d) Any withdrawal from or termination of this Agreement under Section 14.6(c) shall be "no-fault" and no Party shall have any liability or obligation to any other Parties arising out of such withdrawal or termination. Notwithstanding the foregoing, upon any such withdrawal or termination, as applicable, Seller shall pay each withdrawing or terminating Buyer for any and all amounts hereunder that may be owing, including for any existing Shortfall Energy or other outstanding payments due in the ordinary course that occurred prior to the termination. Each withdrawing or terminating Buyer shall return to Seller its portion of the Performance Security (less any amounts drawn by such Buyer in accordance with this Agreement). The exercise by a Buyer of its right to withdraw from or terminate the Agreement shall not render such withdrawing or terminating Buyer liable for any losses or damages incurred by Seller whatsoever.

Section 14.7 Assignment of Agreement.

(a) Except as set forth in this Section 14.7, no Party may assign any of its rights, or delegate any of its obligations, under this Agreement without the prior written consent of the other Parties, such consent not to be unreasonably withheld, conditioned or delayed. Any Change in Control (whether voluntary or by operation of law) shall be deemed an assignment and shall require the prior written consent of Buyers' Agent, which consent shall not be unreasonably withheld, conditioned or delayed. Concurrently with any reorganization, financing transaction, or other transactions constituting any Change in Control (whether voluntary or by operation of law) in which Seller merges, consolidates or takes any other action with any Person and ceases to exist, the successor entity to Seller shall execute a written assumption agreement in favor of Buyers pursuant to which any such successor entity shall assume all of the obligations of Seller under this Agreement and agree to be bound by all the terms and conditions of this Agreement. In connection with any Change in Control in which Seller remains party to this Agreement, at Buyers' request, Seller shall deliver an estoppel certificate to Buyers' Agent confirming that this Agreement remains in full force and effect.

(b) Any Buyer may assign this Agreement without the consent of Seller or the other Buyers to a Qualified Buyer Assignee. Notwithstanding the foregoing, in connection with

any such assignment, such Qualified Buyer Assignee shall execute a written assumption agreement in favor of Seller pursuant to which any such Qualified Buyer Assignee shall assume all the obligations of such Buyer under this Agreement and agree to be bound by all the terms and conditions of this Agreement, thereby relieving the assignor Buyer from its duties and obligations hereunder and thereunder. Any modifications or amendments to this Agreement to accommodate the technical requirements of such Qualified Buyer Assignee (including as they relate to transmission and scheduling) shall require the consent of Seller, which consent shall not be unreasonably withheld, conditioned or delayed.

(c) Buyers' consent shall not be required in connection with the collateral assignment or pledge of (i) this Agreement to any Facility Lender or (ii) all or a portion of the membership interests in Seller or any Affiliate of Seller to any Facility Lender, in each case for the purpose of financing the Facility; *provided, however*, that (1) the terms of such financing and the documentation relating thereto shall comply with the applicable terms and conditions of this Agreement, and (2) in connection with any such assignment or pledge and the exercise of remedies by any Facility Lender, the Facility Lender acknowledges and agrees to be bound by the requirement the Facility be operated and maintained by a Qualified Operator. Seller shall provide each Buyer with ninety (90) days' prior notice of any such collateral assignment or pledge. Notwithstanding the foregoing or anything else expressed or implied herein to the contrary, Seller shall not assign, transfer, convey, encumber, sell or otherwise dispose of all or any portion of the Products (not including the proceeds thereof) to any Facility Lender. To facilitate Seller's obtaining of financing for the Facility, each Buyer agrees to provide the Facility Lender Consent. Seller shall reimburse, or shall cause the Facility Lender to reimburse, each Buyer for the incremental direct expenses incurred by each such Buyer in the preparation, negotiation, execution or delivery of the Facility Lender Consent and any documents requested by Seller or the Facility Lender, and provided by a Buyer, pursuant to this Section 14.7(d).

(d) In no event shall any Buyer be liable to any Facility Lender for any claims, losses, expenses or damages whatsoever other than liability a Buyer may have to Seller under this Agreement. In the event of any foreclosure, whether judicial or nonjudicial, or any deed in lieu of foreclosure, in connection with any deed of trust, mortgage, or other similar Lien, Facility Lender shall be bound by the covenants and agreements of Seller in this Agreement; *provided, however*, that until the Person who acquires title to the Facility executes and delivers to each Buyer a written assumption of Seller's obligations under this Agreement in form and substance acceptable to Buyers, such Person shall not be entitled to any of the benefits of or be liable to perform any obligations under this Agreement. Any sale or transfer of all or any portion of the Facility by any Facility Lender shall be made only to an entity that is a Qualified Transferee.

(e) Seller shall pay Buyers an aggregate amount up to Fifty Thousand Dollars (\$50,000) for the reasonable costs and expenses incurred by Buyers (i) in connection with any dispositions, assignments or Changes in Control (including reasonable attorneys' fees and expenses) hereunder pursuant to a transaction or related series of transactions, and (ii) pursuant to Section 13.3.

Section 14.8 Ambiguity. The Parties acknowledge that this Agreement was jointly prepared by them, by and through their respective legal counsel, and any uncertainty or

ambiguity existing herein shall not be interpreted against a Party on the basis that the Party drafted the language, but otherwise shall be interpreted according to the application of the rules on interpretation of contracts.

Section 14.9 Attorney Fees & Costs. Both Parties agree that in any action to enforce the terms of this Agreement that each Party shall be responsible for its own attorney fees and costs. Each of the Parties to this Agreement was represented by its respective legal counsel during the negotiation and execution of this Agreement.

Section 14.10 Voluntary Execution. The Parties acknowledge that they have read and fully understand the content and effect of this Agreement and that the provisions of this Agreement have been reviewed and approved by their respective counsel. The Parties further acknowledge that they have executed this Agreement voluntarily, subject only to the advice of their own counsel, and do not rely on any promise, inducement, representation or warranty that is not expressly stated herein.

Section 14.11 Entire Agreement; Amendments. This Agreement (including all Appendices) contains the entire understanding concerning the subject matter herein and supersedes and replaces any prior negotiations, discussions or agreements between the Parties, or any of them, concerning that subject matter, whether written or oral, except as expressly provided for herein. This is a fully integrated document. Each Party acknowledges that no other party, representative or agent, has made any promise, representation or warranty, express or implied, that is not expressly contained in this Agreement that induced the other Party to sign this document. This Agreement may be amended or modified only by an instrument in writing signed by each Party.

Section 14.12 Governing Law. This Agreement shall be governed by, interpreted and enforced in accordance with the laws of the State of California, without regard to conflict of law principles. TO THE EXTENT PERMITTED BY LAW, EACH OF THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES THE RIGHT EITHER OF THEM MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT.

Section 14.13 Venue. All litigation arising out of, or relating to this Agreement, shall be brought in a state or federal court in the cities of San Francisco or Sacramento in the State of California. The Parties irrevocably agree to submit to the exclusive jurisdiction of such courts in the State of California and waive any defense of forum non conveniens.

Section 14.14 Execution in Counterparts. This Agreement may be executed in counterparts and upon execution by each signatory, each executed counterpart shall have the same force and effect as an original instrument and as if all signatories had signed the same instrument. Any signature page of this Agreement may be detached from any counterpart of this Agreement without impairing the legal effect of any signature thereon, and may be attached to another counterpart of this Agreement identical in form hereto by having attached to it one or more signature pages.

Section 14.15 Effect of Section Headings. Section headings appearing in this Agreement are inserted for convenience only and shall not be construed as interpretations of text.

Section 14.16 Waiver; Available Remedies. The failure of any Party to this Agreement to enforce or insist upon compliance with or strict performance of any of the terms or conditions hereof, or to take advantage of any of its rights hereunder, shall not constitute a waiver or relinquishment of any such terms, conditions or rights, but the same shall be and remain at all times in full force and effect. Except to the extent this Agreement provides an exclusive remedy for a breach, nothing contained herein shall preclude any Party from seeking and obtaining any available remedies hereunder, including recovery of damages caused by the breach of this Agreement and specific performance or injunctive relief, or any other remedy given under this Agreement or now or hereafter existing in law or equity or otherwise as a court of competent jurisdiction may deem just and proper to enforce this Agreement or to prevent any violation hereof. The rights granted herein are cumulative.

Section 14.17 Relationship of the Parties. This Agreement shall not be interpreted to create an association, joint venture or partnership among the Parties hereto or to impose any partnership obligation or liability upon such Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as an agent or representative of, the other Parties.

Section 14.18 Third Party Beneficiaries. Except as otherwise expressly provided in this Agreement, this Agreement shall not be construed to create rights in, or to grant remedies to, any third party as a beneficiary of this Agreement or any duty, obligation or undertaking established herein.

Section 14.19 Indemnification; Damage or Destruction; Insurance; Condemnation; Limit of Liability.

(a) Seller undertakes and agrees to indemnify and hold harmless each Buyer and each Buyer's respective commissioners, officers, agents, employees, advisors, and Authorized Representatives (collectively, "**Buyer Indemnitees**") and, at the option of Buyers' Agent, to defend such Buyer Indemnitees from and against any and all suits and causes of action, claims, charges, damages, demands, judgments, civil fines and penalties, or losses of any kind or nature whatsoever, for death, bodily injury or personal injury to any person, including Seller's employees and agents, or third persons, or damage or destruction to any property of a Party or third persons, in any manner arising by reason of any breach of this Agreement by Seller, any failure of any representation, warranty or guarantee to be true in all material respects, the negligent acts, errors, omissions or willful misconduct incident to the performance of this Agreement on the part of Seller, or any of Seller's officers, agents, employees, or subcontractors of any tier, except to the extent caused by the gross negligence or willful misconduct of any such Buyer Indemnitee.

(b) Each Buyer undertakes and agrees to indemnify and hold harmless Seller and Seller's officers, agents, employees, advisors, and Authorized Representatives (collectively, "**Seller Indemnitees**") and to defend such Seller Indemnitees from and against any and all suits and causes of action, claims, charges, damages, demands, judgments, civil fines and penalties, or

losses of any kind or nature whatsoever, for death, bodily injury or personal injury to any person, including each Buyer's employees and agents, or third persons, or damage or destruction to any property of a Party or third persons, in any manner arising by reason of any breach of this Agreement by such Buyer, any failure of any representation, warranty or guarantee to be true in all material respects, the negligent acts, errors, omissions or willful misconduct incident to the performance of this Agreement on the part of such Buyer, or any of such Buyer's officers, agents, employees, or subcontractors of any tier, except to the extent caused by the gross negligence or willful misconduct of any such Seller Indemnitee.

(c) Subject to Section 14.6, in the event of any damage or destruction of the Facility or any part thereof, the Facility or such part thereof shall be diligently repaired, replaced or reconstructed by Seller so that the Facility or such part thereof shall be restored to substantially the same general condition and use as existed prior to such damage or destruction, unless a different condition or use is approved by Buyers' Agent. Proceeds of Insurance with respect to such damage or destruction maintained as provided in this Agreement shall be applied to the payment for such repair, replacement or reconstruction of the damage or destruction.

(d) Throughout the Agreement Term, Seller shall immediately notify Buyers' Agent of the institution of any administrative proceeding in connection with the condemnation or other taking of the Facility, or any portion thereof, as well as the occurrence of any hearing associated therewith. Buyers' Agent may participate in any such proceeding and Seller shall deliver to Buyers' Agent all instruments necessary or required by Buyers' Agent to permit such participation. Without Buyers' Agent's prior written consent, Seller (i) shall not agree to any compensation or award, and (ii) shall not take any action or fail to take any action which would cause the compensation to be determined. All awards and compensation for the taking or purchase in lieu of condemnation of the Facility, or any portion thereof shall be applied toward the repair, restoration, reconstruction or replacement of the Facility.

(e) EXCEPT TO THE EXTENT INCLUDED IN THE LIQUIDATED DAMAGES, INDEMNIFICATION OBLIGATIONS RELATED TO THIRD PARTY CLAIMS, OR OTHER SPECIFIC CHARGES EXPRESSLY PROVIDED FOR HEREIN, IN NO EVENT SHALL ANY PARTY OR ITS RESPECTIVE INDEMNITEES BE LIABLE FOR SPECIAL, INCIDENTAL, EXEMPLARY, INDIRECT, PUNITIVE OR CONSEQUENTIAL DAMAGES, LOST PROFITS OR OTHER COSTS, BUSINESS INTERRUPTION DAMAGES RELATED TO OR ARISING OUT OF A PARTY'S PERFORMANCE OR NON-PERFORMANCE OF THIS AGREEMENT, WHETHER BASED ON OR CLAIMED UNDER STATUTE, CONTRACT, TORT (INCLUDING SUCH PARTY'S OWN NEGLIGENCE) OR ANY OTHER THEORY OF LIABILITY AT LAW OR IN EQUITY. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN, THE OBLIGOR'S LIABILITY SHALL BE LIMITED TO DIRECT DAMAGES ONLY.

(f) To the extent any damages required to be paid hereunder are liquidated, the Parties acknowledge that the damages are difficult or impossible to determine, and that the liquidated damages constitute a reasonable approximation of the anticipated harm or loss. It is the intent of the Parties that the limitations herein imposed on remedies and the measure of damages be without regard to the cause or causes of such damages, including the negligence of

any Party, whether such negligence be sole, joint, contributory, concurrent, or active or passive. The Parties hereby waive any right to contest such payments as an unreasonable penalty.

Section 14.20 Severability. In the event any of the terms, covenants or conditions of this Agreement, or the application of any such terms, covenants or conditions, shall be held invalid, illegal or unenforceable by any court having jurisdiction, all other terms, covenants and conditions of this Agreement and their application not adversely affected thereby shall remain in force and effect, *provided* that the remaining valid and enforceable provisions materially retain the essence of the Parties' original bargain.

Section 14.21 Confidentiality.

(a) Each Party agrees, and shall use reasonable efforts to cause its parent, subsidiary and Affiliates, and its and their respective directors, officers, employees and representatives, as a condition to receiving confidential information hereunder, to keep confidential, except as required by law, all documents, data (including operating data provided in connection with the scheduling of energy pursuant to Article VII or otherwise pursuant to this Agreement), drawings, studies, projections, plans and other written information that relate to economic benefits to, or amounts payable by, any Party under this Agreement, and with respect to documents that are clearly marked "Confidential" at the time a Party shares such information with the other Party ("**Confidential Information**"). The provisions of this Section 14.21 shall survive and shall continue to be binding upon the Parties for a period of one (1) year following the date of termination or expiration of this Agreement. Notwithstanding the foregoing, information shall not be considered Confidential Information if such information (i) is disclosed with the prior written consent of the originating Party, (ii) was in the public domain prior to disclosure or is or becomes publicly known or available other than through the action of the receiving Party in violation of this Agreement, (iii) was lawfully in a Party's possession or acquired by a Party outside of this Agreement, which acquisition was not known by the receiving Party to be in breach of any confidentiality obligation, or (iv) is developed independently by a Party based solely on information that is not considered confidential under this Agreement.

(b) Either Party may, without violating this Section 14.21, disclose matters that are made confidential by this Agreement:

(i) to its counsel, accountants, auditors, advisors, other professional consultants, credit rating agencies, actual or prospective, co-owners, investors, purchasers, lenders, underwriters, contractors, suppliers, and others involved in construction, operation, and financing transactions and arrangements for a Party or its subsidiaries or Affiliates;

(ii) to governmental officials and parties involved in any proceeding in which a Party is seeking a Permit, certificate, or other regulatory approval or order necessary or appropriate to carry out this Agreement; and

(iii) to governmental officials or the public as required by any law, regulation, order, rule, order, ruling or other Requirement of Law, including oral questions, discovery requests, subpoenas, civil investigations or similar processes and

laws or regulations requiring disclosure of financial information, information material to financial matters, and filing of financial reports; and

(iv) with respect to PWRPA, Pittsburg Power and Eastside, to any of its members from time to time.

(c) If a Party is requested or required, pursuant to any applicable law, regulation, order, rule, ruling or other Requirement of Law, discovery request, subpoena, civil investigation or similar process to disclose any of the Confidential Information, such Party shall provide prompt written notice to the other Party of such request or requirement so that at such other Party's expense, such other Party can seek a protective order or other appropriate remedy concerning such disclosure.

(d) Notwithstanding the foregoing or any other provision of this Agreement, Seller acknowledges that each Buyer is subject to disclosure as required by the California Public Records Act, Cal. Govt. Code §§ 6250 et seq. ("**CPRA**") and the Ralph M. Brown Act, Cal. Govt. Code §§ 54950 et seq. ("**Brown Act**"). Confidential Information of Seller provided to any Buyer pursuant to this Agreement shall become the property of such Buyer, and Seller acknowledges that such Buyer shall not be in breach of this Agreement or have any liability whatsoever under this Agreement or otherwise for any claims or causes of action whatsoever resulting from or arising out of such Buyer copying or releasing to a third party any of the Confidential Information of Seller pursuant to CPRA or Brown Act; *provided* that each Buyer shall (i) provide notice to Seller prior to any such disclosure in accordance with Section 14.21(c), (ii) endeavor, in good faith, not to disclose any of Seller's "trade secrets" or "engineering plans" and (iii) support, to the extent in compliance with such Buyer's rights and obligations under applicable laws, Seller in its efforts to obtain a protective order or other appropriate remedy with respect to the disclosure of operating data from the Facility or any engineering drawings, project plans, technical specifications or other similar information regarding the Facility.

(e) Notwithstanding the foregoing or any other provision of this Agreement, any Buyer may record, register, deliver and file all such notices, statements, instruments and other documents as may be necessary or advisable to render fully valid, perfected and enforceable under all applicable law the credit support contemplated by this Agreement and the Ancillary Documents, and the rights, Liens and priorities of Buyers with respect to such credit support.

(f) If any Buyer receives a CPRA request for Confidential Information of Seller, and such Buyer determines that such Confidential Information is subject to disclosure under CPRA, then such Buyer shall notify the other Buyers and Seller of the request and its intent to disclose the documents. Such Buyer, as required by CPRA, shall release such documents unless Seller timely obtains a court order prohibiting such release. If Seller, at its sole expense, chooses to seek a court order prohibiting the release of Confidential Information pursuant to a CPRA request, then Seller undertakes and agrees to defend, indemnify and hold harmless such Buyer and the Indemnitees from and against all suits, claims, and causes of action brought against such Buyer or any Indemnitees for such Buyer's refusal to disclose Confidential Information of Seller to any person making a request pursuant to CPRA. Seller's indemnity obligations shall include, but are not limited to, all actual costs incurred by such Buyer and any

Indemnitees, and specifically including costs of experts and consultants, as well as all damages or liability of any nature whatsoever arising out of any suits, claims, and causes of action brought against such Buyer or any Indemnitees, through and including any appellate proceedings. Seller's obligations to Buyers and all Indemnitees under this indemnification provision shall be due and payable on a Monthly, on-going basis within thirty (30) days after each submission to Seller of Buyers' invoices for all fees and costs incurred by any Buyer and all Indemnitees, as well as all damages or liability of any nature.

(g) Each Party acknowledges that any disclosure or misappropriation of Confidential Information by such Party in violation of this Agreement could cause the other Party or their Affiliates irreparable harm, the amount of which may be extremely difficult to estimate, thus making any remedy at law or in damages inadequate. Therefore each Party agrees that the non-breaching Party shall have the right to apply to any court of competent jurisdiction for a restraining order or an injunction restraining or enjoining any breach or threatened breach of this Agreement and for any other equitable relief that such non-breaching Party deems appropriate. This right shall be in addition to any other remedy available to the Parties in law or equity, subject to the limitations set forth in Section 14.19(d).

Section 14.22 Mobile-Sierra. Notwithstanding any provision of this Agreement, no Party shall seek, nor shall they support any third party in seeking, to prospectively or retroactively revise the rates, terms or conditions of service of this Agreement through application or complaint to FERC pursuant to the provisions of Section 205, 206 or 306 of the Federal Power Act, or any other provisions of the Federal Power Act, absent prior written agreement of the Parties. Further, absent the prior agreement in writing by the Parties, the standard of review for changes to the rates, terms or conditions of this Agreement proposed by a Party, a non-party or the FERC acting *sua sponte* shall be the "public interest" application of the "just and reasonable" standard of review set forth in *United Gas Pipe Line Co. v. Mobile Gas Service Corp.*, 350 U.S. 332 (1956) and *Federal Power Commission v. Sierra Pacific Power Co.*, 350 U.S. 348 (1956), and clarified by *Morgan Stanley Capital Group, Inc. v. Public Util. Dist. No. 1 of Snohomish*, 554 U.S. 527 (2008).

Section 14.23 Taxpayer Identification Number (TIN). Seller declares that its authorized TIN is 27-1159993. No payment will be made under this Agreement without a valid TIN.

Section 14.24 Service Contract. The Parties intend that this Agreement will qualify as a "service contract" as such term is used in Section 7701(e) of the United States Internal Revenue Code of 1986.

Section 14.25 Right of First Offer.

(a) At any time after the Commercial Operation Date, if (i) Seller, (ii) any Affiliate of Seller, or (iii) members of Seller holding a majority of the equity interests in Seller, offer to convey the Facility or all of the equity interests in Seller to an unaffiliated third party (other than pursuant to a Permitted Transaction), Seller shall simultaneously offer Buyers a right of first offer with respect to the proposed transaction (the "***ROFO***"). Seller shall provide notice to Buyers' Agent identifying (i) the buyer, (ii) the nature and terms of

the transaction, and (iii) the minimum price Seller is willing to accept to proceed with the contemplated transaction (the “**ROFO Notice**”). All information disclosed to Company by Seller with respect to the ROFO shall be deemed Confidential Information and subject to Section 14.21.

(b) Seller shall allow Buyers sixty (60) days after the ROFO Notice to investigate the proposed transaction and conduct due diligence. Within such period, Buyers’ Agent shall provide notice to Seller indicating whether one or more Buyers intends to (i) exercise their ROFO rights on substantially comparable terms to the proposed transaction or (ii) cancel their ROFO rights.

(c) If Buyers exercise their ROFO rights, the Parties shall have an additional one hundred twenty (120) day period to sign definitive agreements on terms no less favorable to Buyers than those contained in the ROFO Notice. Seller shall cooperate in all respects necessary for Buyers to exercise their ROFO rights.

(d) If Buyers do not exercise their ROFO rights, Seller shall have the right to close its proposed transaction with the identified prospective buyer; provided, however, that such transaction shall have an aggregate value of not less than the minimum price set forth in the ROFO Notice and the transaction shall have been closed not more than eighteen (18) months following expiration of the Buyers’ right to exercise its ROFO rights.

[Remainder of Page Intentionally Left Blank]

Each Buyer and Seller was represented by legal counsel during the negotiation and execution of this Agreement and the Parties have executed this Agreement as of the dates set forth below, effective as of the Effective Date.

BUYERS:

POWER AND WATER RESOURCES
POOLING AUTHORITY

By: _____

Name: _____

Title: _____

Date: _____

PITTSBURG POWER COMPANY

By: _____

Name: _____

Title: _____

Date: _____

EASTSIDE POWER AUTHORITY

By: _____

Name: _____

Title: _____

Date: _____

CITY OF MORENO VALLEY

By: _____

Name: _____

Title: _____

Date: _____

SELLER:

WHITNEY POINT SOLAR, LLC

By: _____

Name: _____

Title: _____

Date: _____

**APPENDIX A
TO POWER PURCHASE AGREEMENT,
DATED AS OF _____, 2015
BETWEEN BUYERS
AND
WHITNEY POINT SOLAR, LLC**

CONTRACT PRICE

1. Test Energy. The Contract Price for the Products associated with Test Energy is equal to **[REDACTED – CONFIDENTIAL TRADE SECRET]**.
2. Facility Energy or Replacement Product. The Contract Price for the Products associated with all Facility Energy and Replacement Product other than Excess Energy is the Fixed Rate.
3. Excess Energy. The Contract Price for Products associated with Excess Energy is equal to **[REDACTED – CONFIDENTIAL TRADE SECRET]**

**APPENDIX B-1
TO POWER PURCHASE AGREEMENT,
DATED AS OF _____, 2015
BETWEEN BUYERS
AND
WHITNEY POINT SOLAR, LLC**

FACILITY, PERMITS AND OPERATOR

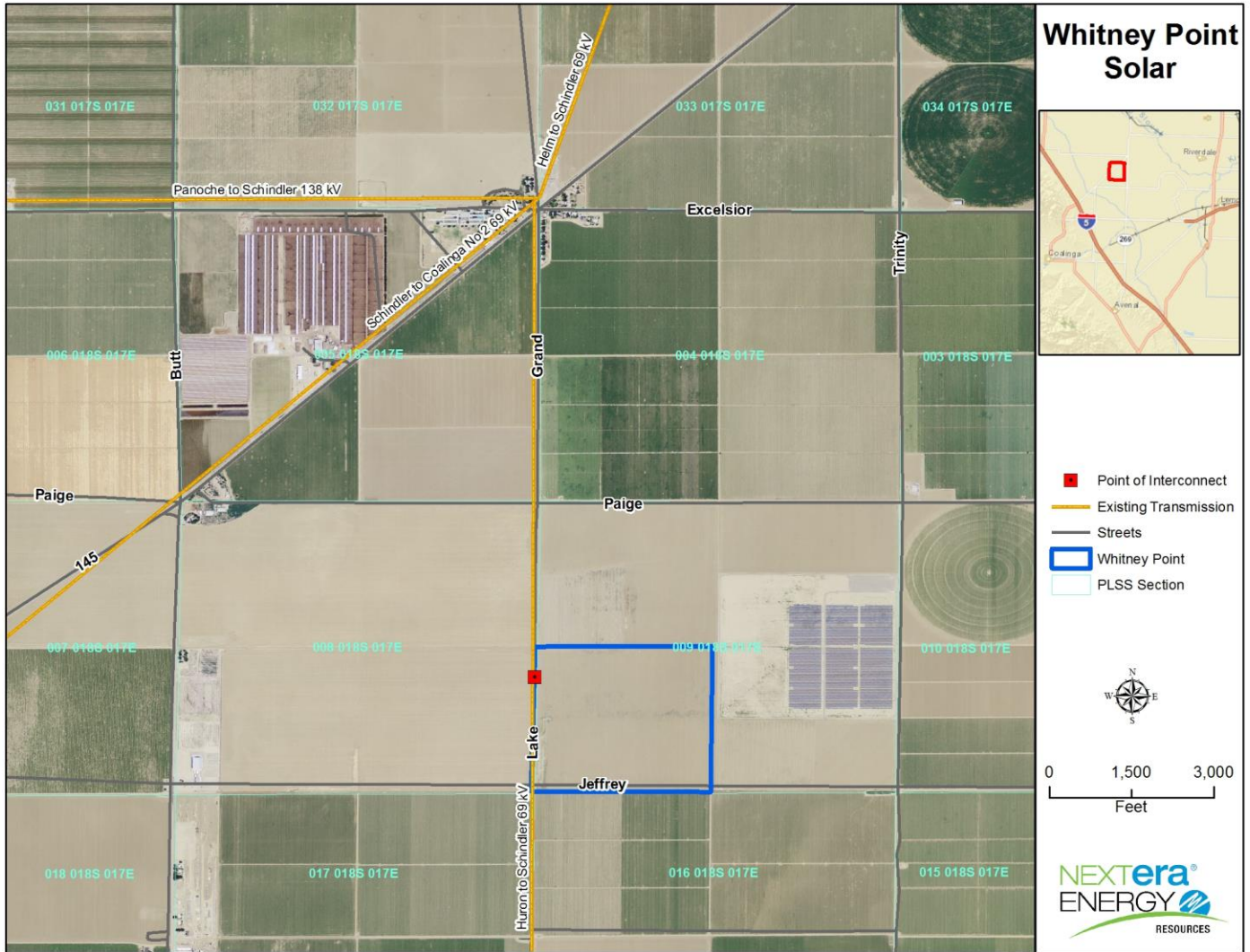
1. Name of Facility: Whitney Point Solar
2. Owner: Whitney Point Solar, LLC
3. Operator: NextEra Energy Resources Operating Services, LLC
4. Type of Facility: Photovoltaic Solar
5. Contract Capacity: 20 MW, from the Commercial Operation Date, as measured by the sum of the inverter nameplate capacity of the Facility
6. Equipment: Solar Photovoltaic
7. Expected Commercial Operation Date: November 15, 2016
8. Site: Intersection of W. Paige Ave and S. Lake Ave, Fresno County, California 93294. The Site includes, but is not limited to, the following APNs: 060-042-17s.
9. Location, design and configuration of Facility: *See* map attached on page Appendix B-2.
10. Permits
 - a. Development and Construction:
 - i. Conditional Use Permit – Fresno County
 - ii. Site Plan Review Approval – Fresno County
 - iii. Building Permit – Fresno County
 - iv. Grading/Drainage Permit – Fresno County
 - v. National Pollutant Discharge Elimination System Permit – State Water Resources Control Board/Central Valley Regional Water Quality Control Board
 - vi. Air Impact Analysis – San Joaquin Valley Air Pollution Control District

b. Operation and Maintenance:

- i. Conditional Use Permit – Fresno County

**APPENDIX B-2
TO POWER PURCHASE AGREEMENT,
DATED AS OF _____, 2015
BETWEEN BUYERS
AND
WHITNEY POINT SOLAR, LLC**

MAP OF THE FACILITY



**APPENDIX C
TO POWER PURCHASE AGREEMENT,
DATED AS OF _____, 2015
BETWEEN BUYERS
AND
WHITNEY POINT SOLAR, LLC**

ANNUAL CONTRACT QUANTITY

Contract Year ⁽¹⁾	Annual Contract Quantity, MWh
-------------------------------------	--------------------------------------

[REDACTED – CONFIDENTIAL TRADE SECRET]

“*Year 0 ACQ*” means the Annual Contract Quantity for Contract Year 0 (which shall be the stub Contract Year that occurs between the Commercial Operation Date and December 31 of the year in which the Commercial Operation Date is achieved), based on the actual Commercial Operation Date of the Facility, calculated on the basis of the following formula:

Year 0 ACQ = **[REDACTED – CONFIDENTIAL TRADE SECRET]** * Annual Adjustment (as defined below)

“*Annual Adjustment*” means the percentage, expressed as a decimal, of annual production of Energy by the Facility for Contract Year 0, based on the actual Commercial Operation Date of the Facility and the Annual Production Breakdown table below:

Annual Production Breakdown

Month	Days in Month	Percent of Annual Production in Month
January	31	3.9%
February	28	5.5%
March	31	8.3%
April	30	9.3%
May	31	11.4%
June	30	11.9%
July	31	11.9%
August	31	11.3%
September	30	9.7%

October	31	7.8%
November	30	5.2%
December	31	3.8%

Sample Calculation:

Assuming the Commercial Operation Date for the Facility is November 15, 2016, the Year 0 ACQ would be calculated as follows:

Annual Adjustment = (November Percent Annual Production * Days Operational in November / Total Days in November) + December Percent Annual Production

$$\text{Annual Adjustment} = (5.2\% * 15/30) + 3.8\% = 9.0\%$$

$$\text{Year 0 ACQ} = [\text{REDACTED - CONFIDENTIAL TRADE SECRET}]$$

**APPENDIX D
TO POWER PURCHASE AGREEMENT,
DATED AS OF _____, 2015
BETWEEN BUYERS
AND
WHITNEY POINT SOLAR, LLC**

FORM OF ATTESTATION

_____ (Seller) _____ **Environmental Attribute Attestation and Bill of Sale**

WHITNEY POINT SOLAR, LLC (“*Seller*”) hereby sells, transfers and delivers to the POWER AND WATER RESOURCES POOLING AUTHORITY, a joint powers authority and a public entity organized under the laws of the State of California and created under the provisions of the California Joint Exercise of Powers Act (“the *Act*”) (“*PWRPA*”), PITTSBURG POWER COMPANY, a California joint powers agency (“*Pittsburg Power*”), the EASTSIDE POWER AUTHORITY, a California joint powers authority (“*Eastside*”), and CITY OF MORENO VALLEY, a California municipal corporation organized and existing under the laws of the State of California (“*Moreno Valley*”, together with PWRPA, Pittsburg Power and Eastside, “*Buyers*”) the Environmental Attributes and Environmental Attribute Reporting Rights associated with the generation from the Contract Capacity of the Facility described below:

Facility name and location:

Fuel Type: _____ Capacity (MW): _____ Operational Date: _____
As applicable: CEC Reg. no. _____ Energy Admin. ID no. _____ Q.F. ID no. _____

<u>Dates</u>	<u>MWhs generated</u>
_____ 20__	_____
_____ 20__	_____
_____ 20__	_____

in the amount of one Environmental Attribute or its equivalent for each MWh generated.

Seller further attests, warrants and represents as follows:

- i) the information provided herein is true and correct;
- ii) its sale to Buyers is its one and only sale of the Environmental Attributes and associated Environmental Attribute Reporting Rights referenced herein;
- iii) the Facility generated and delivered to the grid the Energy in the amounts indicated above as bundled Energy, which means that it includes both the Energy and associated Environmental Attributes; and
- iv) Seller owns the Facility and each of the Environmental Attributes and Environmental Attribute Reporting Rights associated with the generation of the indicated Energy for delivery to the grid have been generated and sold by the Facility.

This serves as a bill of sale, transferring from Seller to Buyers all of Seller's right, title and interest in and to the Environmental Attributes and Environmental Attribute Reporting Rights associated with the generation of the Energy for delivery to the grid.

Contact Person/telephone: _____

APPENDIX E
TO POWER PURCHASE AGREEMENT,
DATED AS OF _____, 2015
BETWEEN BUYERS
AND
WHITNEY PONIT SOLAR, LLC

FORM OF LETTER OF CREDIT

IRREVOCABLE, NON-TRANSFERABLE STANDBY LETTER OF CREDIT NO.

Applicant:

[_____]

Beneficiary:

[INSERT]

Amount:

Expiration Date:

Expiration Place:

Ladies and Gentlemen:

We hereby issue our Irrevocable, Nontransferable Standby Letter of Credit in favor of the beneficiary by order and for the account of the applicant which is available at sight for USD \$XX,XXX,XXX by sight payment upon presentation to us at our office at **[bank's address]**,¹ of: (i) your written demand for payment containing the text of Exhibit I, (ii) your signed statement containing the text of Exhibit II and, (iii) the original of this Letter of Credit and all amendments (or photocopy of the original for partial drawings) (the "Documents"). Drawings may be presented via fax to _____. The original Letter of Credit and documents are to be sent via overnight courier to our address indicated above.

A presentation under this Letter of Credit may be made only on a day, and during hours, in which such office is open for business, and payments can be effected via wire transfer (a "Business Day"). Partial drawing of funds shall be permitted under this Letter of Credit, and this Letter of Credit shall remain in full force and effect with respect to any continuing balance; *provided* that the Available Amount shall be reduced by the amount of each such drawing.

¹ **Note to Issuer:** The Letter of Credit must be payable in U.S. dollars within the continental U.S.

Note to Seller: Bank to have office for presentment in California to allow for in person presentment by Buyers

Upon presentation to us of your Documents in conformity with the foregoing, we will, on the third (3rd) succeeding Business Day after such presentation, irrevocably and without reserve or condition except as otherwise stated herein, make payment hereunder in the amount set forth in the demand. Payment shall be made to your order by deposit to your account at the bank designated by you in the demand in immediately available funds. We agree that if, on the Expiration Date, the office specified above is not open for business by virtue of an interruption of the nature described in the “Uniform Customs and Practices for Documentary Credits,” (2007 Revision) of the International Chamber of Commerce Publication No. 600 (the “Uniform Customs”) Article 36, this Letter of Credit will be duly honored if the specified Documents are presented by you within thirty (30) days after such office is reopened for business.

Provided that the presentation on this Letter of Credit is made on or prior to the Expiration Date and the applicable Documents as set forth above conform to the requirements of this Letter of Credit, payment hereunder shall be made regardless of: (a) any written or oral direction, request, notice or other communication now or hereafter received by us from the Applicant or any other person except you, including without limitation any communication regarding fraud, forgery, lack of authority or other defect not apparent on the face of the documents presented by you, but excluding solely a written order issued by a court, which order specifically orders us not to make such payment; (b) the solvency, existence or condition, financial or other, of the Applicant or any other person or property from whom or which we may be entitled to reimbursement for such payment; and (c) without limiting clause (b) above, whether we are in receipt of or expect to receive funds or other property as reimbursement in whole or in part for such payment.

We agree that the time set forth herein for payment of any demand(s) for payment is sufficient to enable us to examine such demand(s) and the related Documents(s) referred to above with care so as to ascertain that on their face they appear to comply with the terms of this credit and that if such demand(s) and Document(s) on their face appear to so comply, failure to make any such payment within such time shall constitute dishonor of such demand(s).

This Letter of Credit shall terminate upon the earliest to occur of (i) our receipt of a notice in the form of Exhibit IV hereto signed by an authorized officer of Beneficiary, accompanied by this Letter of Credit for cancellation, (ii) our close of business at our aforesaid office on the Expiration Date, or if the Expiration Date is not a Business Day, then on the next Business Day.

It is a condition of this Letter of Credit that it shall be deemed automatically extended without amendment for one (1) year from the Expiration Date, or any future expiration date, unless at least thirty (30) calendar days prior to the Expiration Date (or any future expiration date), we send you notice by registered mail, return receipt requested or overnight courier at your address herein stated or such other address of which you notify us in advance in writing that we elect not to consider this Letter of Credit extended for any such additional period.

We may, in our sole discretion, increase or decrease the stated amount of this Letter of Credit, and the Expiration Date may be extended, by an amendment to this Letter of Credit in the form of Exhibit III signed by us. Any such amendment shall become effective only upon acceptance by your signature and signature of the Applicant on a hard copy amendment.

You shall not be bound by any written or oral agreement of any type between us and the Applicant or any other person relating to this credit, whether now or hereafter existing.

We hereby engage with you that your demand(s) for payment in conformity with the terms of this Letter of Credit will be duly honored as set forth above. All fees and other costs associated with the issuance of and any drawing(s) against this Letter of Credit shall be for the account of the Applicant. All of the rights of the Beneficiary set forth above shall inure to the benefit of your successors by operation of law. In this connection, in the event of a drawing made by a party other than the Beneficiary, such drawing must be accompanied by the following signed certification and copy of document proving such successorship:

“The undersigned does hereby certify that [drawer] is the successor by operation of law to [the POWER AND WATER RESOURCES POOLING AUTHORITY] [PITTSBURG POWER COMPAY] [the EASTSIDE POWER AUTHORITY] [MORENO VALLEY], as beneficiary named in [name of bank] Letter of Credit No. _____.”

Except so far as otherwise expressly stated herein, this Letter of Credit is subject to the Uniform Customs. As to matters not governed by the Uniform Customs, this Letter of Credit shall be governed by and construed in accordance with the laws of the State of New York. Any litigation arising out of, or relating to this Letter of Credit, shall be brought in a State or Federal court in the County of [_____] in the State of New York. The Parties irrevocably agree to submit to the exclusive jurisdiction of such courts in the State of New York and waive any defense of *forum non conveniens*.

This Letter of Credit sets forth in full our undertaking, and such undertaking shall not in any way be modified, amended, amplified or limited by reference to any document, instrument or agreement referred to herein, except for Exhibit I, II, III and IV hereto and the notices referred to herein; and any such reference shall not be deemed to incorporate herein by reference any document, instrument or agreement except as otherwise provided in this paragraph.

Communications with respect to this Letter of Credit shall be in writing and shall be addressed to us at the address referred to above, and shall specifically refer to this Letter of Credit no. _____.

In the event of a failure by us to honor the terms and conditions of this Letter of Credit, we agree to be responsible for reasonable attorneys' fees incurred by you in any action brought to enforce our obligations hereunder.

Yours faithfully,

(name of issuing bank)

By _____
Title _____

EXHIBIT I

DEMAND FOR PAYMENT

Re: Irrevocable, Non-Transferable Standby Letter of Credit

No. _____ Dated _____, 20__

[Insert Bank Address]

To Whom It May Concern:

Demand is hereby made upon you for payment to us of \$_____ by deposit to account no. _____ at [insert name of bank]. This demand is made under, and is subject to and governed by, your Irrevocable, Unconditional and Clean Standby Letter of Credit no. _____ dated _____, 20__ in the amount of \$_____ established by you in our favor for the account of _____ as the Applicant.

DATED: _____, 20__.

[_____]

By _____

Title _____

EXHIBIT II
STATEMENT

Re: Your Irrevocable, Non-Transferable Standby Letter of Credit

No. _____ Dated _____, 20__

[Insert Bank Address]

To Whom It May Concern:

Reference is made to your Irrevocable, Non-Transferable Standby Letter of Credit no. _____, dated _____, 20__ in the amount of \$ _____ established by you in our favor for the account of _____, as the Applicant.

We hereby certify to you that \$ _____ is due, owing and unpaid to us by the Applicant in that certain [DESCRIBE AGREEMENT].

DATED: _____, 20__.

[_____]

By _____

Title _____

EXHIBIT III
AMENDMENT

Re: Irrevocable, Non-Transferable Documentary Letter of Credit
No. _____ Dated _____, 20__

Beneficiary: _____ Applicant: _____

[Buyers]

To Whom It May Concern:

The above referenced Irrevocable, Unconditional and Clean Standby Letter of Credit is hereby amended as follows: by [increasing][decreasing] the stated amount by \$ _____ to a new stated amount of \$ _____ [and][by extending the expiration date to _____ from _____]. All other terms and conditions of the Letter of Credit remain unchanged.

This amendment is effective only when accepted by [the POWER AND WATER RESOURCE POOLING AUTHORITY][PITTSBURG POWER COMPANY] [the EASTSIDE POWER AUTHORITY], and [MORENO VALLEY] which acceptance may only be valid by a signature of an authorized representative.

Dated: _____

Yours faithfully,

(name of issuing bank)

By _____
Title _____

ACCEPTED

[_____]

By _____
Title _____
Date _____

EXHIBIT IV

SURRENDER

Re: Your Irrevocable, Non-Transferable Standby Letter of Credit

No. _____ Dated _____, 20__

[Insert Bank Address]

Notice of Surrender of Letter of Credit

Date: _____

Attention: Letter of Credit Department

Ladies and Gentlemen:

We refer to your above-mentioned Irrevocable, Non-Transferable Standby Letter of Credit (the "Letter of Credit"). The undersigned, an authorized signer of the POWER AND WATER RESOURCE POOLING AUTHORITY][PITTSBURG POWER COMPANY][the EASTSIDE WATER DISTRICT] [MORENO VALLEY], hereby surrenders this Letter of Credit to you for cancellation as of the date set forth above. No payment is demanded of you under this Letter of Credit in connection with this surrender.

Very truly yours,

[_____]

By_____

Title_____

**APPENDIX F
TO POWER PURCHASE AGREEMENT,
DATED AS OF _____, 2015
BETWEEN BUYERS
AND
WHITNEY POINT SOLAR, LLC**

INSURANCE

I. GENERAL REQUIREMENTS

As a condition to the Effective Date, Seller shall furnish Buyers' Agent evidence of coverage from insurers acceptable to Buyers' Agent and in a form acceptable to the risk management section of the project manager for each Buyer or acceptable to Buyers' Agent for this purpose. Insurance carriers with an A.M. Best Rating of A- VII or higher are considered acceptable. Such insurance shall be maintained by Seller at Seller's sole cost and expense.

Such insurance shall not limit or qualify the liabilities and obligations of Seller assumed under this Agreement. Buyers shall not by reason of its inclusion under these policies incur liability to the insurance carrier for payment of premium for these policies.

Any insurance carried by any Buyer which may be applicable shall be deemed to be excess insurance and Seller's insurance is primary for purposes under this Agreement despite any conflicting provision in Seller's policies to the contrary.

Such insurance shall not be canceled without first giving thirty (30) days' prior notice thereof (ten (10) days for non-payment of premium) by mail to Buyers' Agent: [NAME, ADDRESS].

Should any portion of the required insurance be on a "Claims Made" policy, Seller shall, at the policy expiration date following completion of work, provide evidence that the "Claims Made" policy has been renewed or replaced with the same limits, terms and conditions of the expiring policy, or that an extended discovery period has been purchased on the expiring policy at least for the contract under which the work was performed.

II. SPECIFIC COVERAGES REQUIRED

A. Commercial Automobile Liability

Seller shall provide Commercial Automobile Liability insurance which shall include coverages for liability arising out of the use of owned (if applicable), non-owned, and hired vehicles for performance of the work by Seller or its officers, agents, or employees, as required, to be licensed under the California or any other applicable state vehicle code. The Commercial Automobile Liability insurance shall have not less than \$1,000,000.00 combined single limit per occurrence and shall apply to all operations of Seller.

The Commercial Automobile Liability policy shall include each Buyer, its members, and their officers, agents, and employees while acting within the scope of their employment,

as additional insureds with Seller, and shall insure against liability for death, bodily injury, or property damage resulting from the performance of this Agreement by Seller or its officers, agents, or employees. The evidence of insurance shall be in the form of a certificate of insurance.

B. Commercial General Liability

Seller shall provide Commercial General Liability insurance with Blanket Contractual Liability, Independent Contractors, Broad Form Property Damage, Premises and Operations, Products and Completed Operations, fire, Legal Liability and Personal Injury coverages included. Such insurance shall provide coverage for total limits actually arranged by Seller, but not less than \$10,000,000.00 combined single limit per occurrence. Should the policy have an aggregate limit, such aggregate limits should not be less than double the Combined Single Limit. Umbrella or Excess Liability coverages may be used to supplement primary coverages to meet the required limits. Evidence of such coverage shall be in the form of a certificate of insurance, and shall provide for the following:

1. Include each Buyer and its officers, agents, and employees as additional insureds.
2. Severability-of-Interest or Cross-Liability Clause such as: “The policy to which this endorsement is attached shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the company’s liability.”
3. A description of the coverages included under the policy.

C. Excess Liability

Seller may use an Umbrella or Excess Liability Coverage to meet coverage limits specified in this Agreement. Seller shall require the carrier for Excess Liability to properly schedule and to identify the underlying policies on an endorsement to the policy. Such policy shall include, as appropriate, coverage for Commercial General Liability, Commercial Automobile Liability, Employer’s Liability, or other applicable insurance coverages.

D. Workers' Compensation/Employer's Liability Insurance

Seller shall provide Workers' Compensation insurance covering all of Seller's employees in accordance with the laws of any state in which the work is to be performed and including Employer's Liability insurance and a Waiver of Subrogation in favor of each Buyer. The limit for Employer's Liability coverage shall be not less than \$1,000,000.00 each accident and shall be a separate policy if not included with Workers' Compensation coverage. Evidence of such insurance shall be a form of Buyer Special Endorsement of insurance or on an endorsement to the policy acceptable to Buyer's risk management agent. Workers' Compensation/Employer's Liability exposure may be self-insured *provided* that Buyers' Agent is furnished with a copy of the certificate issued by the state authorizing Seller to self-insure. Seller shall notify Buyers' Agent by receipted delivery as soon as possible of the state withdrawing authority to self-insure.

**APPENDIX G
TO POWER PURCHASE AGREEMENT,
DATED AS OF _____, 2015
BETWEEN BUYERS
AND
WHITNEY POINT SOLAR, LLC**

[RESERVED]

**APPENDIX H
TO POWER PURCHASE AGREEMENT,
DATED AS OF _____, 2015
BETWEEN BUYERS
AND
WHITNEY POINT SOLAR, LLC
QUALIFIED OPERATORS**

NextEra Energy Resources Operating Services, LLC

**APPENDIX I
TO POWER PURCHASE AGREEMENT,
DATED AS OF _____, 2015
BETWEEN BUYERS
AND
WHITNEY POINT SOLAR, LLC**

MILESTONE SCHEDULE

Key Milestones are designated with a *

No.	Guaranteed Date	Milestone Description	Daily Liquidated Damages/Other Remedy
1.	Thirty (30) days after the Effective Date	Delivery by Seller of all certificates and other documents required to establish that the Insurance is in full force and effect	
2.	Thirty (30) days after the Effective Date	Delivery to Buyers' Agent of Enforceability Opinion	
3.	Thirty (30) days after the Effective Date	Delivery to Buyers' Agent of a CEC pre-certification form duly approved by the CEC	
4.	Thirty (30) days after the Effective Date	Delivery by Seller of an executed Generator Interconnection Agreement	
5.	Thirty (30) days after the Effective Date	Delivery by Seller of evidence reasonably satisfactory to Buyers that Seller has made all then-required financial security postings for CAISO studies and transmission network upgrades	
6.	October 31, 2015	Seller has entered into a Subcontract for the engineering, procurement, and construction of the	

No.	Guaranteed Date	Milestone Description	Daily Liquidated Damages/Other Remedy
		Facility that satisfies the requirements set forth in this Agreement and has delivered a copy of such Subcontract to Buyers' Agent (with confidential or proprietary information redacted at Seller's reasonable discretion)	
7.	February 29, 2016	Seller has obtained all Permits set forth on <u>Appendix B-1</u> (which shall be final and non-appealable), excluding all Permits not yet required for Seller's development and construction of the Facility but that are reasonably expected to be obtained in due course	
8.	September 30, 2015	Seller has delivered to Buyers' Agent true, correct, and complete copies of all documents relating to the environmental condition of the Site in form, scope, and substance reasonably satisfactory to Buyers, including any Phase I Environmental Site Assessment prepared relative to the Site	
9.	September 30, 2015	Seller has delivered to Buyers' Agent a copy of Seller's policy of title insurance in form reasonably satisfactory to Buyers' Agent; <u>provided</u>	

No.	Guaranteed Date	Milestone Description	Daily Liquidated Damages/Other Remedy
		that in connection with Buyers' Agent's review of such policy (i) any policy that has been approved by the Facility Lender shall be deemed to be reasonably to Buyers' Agent, and (ii) any deficiencies or defects in such policy that would not reasonably be expected to have material adverse impact on the development, construction or operation of the Facility shall not be grounds for Buyers' Agent to reject such policy.	
10.	March 1, 2016	*Construction Start Date	\$5,000 per day
11.	June 1, 2016	Initial Delivery Date	
12.	December 31, 2016	*Guaranteed Commercial Operation Date	\$5,000 per day
13.	December 31, 2017	Outside Commercial Operation Date	

**APPENDIX J
TO POWER PURCHASE AGREEMENT,
DATED AS OF _____, 2015
BETWEEN BUYERS
AND
WHITNEY POINT SOLAR, LLC**

**AUTHORIZED REPRESENTATIVES;
BUYERS AND SELLER BILLING, NOTIFICATION AND
SCHEDULING CONTACT INFORMATION**

1. **Authorized Representative.** The initial Authorized Representatives of Buyers and Seller pursuant to Section 14.1 are as follows:

If to Buyers:

Power & Water Resources Pooling Authority
3514 W. Lehman Road
Tracy, CA 95304-9336
Attention: Kent Palmerton
Telephone: (916) 483-5368
Facsimile: (916) 489-3537
Email: kent@wkpalmerton.com

[Pittsburg Power]
[ADDRESS]
[CONTACT]
Telephone: [PHONE]
Facsimile: [FAX]
Email: [EMAIL]

[Eastside]
[ADDRESS]
[CONTACT]
Telephone: [PHONE]
Facsimile: [FAX]
Email: [EMAIL]

[Moreno Valley]
[ADDRESS]
[CONTACT]
Telephone: [PHONE]
Facsimile: [FAX]
Email: [EMAIL]

If to Seller:

Whitney Point Solar, LLC
c/o NextEra Energy Resources, LLC
700 Universe Boulevard
Juno Beach, FL 33408
Attention: [Business Management]
Telephone: [PHONE]
Facsimile: [FAX]
Email: [EMAIL]

2. **Billings.** Billings and payments pursuant to Article XI and Appendix A shall be transmitted to the following addresses:

2.1 If Billing to Buyers:

Power & Water Resources Pooling Authority
20401 Bear Mountain Boulevard
Arvin, CA 93203-0175
Attention: David Nixon
Telephone: (661) 854-5573
Facsimile: (661) 854-5213
Email: danaewsd@aol.com

[Pittsburg Power]
[ADDRESS]
[CONTACT]
Telephone: [PHONE]
Facsimile: [FAX]
Email: [EMAIL]

[Eastside]
[ADDRESS]
[CONTACT]
Telephone: [PHONE]
Facsimile: [FAX]
Email: [EMAIL]

[Moreno Valley]
[ADDRESS]
[CONTACT]
Telephone: [PHONE]
Facsimile: [FAX]
Email: [EMAIL]

2.2 If Payment to Buyers:

Power & Water Resources Pooling Authority
20401 Bear Mountain Boulevard
Arvin, CA 93203-0175
Attention: David Nixon
Telephone: (661) 854-5573
Facsimile: (661) 854-5213
Email: danaewsd@aol.com

[Pittsburg Power]
[ADDRESS]
[CONTACT]
Telephone: [PHONE]
Facsimile: [FAX]
Email: [EMAIL]

[Eastside]
[ADDRESS]
[CONTACT]
Telephone: [PHONE]
Facsimile: [FAX]
Email: [EMAIL]

[Moreno Valley]
[ADDRESS]
[CONTACT]
Telephone: [PHONE]
Facsimile: [FAX]
Email: [EMAIL]

2.3 If Payment or Billing to Seller:

Whitney Point Solar, LLC
c/o NextEra Energy Resources, LLC
700 Universe Boulevard
Juno Beach, FL 33408
Attention: [Business Management]
Telephone: [PHONE]
Facsimile: [FAX]
Email: [EMAIL]

3. **Notices.** Unless otherwise specified by Buyers' Agent all notices (other than Scheduling notices, curtailment notices, and Deemed Generated Energy notices):

If to Buyers:

Power & Water Resources Pooling Authority
3514 W. Lehman Road

Tracy, CA 95304-9336
Attention: Kent Palmerton
Telephone: (916) 483-5368
Facsimile: (916) 489-3537
Email: kent@wkpalmerton.com

With a copy to:
Scott Blaising
BRAUN BLAISING MCLAUGHLIN & SMITH PC
[Counsel to Buyers]
915 L Street, Suite 1270
Sacramento, CA 95816
Telephone: (916) 682-9702
Facsimile: (916) 563-8855
Email: blaising@braunlegal.com

If to Seller:

Whitney Point Solar, LLC
c/o NextEra Energy Resources, LLC
700 Universe Boulevard
Juno Beach, FL 33408
Attention: [Business Management]
Telephone: [PHONE]
Facsimile: [FAX]
Email: [EMAIL]

4. **Schedulers.** Unless otherwise specified by a Scheduler, all notices related to Scheduling of the Facility shall be sent to the following address:

If to PWRPA:

ACES
4140 W. 99th Street
Carmel, Indiana 46032
Attention: Stephen Figueroa
Telephone: (317) 344-7254
Facsimile: (317) 344-7001

If to Pittsburg Power:

[CONTACT INFO]

If to Eastside:

[CONTACT INFO]

If to Moreno Valley:

[CONTACT INFO]

If to Seller:

Whitney Point Solar, LLC
c/o NextEra Energy Resources, LLC
700 Universe Boulevard
Juno Beach, FL 33408
Attention: [Business Management]
Telephone: [PHONE]
Facsimile: [FAX]
Email: [EMAIL]

5. **Curtailments.** All notices related to curtailments of the Facility pursuant to Section 7.4 shall be sent to the following address:

If to Buyers:

Power & Water Resources Pooling Authority
3514 W. Lehman Road
Tracy, CA 95304-9336
Attention: Kent Palmerton
Telephone: (916) 483-5368 (o)
Facsimile: (916) 489-3537
Email: kent@wkpalmerton.com

[Pittsburg Power]

[ADDRESS]

[CONTACT]

Telephone: [PHONE]

Facsimile: [FAX]

Email: [EMAIL]

[Eastside]

[ADDRESS]

[CONTACT]

Telephone: [PHONE]

Facsimile: [FAX]

Email: [EMAIL]

[Moreno Valley]

[ADDRESS]

[CONTACT]

Telephone: [PHONE]
Facsimile: [FAX]
Email: [EMAIL]

If to Seller:

Whitney Point Solar, LLC
c/o NextEra Energy Resources, LLC
700 Universe Boulevard
Juno Beach, FL 33408
Attention: [Business Management]
Telephone: [PHONE]
Facsimile: [FAX]
Email: [EMAIL]

6. **Deemed Generated Energy.** Unless otherwise specified by Buyers, all notices related to calculations of Deemed Generated Energy shall be sent to the following address:

If to Buyers:

Power & Water Resources Pooling Authority
3514 W. Lehman Road
Tracy, CA 95304-9336
Attention: Kent Palmerton
Telephone: (916) 483-5368 (o)
Facsimile: (916) 489-3537
Email: kent@wkpalmerton.com

[Pittsburg Power]
[ADDRESS]
[CONTACT]
Telephone: [PHONE]
Facsimile: [FAX]
Email: [EMAIL]

[Eastside]
[ADDRESS]
[CONTACT]
Telephone: [PHONE]
Facsimile: [FAX]
Email: [EMAIL]

[Moreno Valley]
[ADDRESS]
[CONTACT]
Telephone: [PHONE]

Facsimile: [FAX]
Email: [EMAIL]

If to Seller:

Whitney Point Solar, LLC
c/o NextEra Energy Resources, LLC
700 Universe Boulevard
Juno Beach, FL 33408
Attention: [Business Management]
Telephone: [PHONE]
Facsimile: [FAX]
Email: [EMAIL]

7. **Buyers' Agent.** Buyers' Agent is:

Power and Water Resources Pooling Authority
c/o General Manager
3514 West Lehman Road
Tracy CA 95378-2008

Telephone: (916) 483-5368
Facsimile: (916) 489-3537
Email: kent@wkpalmerton.com

With a copy to:
Scott Blaising
BRAUN BLAISING MCLAUGHLIN & SMITH PC
[Counsel to Buyers]
915 L Street, Suite 1270
Sacramento, CA 95816
Telephone: (916) 682-9702
Facsimile: (916) 563-8855
Email: blaising@braunlegal.com

**APPENDIX K
TO POWER PURCHASE AGREEMENT,
DATED AS OF _____, 2015
BETWEEN BUYERS
AND
WHITNEY POINT SOLAR, LLC**

[RESERVED]

**APPENDIX L-1
TO POWER PURCHASE AGREEMENT,
DATED AS OF _____, 2015
BETWEEN BUYERS
AND
WHITNEY POINT SOLAR, LLC**

FORM OF CONSTRUCTION START DATE CERTIFICATE

This certification (“*Certification*”) of the Construction Start Date is delivered by WHITNEY POINT SOLAR, LLC (“*Seller*”) to the POWER AND WATER RESOURCES POOLING AUTHORITY, PITTSBURG POWER, the EASTSIDE POWER AUTHORITY, and CITY OF MORENO VALLEY (together, “*Buyers*”) in accordance with the terms of that certain Power Purchase Agreement dated _____ (“*Agreement*”) by and between Seller and Buyers. All capitalized terms used in this Certification but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

Seller hereby certifies and represents to Buyers the following:

1. the EPC Contract related to the Facility was executed on _____;
2. the Notice to Proceed with the construction of the Facility was issued on _____ (attached); and
3. the Construction Start Date has occurred.

IN WITNESS WHEREOF, the undersigned has executed this Certification on behalf of Seller as of the ___ day of _____.

WHITNEY POINT SOLAR, LLC

By: _____

Its: _____

Date: _____

**APPENDIX L-2
TO POWER PURCHASE AGREEMENT,
DATED AS OF _____, 2015
BETWEEN BUYERS
AND
WHITNEY POINT SOLAR, LLC**

FORM OF COMMERCIAL OPERATION DATE CERTIFICATE

This certification (“*Certification*”) of the Commercial Operation is delivered by WHITNEY POINT SOLAR, LLC (“*Seller*”) and [independent engineer] (“*Engineer*”) to the POWER AND WATER RESOURCES POOLING AUTHORITY, the PITTSBURG POWER, the EASTSIDE POWER AUTHORITY, and CITY OF MORENO VALLEY (together, “*Buyers*”) in accordance with the terms of that certain Power Purchase Agreement dated _____ (“*Agreement*”) by and between WHITNEY POINT SOLAR, LLC and Buyers. All capitalized terms used in this Certification but not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

1. Equipment sufficient to generate at least ninety-five percent (95%) of the Contract Capacity of the Facility has been erected in accordance with the equipment manufacturer’s specifications (“*Initial Mechanical Completion*”);
2. The electrical collection system related to the Facility comprising the total installed power capacity referenced in (1) above is substantially complete (subject to completion of punch-list items), functional, and energized for the Facility;
3. The substation for the Facility is substantially complete (subject to completion of punch-list items) and capable of delivering the Facility Energy;
4. The Initial Commissioning Completion (defined below) has been achieved for the equipment that has achieved Initial Mechanical Completion; and
5. The Facility is operational and interconnected with the CAISO grid, has been approved by the CAISO to commence operations, and is capable of delivering Facility Energy through the permanent interconnection facilities for the Facility.

For purposes of Section 4 above, “*Initial Commissioning Completion*” means that the electrical and control systems have been energized and tested in accordance with the equipment manufacturer’s specifications.

EXECUTED by WHITNEY POINT SOLAR, LLC

By: _____

Its: _____

Date: _____

EXECUTED by [INDEPENDENT ENGINEER]

[INDEPENDENT ENGINEER]

By: _____

Its: _____

Date: _____

**APPENDIX M
 TO POWER PURCHASE AGREEMENT,
 DATED AS OF _____, 2015
 BETWEEN BUYERS
 AND
 WHITNEY POINT SOLAR, LLC
BUYERS' APPLICABLE MW SHARE**

	Capacity (MW)	% of Total Capacity
Eastside	2.0 MW	10.0%
Pittsburg Power	2.5 MW	12.5%
Moreno Valley	4.5 MW	22.5
PWRPA	11 MW	55.0%
Total	20 MW	100%

**APPENDIX N
TO POWER PURCHASE AGREEMENT,
DATED AS OF _____, 2015
BETWEEN BUYERS
AND
WHITNEY POINT SOLAR, LLC**

INTEGRATION COST CHARGE CODE

This Appendix shall be completed and updated from time to time by the Parties in accordance with the definition of “CAISO Integration Amounts” in Section 1.1.

**APPENDIX O
TO POWER PURCHASE AGREEMENT,
DATED AS OF _____, 2015
BETWEEN BUYERS
AND
WHITNEY POINT SOLAR, LLC**

[RESERVED]

SCHEDULE 6.5(c)
TO POWER PURCHASE AGREEMENT,
DATED AS OF _____, 2015
BETWEEN BUYERS
AND
WHITNEY POINT SOLAR, LLC

UNUSED INITIAL NEGATIVE INTERVALS CREDITS CALCULATION

This Schedule 6.5(c) is intended to assist in the calculation of the Unused Initial Negative Interval Credit as set forth in Section 6.5(c) of the Agreement. Unused Initial Negative Interval Credit arises when, at the end of a Contract Year, the number of remaining Initial Negative Intervals Amount is greater than zero (0). The number of Initial Negative Intervals Amount will be greater than zero (0) when there have been fewer three-hundred (300) Settlement Intervals in any Contract Year (or such other number of Settlement Intervals as would be equal to fifty (50) hours in the event that CAISO changes the number of minutes in a Settlement Interval as of the Effective Date) in which the CAISO Settlement Price has been negative (“Unused Initial Negative Intervals Hours”).

When Unused Initial Negative Intervals Hours exist at the end of each Contract Year, Seller shall calculate the Unused Initial Negative Intervals Credit on a look-back basis by assigning any Unused Initial Negative Intervals Hours to those CAISO Settlement Periods that provide the greatest economic benefit to Buyer as measured by the positive difference between the Fixed Price minus the CAISO Settlement Price *times* Facility Energy for that time period. The Unused Initial Negative Intervals Credit shall be the sum for each such assigned Unused Initial Negative Intervals Hour. The CAISO Settlement Period as of the Effective Date starts at the beginning of an hour and ends at the conclusion of the hour. To the extent the CAISO modifies the duration of a Settlement Period, the total duration of CAISO Settlement Periods upon which the Unused Initial Negative Intervals Credit should equal the total hourly duration of the Unused Initial Negative Intervals Hours.

The following example illustrates the calculation for an Unused Initial Negative Intervals Credit assuming the following:

- Unused Initial Negative Intervals Hours = 10 hours
- Fixed Price = [REDACTED – CONFIDENTIAL TRADE SECRET]
- CAISO Settlement Period = one hour
- Buyer’s Percentage of Facility Output is 25% or 5 MW.

The hours listed in the Unused Initial Negative Intervals Hours have the ten (10) highest products of (a-b) x c, where:

- (a) is the Fixed Price
- (b) is the Real Time LMP at the Delivery Point
- (c) is the Facility Energy

	(a)	(b)	(c)		(a) - (b) x (c)
Date Hour	Fixed Rate	Real Time LMP	Generation (MWh)	Unused Curtailment Period	Total Curtailment Amount

[REDACTED – CONFIDENTIAL TRADE SECRET]

Total Initial Negative Intervals Amount X Buyer’s Percentage of Facility Output = Unused Initial Negative Intervals Credit:

[REDACTED – CONFIDENTIAL TRADE SECRET] X 25% = [REDACTED – CONFIDENTIAL TRADE SECRET]

**SCHEDULE 6.5(d)
TO POWER PURCHASE AGREEMENT,
DATED AS OF _____, 2015
BETWEEN BUYERS
AND
WHITNEY POINT SOLAR, LLC**

SAMPLE CALCULATION OF CONTRACT PRICE

[RESERVED]

SCHEDULE 12.2(h)
TO POWER PURCHASE AGREEMENT,
DATED AS OF _____, 2015
BETWEEN BUYERS
AND
RE WHITNEY POINT SOLAR, LLC

STRUCTURE OF RE HOLDINGS ENTITIES

<u>NextEra Energy, Inc.</u>	
Security Common	100%
<u>NextEra Energy Capital Holdings, Inc.</u>	
Security Membership Interest	100%
<u>NextEra Energy Resources, LLC</u>	
Security Membership Interest	100%
<u>ESI Energy, LLC</u>	
Security Percentage Ownership Interest	100%
<u>Aries Solar Holding, LLC</u>	
Security Percentage Ownership Interest	100%
<u>Whitney Point Solar, LLC</u>	

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>MJD</i>

Report to City Council

TO: Mayor and City Council

FROM: Richard Teichert, Chief Financial Officer

AGENDA DATE: January 6, 2015

TITLE: COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2014

RECOMMENDED ACTION

Recommendation:

1. The Finance Sub-Committee reviewed and recommends the receipt and filing of the Comprehensive Annual Financial Report for the fiscal year that ended June 30, 2014.

SUMMARY

The Comprehensive Annual Financial Report (CAFR) for FY 2013-14 presents the results of the City's operations and financial position as of June 30, 2014, and is hereby submitted for the City Council's information. The CAFR incorporates all component units of the City including the Moreno Valley Community Services District. A summary of the City's financial position as of June 30, 2014 is provided in Management's Discussion and Analysis (MD&A) beginning on page 5 of the CAFR. The City's financial statements have received an "unqualified" opinion from an independent auditor, indicating their accuracy and compliance with all applicable reporting requirements.

The Finance Sub-Committee reviewed the CAFR at its meeting on December 1, 2014 and voted to recommend the receipt and filing of the report by the City Council.

DISCUSSION

The Comprehensive Annual Financial Report (CAFR) for Fiscal Year (FY) 2013-14 presents the audited results of the City's operations and financial position as of June 30, 2014. The submittal of the CAFR to the City Council is an established practice that

signifies the completion of the City's annual financial audit and the distribution of the published annual financial report. The firm Lance, Soll & Lunghard, LLP, CPAs (LSL) of Brea, California, conducted the audit. This is the fourth year of a five-year contract awarded to LSL through the City's Request for Proposals (RFP) process of performing the City's audit. LSL was the City's auditors previously from FY 2000-01 through FY 2004-05. It is the City's practice to change auditors no less than every five years to ensure independence of the audit function.

The June 30, 2014 CAFR reflects the City's twelfth year of implementing the reporting model required by Governmental Accounting Standards Board (GASB) Statement No. 34, more commonly referred to as "GASB 34". This statement established a financial reporting model for state and local governments in an attempt to make annual financial reports more comprehensive and easier to understand and use. The requirements include a narrative introductory overview and analysis called "Management's Discussion and Analysis"; government-wide financial statements prepared on the full-accrual basis that are in addition to, not instead of, the traditional fund-based statements; and an expanded budget comparison that includes the adopted budget, final budget, and actual revenues and expenditures.

The June 30, 2014 CAFR also illustrates the City's fourth year of implementing the model required by GASB Statement 54 – Fund Balance Reporting and Government Fund Type Definitions. This new standard requires fund balance to be reported in new components/categories. Although the total amount of reported fund balance is unchanged, the new categories and terminology reflect an approach that will focus, not on financial resources available for appropriation within a fund, but on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the fund can be spent.

One of the most important items contained in the CAFR is the Independent Auditors' Report on the financial statements, which is also known as the "Opinion Letter". The auditors have provided the City with an "unqualified" audit opinion, which indicates that the City's financial statements fairly present the financial position of the City. Following is the pertinent text from the "Opinion Letter":

"In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Moreno Valley, California, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, CSD Zones Special Revenue Fund, Development Impact Fees Special Revenue Fund, Housing Authority Special Revenue Fund and Neighborhood Stabilization Grant Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America."

The CAFR includes the financial results for all component units of the City, which includes the Moreno Valley Community Services District. A separate section of the

CAFR is designated for the financial statements of this entity. A summary of the City's financial position as of June 30, 2014 is provided in Management's Discussion and Analysis beginning on page 5 of the CAFR.

In recognition of its financial reporting excellence, the Government Finance Officers Association of the United States and Canada (GFOA) has awarded a *Certificate of Achievement for Excellence in Financial Reporting* to the City of Moreno Valley for 16 consecutive years. This recognition represents the highest professional governmental accounting award possible. The *Certificate* is also advantageous to the City's reputation with bond rating agencies and to the financial markets overall. The CAFR for FY 2013-14 has been submitted to the GFOA and staff anticipates receiving the *Certificate* once again.

The Introductory section of the CAFR includes a listing of City Council Members and Executive Officers. This listing reflects the office holders as of June 30, 2014, which is the ending date of operations as reflected in the CAFR.

The CAFR reports the equity of all funds. The following table illustrates an aggregate increase to the General Fund's fund balance of \$6.2 million as a result of FY 2013-14 net activity.

**General Fund
Fund Balances as of June 30th**

	CAFR	CAFR	
	Actual Balance 6/30/13	Actual Balance 6/30/14	Net Change
Fund Balances:			
Nonspendable	\$ 5,497,653	\$ 9,132,415	\$ 3,634,762
Restricted	-	-	-
Committed	2,701,000	2,729,722	28,722
Assigned	646,598	1,156,993	510,395
Unassigned	25,528,774	27,536,445	2,007,671
Total Fund Balance	\$ 34,374,025	\$ 40,555,575	\$ 6,181,550

The net change in the Nonspendable category is primarily attributable to loans to the Development Impact Fee funds of \$3.7M being classified as Nonspendable for CAFR reporting purposes as of June 30, 2014 that were classified in prior year as Unassigned. This classification change was due to the loans being amended and extended beyond the original maturity date.

The variance in the Assigned category is primarily attributable to the increase in Continued Appropriations increasing by over \$0.5M over FY 2012-13. Also included in this classification is the net change for the Net Unrealized Investment Gain which represents the investments at fair value in the balance sheet at fiscal year-end, as required by Governmental Accounting Standards Board Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools."

This statement establishes fair value standards for investments in: (a) participating interest-earning investment contracts; (b) external investment pools; (c) open-end mutual funds; (d) debt securities; and (e) equity securities, option contracts, stock warrants, and stock rights that have readily determinable fair values. However, since unrealized gains/losses are not available for spending until they are realized, a designation of fund balance is made to indicate that the intent is not to liquidate investments to realize the reported gains/losses in the financial statements.

The net change in the Unassigned category is primarily attributable to the results of FY 2013-14 General Fund net activity that was realized as a result of unanticipated revenue increases and public safety expenditure savings.

In compliance with GASB Statement 54, any undesignated fund balance will remain in the Unassigned Category. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The requirements of this statement are effective for financial statements for periods beginning after June 15, 2010 as reflected in the City's CAFR ending June 30, 2014.

The FY 2013-14 amended budget, as approved by City Council, anticipated a balanced budget with minimal impact to fund balance for the fiscal year as this was the third and final year of the Three-Year Deficit Elimination Plan. The CAFR ended June 30, 2014 showed an actual improvement of \$6.2 million in General Fund reserves as a result of departments' prudent spending, cost control procedures, and unanticipated increase in tax revenues.

ALTERNATIVES

N/A

FISCAL IMPACT

None

CITY COUNCIL GOALS

Advocacy. Develop cooperative intergovernmental relationships and be a forceful advocate of City policies, objectives, and goals to appropriate external governments, agencies and corporations.

Like the City's budget, the CAFR contains vital financial information about the financial condition of the City, and is an important communications tool regarding City financial policies and practices. It is used by a multitude of financial institutions to understand the City's current financial position and to meet ongoing disclosure requirements relative to the City's long-term debt.

GFOA is the premier association of public sector finance professionals and is dedicated to providing high-quality support to state and local government finance officials. The City has sought the prestigious GFOA *Certificate of Achievement for Excellence in Financial Reporting* primarily because it implies that the City adheres to the highest standards of financial disclosure and reporting.

NOTIFICATION

Publication of the agenda

ATTACHMENTS

Attachment 1: Comprehensive Annual Financial Report for Fiscal Year Ended June 30, 2014

Prepared By:
Dena J. Heald
Financial Operations Division Manager

Department Head Approval:
Richard Teichert
Chief Financial Officer

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COMPREHENSIVE ANNUAL FINANCIAL REPORT



CITY OF MORENO VALLEY
Fiscal Year Ended June 30, 2014





City of Moreno Valley
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2014

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COMPREHENSIVE ANNUAL FINANCIAL REPORT



Fiscal Year
Ended June 30, 2014

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14177 FREDERICK STREET
P.O. BOX 88005
MORENO VALLEY, CA 92552-0805

November 24, 2014

To the Honorable Mayor, Members of the City Council and Citizens of the City of Moreno Valley:

On behalf of the City Manager, Management Team and City Staff, it is my pleasure to submit the Comprehensive Annual Financial Report (CAFR) of the City of Moreno Valley (the City) for the fiscal year ended June 30, 2014.

This report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed to both protect the City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Lance, Soll & Lunghard, LLP, a firm of certified public accountants. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unqualified opinion on the City's financial statements for the fiscal year ended June 30, 2014. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing the Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on internal controls and compliance with legal requirements, with emphasis on those involving the administration of federal awards. These reports are available in the City's separately issued Single Audit Report.

Management has provided an overall analysis of the financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

Profile of the City of Moreno Valley

The City of Moreno Valley was incorporated on December 3, 1984. It is centrally located in Southern California, 66 miles east of Los Angeles and 100 miles north of San Diego. The City encompasses approximately 50 square miles of land area in western Riverside County and with a population estimate of 199,258, continues to be the second largest city in Riverside County. Though it has slowed because of the economy, the City's population continues to grow.

The City operates under the council-manager form of government with a five-member council elected by district for four-year overlapping terms. Each year the council elects the mayor for a one-year term. The

City Council is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring the City Manager, City Attorney and City Clerk. The City Manager is responsible for carrying out the policies and ordinances of the Council, for overseeing the day-to-day operations of the City, and for appointing the heads of the various departments.

The City provides a wide range of services, which include general government, public safety (police and fire), animal control services, disaster preparedness, school crossing guards, construction and maintenance of highways and streets, economic development, library, an electric utility which primarily serves the newly developed areas of the City, parks, and a wide range of community and recreation programs. In addition to general City activities, the Council is financially accountable for the Moreno Valley Community Services District, the Moreno Valley Public Financing Authority, the Moreno Valley Public Facilities Financing Corporation, the Housing Authority, Successor Agency and several Community Facilities Districts. These entities are included as an integral part of the City's financial statements. Additional information on these legally separate entities can be found in Note 1a of the Notes to Basic Financial Statements.

The annual budget serves as the foundation for the City's financial planning and control approved as a two-year budget. The City Manager presents the proposed two-year budget to the City Council for review in April/May of the first budget year. The Council holds a series of public meetings on the proposed budget, and generally adopts a final budget no later than June 30th. The second budget year is amended as needed to update revenue and expenditures. The City's fiscal year is July 1st through June 30th. The appropriated budget is prepared by fund, department and program, and is controlled at the department level. The City Manager can approve transfers between programs, departments or funds, provided that such transfers do not increase the overall budget. Appropriations that increase the budget require City Council approval. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. The budget-to-actual comparisons for the general fund and the major governmental funds can be found in the Basic Financial Statements section of this report. The budget-to-actual comparisons for the non-major governmental funds can be found in the Non-Major governmental funds section of this report.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Moreno Valley operates.

Local economy. The City of Moreno Valley is ideally located at the junction of State Route 60 and Interstate 215 in the Inland Empire, which consists of Riverside and San Bernardino Counties. The City continues to be a leader in business development with an array of undeveloped land, development opportunities, entitled development projects, and available lease space at economically feasible prices.

During the last couple of years the City has experienced increased development activity in new retail, commercial and industrial construction and development. Several Fortune 500 companies, including Amazon and Proctor & Gamble, have chosen Moreno Valley and positively impacted industrial growth with construction and occupancy of distribution centers. New construction in the residential sector continues at a slow pace as the local economy continues to recover from the most recent recession.

Long-term financial planning. In June 2013, the City Council approved an Operating Budget that, for the first time since 2008, is balanced without the use of General Fund reserves. The previously adopted framework established in 2011 by the Deficit Elimination Plan to reduce the General Fund expenses to match the expected revenue stream was a critical framework that provided support to this balanced budget

objective. The City also prepared a Long Range Business Plan approved in July 2012 that includes projected revenues and expenditures through June 2020. This provides the City Council with expected results of operations based on their budget and other policy decisions within the scope of projected revenues and expenditures. The City annually prepares and updates the five-year capital improvement plan (CIP) which includes all capital projects and identifies the timing of each project as well as the funding source. The first year of the CIP represents the capital expenditure budget for the City.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Moreno Valley for its comprehensive annual financial report (CAFR) for the year ended June 30, 2013. This was the sixteenth consecutive year that the City has received this prestigious award. The City received the award for publishing an easily readable and efficiently organized CAFR that satisfied both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. I believe that our CAFR continues to meet the Certificate of Achievement Program's requirements and I am submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Financial & Management Services Department and especially the Financial and Treasury Operations Divisions. I would like to express my appreciation to all members of the divisions who assisted and contributed to its preparation. Credit also must be given to other City departments for their assistance and the City Council for their continuous support for maintaining the highest standards of professionalism in the management of the City of Moreno Valley's finances.

Lastly, I would like to thank the City's independent auditors, Lance, Soll & Lunghard, LLP, for their assistance in preparing this important financial document.

Respectfully submitted,



Richard Teichert
Chief Financial Officer/City Treasurer

CITY OF MORENO VALLEY

MUNICIPAL OFFICIALS

June 30, 2014

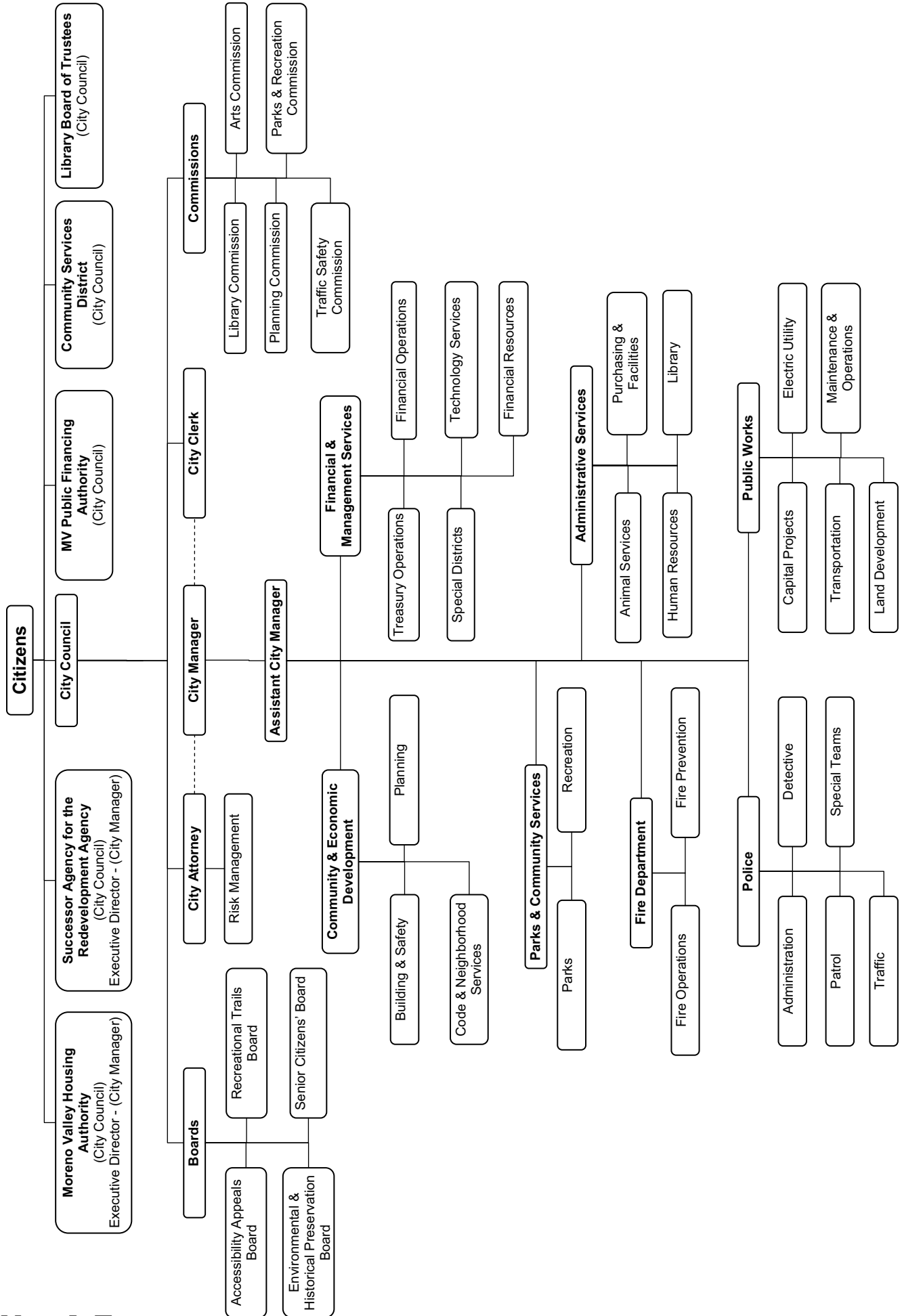
CITY COUNCIL

Jesse L. Molina, Mayor
Victoria Baca, Mayor Pro Tem
Richard A. Stewart, Councilmember
George Price, Councilmember

EXECUTIVE OFFICERS

Michelle Dawson, City Manager
Tom DeSantis, Assistant City Manager
Suzanne Bryant, City Attorney
Jane Halstead, City Clerk
Richard Teichert, Chief Financial Officer/City Treasurer
Ahmad Ansari, P.E., Public Works Director/City Engineer
John Terell, Community & Economic Development Director
Chris Paxton, Administrative Services Director
Abdul Ahmad, Fire Chief
Betsy Adams, Parks & Community Services Director
Joel Ontiveros, Police Chief

City of Moreno Valley Organization Chart





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Moreno Valley
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2013

Executive Director/CEO

COMPREHENSIVE ANNUAL FINANCIAL REPORT



Fiscal Year
Ended June 30, 2014
Item No. A.7

INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
City of Moreno Valley, California

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Moreno Valley, California, (the City) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



To the Honorable Mayor and Members of the City Council
City of Moreno Valley, California

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Moreno Valley, California, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, CSD Zones Special Revenue Fund, Development Impact Fees Special Revenue Fund, Housing Authority Special Revenue Fund and Neighborhood Stabilization Grant Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



To the Honorable Mayor and Members of the City Council
City of Moreno Valley, California

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 24, 2014 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Lance, Soll & Lughard, LLP

Brea, California
November 24, 2014



Management's Discussion and Analysis

As management of the City of Moreno Valley (the City), we offer this narrative overview and analysis of financial activities for the fiscal year ended June 30, 2014. We encourage readers to consider the information presented here in conjunction with additional information furnished in our letter of transmittal, which can be found in the Introductory Section of this Comprehensive Annual Financial Report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- The assets of the City of Moreno Valley exceeded its liabilities at June 30, 2014, by \$1.06 billion (*net position*). Of this amount, \$70.8 million (*unrestricted*) may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's net position increased by \$35.6 million from the previous fiscal year. Current year operations resulted in an increase of \$6.2 million, \$26.4 million was due to the extraordinary gain from the dissolution of the former Redevelopment Agency, and a restatement of \$3.0 million to the beginning balance all contributed to this increase.
- For business-type activities, revenues exceeded expenses by \$0.4 million. Adding other miscellaneous charges and transfer of \$1.5 million to the revenue, the current fiscal year showed a \$1.9 million surplus in the business-type activities.
- The total debt of the City showed a net increase of \$17.4 million (18.9%) during the current fiscal year. The increase in debt was primarily as a result of \$20.0 million of new debt secured for current and future street improvement projects.
- The General Fund had an end of year fund balance of \$40.6 million. This was an increase of \$6.2 million and an increase of 18.0% over FY 2012-13.

Overview of Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements, comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains certain supplementary information.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in the net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.



The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this

statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements display functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, community development, community and cultural, public works, and interest on long-term debt. The business-type activities of the City include the Electric Utility.

The government-wide financial statements include the City and its component units. The City's component units are the Moreno Valley Community Services District, Moreno Valley Public Financing Authority, and the Moreno Valley Public Facilities Financing Corporation. Although legally separate, for all practical purposes these entities function as departments of the City and therefore have been blended as part of the primary government.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental, proprietary and fiduciary.

Governmental funds. *Governmental funds* are used to account for the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, government fund financial statements focus on *near-term inflows and outflows of spendable resources* as well as on balances of spendable resources available at the end of the fiscal year.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Information regarding governmental funds is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund, the Community Services District Zones, the Development Impact Fees, the Housing Authority Special Revenue Funds, and the Neighborhood Stabilization Grant Fund. All of these are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the supplementary section of the report in the form of *combining statements*.

The City adopts an annual appropriated budget for all of its funds. Budgetary comparison statement have been provided to demonstrate compliance with the budget.

Proprietary funds. The City maintains two different types of proprietary funds--enterprise and internal service funds. Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses an enterprise fund to account for its Electric Utility. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for self-insured insurance programs, technology services, facilities maintenance, equipment maintenance, and equipment replacement. Because these services

predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Electric Utility, the City’s only enterprise fund, is included in the Basic Financial Statements. All internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* in the supplementary section of the report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the City. In these cases, the City has a fiduciary responsibility and is acting as *trustee*. The *Statement of Fiduciary Fund Assets and Liabilities*, included in the Basic Financial Statements, separately reports all of the City’s fiduciary activities. The City’s fiduciary activities are reported in separate statements of fiduciary net position, statements of changes in fiduciary net position (Successor Agency of the former RDA only), and combining statement of changes in assets and liabilities (Agency Fund only). Detailed information of the fiduciary funds is in the Agency Funds section of the report. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City’s own programs. However, the City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Government-wide Financial Analysis

The following table presents a condensed version of the City’s statement of net position for its governmental and business-type activities for fiscal year ended June 30, 2014. Comparative data from fiscal year ended June 30, 2013, is also presented.

City of Moreno Valley’s Net Position (\$000’s)

	Governmental Activities		Business-type Activities		Totals	
	2013	2014	2013	2014	2013	2014
Current and other assets	\$ 226,948	\$ 250,640	\$ 10,998	\$ 10,196	\$ 237,946	\$ 260,836
Capital Assets	866,938	894,985	35,418	35,960	902,356	930,945
Total Assets	<u>1,093,886</u>	<u>1,145,625</u>	<u>46,416</u>	<u>46,156</u>	<u>1,140,302</u>	<u>1,191,781</u>
Current liabilities	28,662	29,482	6,702	5,101	28,294	34,583
Long-term liabilities	57,229	74,445	27,869	27,322	92,168	101,767
Total Liabilities	<u>85,891</u>	<u>103,927</u>	<u>34,571</u>	<u>32,423</u>	<u>120,462</u>	<u>136,350</u>
Net invested in capital assets	812,637	841,260	9,053	9,569	821,690	850,829
Restricted	103,999	129,886	3,445	3,904	107,444	133,790
Unrestricted	91,359	70,552	(653)	260	90,706	70,812
Total Net Position	<u>\$ 1,007,995</u>	<u>\$ 1,041,698</u>	<u>\$ 11,845</u>	<u>\$ 13,733</u>	<u>\$ 1,019,840</u>	<u>\$ 1,055,431</u>

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the City of Moreno Valley, net position as a whole increased by 3.5% from \$1.02 billion at June 30, 2013, to \$1.06 billion at June 30, 2014. By far the largest portion of the City’s net position (78.9%) is its net investment

in capital assets (e.g., land, buildings, machinery, and equipment). The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City's net investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The following table presents a summary of the changes in net position of the City's governmental and business-type activities, as of June 30, 2014. Comparative data from fiscal year ended June 30, 2013, is also presented.

	Changes in Net Position					
	(\$000's)					
	Governmental Activities		Business-type Activities		Totals	
	2013	2014	2013	2014	2013	2014
Revenues						
Program Revenues:						
Charges for services	\$ 31,731	\$ 24,879	\$ 19,098	\$ 20,214	\$ 50,829	\$ 45,093
Operating contributions and grants	36,117	25,576	-	-	36,117	25,576
Capital contributions and grants	38,205	16,292	-	-	38,205	16,292
General Revenues:						
Property tax	13,089	14,282	-	-	13,089	14,282
Property tax in lieu	13,414	13,872	-	-	13,414	13,872
Transient occupancy tax	832	991	-	-	832	991
Sales tax	14,044	15,887	-	-	14,044	15,887
Franchise tax	5,147	5,361	-	-	5,147	5,361
Business license tax	1,306	1,582	-	-	1,306	1,582
Utility user's tax	15,684	15,595	-	-	15,684	15,595
Franchise in lieu tax	190	195	-	-	190	195
Documentary transfer tax	350	447	-	-	350	447
Other taxes	1,325	6,467	-	-	1,325	6,467
Use of money and property	2,236	4,719	9	35	2,245	4,754
Other	1,728	696	373	531	2,101	1,227
Extraordinary gain/(loss) on						
Dissolution of Redevelopment Agency	31,493	26,364	-	-	31,493	26,364
Transfers	-	(904)	-	904	-	-
Total Revenues	206,891	172,301	19,480	21,684	226,371	193,985
Expenses:						
General government	11,758	12,081	-	-	11,758	12,081
Public safety	56,896	53,579	-	-	56,896	53,579
Community development	11,886	7,755	-	-	11,886	7,755
Community and cultural	18,400	20,616	-	-	18,400	20,616
Public works	39,468	43,540	-	-	39,468	43,540
Interest on long-term debt	2,552	4,032	-	-	2,552	4,032
Electric	-	-	18,139	19,796	18,139	19,796
Total Expenses	140,960	141,603	18,139	19,796	159,099	161,399
Change in Net Position	65,931	30,698	1,341	1,888	67,272	32,586
Restatement of Net Position	-	3,003	-	-	-	3,003
Net Position Beginning of Year	942,065	1,007,996	10,504	11,845	952,569	1,019,841
Net Position End of Year	\$ 1,007,996	\$ 1,041,697	\$ 11,845	\$ 13,733	\$ 1,019,841	\$ 1,055,430

Charges for services decreased \$5.7 million, 11.3%, under FY 2012-13. This decrease was primarily due to a reclassification of a revenue item that was included as charges for services in FY 2012-13 that is classified as a special tax in FY 2013-14 in the amount of \$4.9 million.

Operating and capital contributions and grants decreased \$32.5 million, 43.7% under FY 2012-13. This category fluctuates dramatically each year depending upon the number and value of dedications of developer constructed and City investment in infrastructure projects, such as streets, curbs, gutters, and street lights.

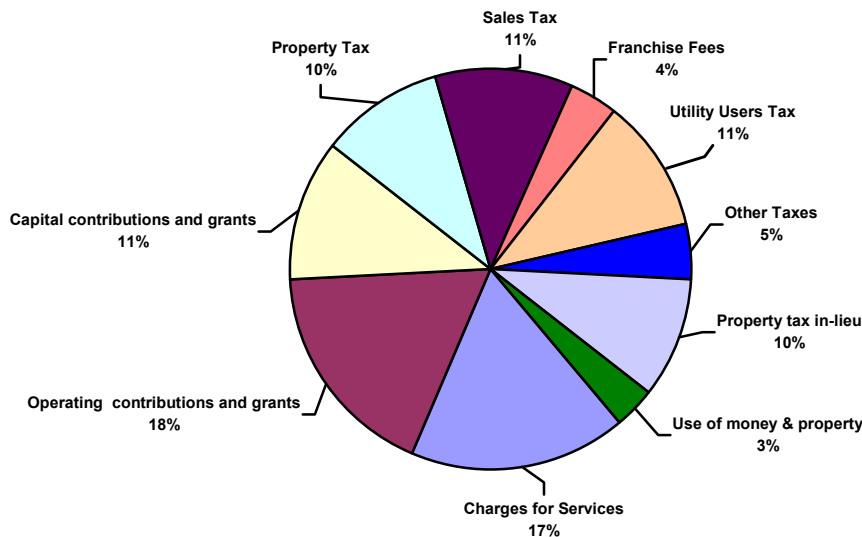
Property tax revenue increased \$1.2 million, 9.1% over FY 2012-13. The Property Tax collections in FY 2013-14 primarily increased as a result of property values experiencing a slight increase in valuation.

Sales tax revenue increased \$1.8 million, 13.1% over FY 2012-13. The sales tax revenue is directly tied to consumer spending and this increase is primarily due to the increase in taxable sales experienced this year that has been positively impacted by the development of sales tax generators such as Robertson’s Ready Mix, an Amazon Fulfillment Center, a new Volkswagen auto dealership, and an O’Reilly Auto Parts Distribution Center.

Governmental Activities

The government’s net position, with the restatement of \$3.0 million, increased by \$33.7 million with total revenues of \$172.3 million and total expenses of \$141.6 million. Program revenues were \$66.7 million and general revenues were \$105.6 million. The largest single category of revenue was an extraordinary gain due to the dissolution of the former redevelopment agency at \$26.4 million. The second largest single revenue category was operating contributions and grants, at \$25.6 million. This is program revenue and goes directly against expenses in recovering the costs of providing those services. The third largest single revenue category was charges for services at \$24.9 million. Capital contributions and grants at \$16.3 million was the fourth largest single revenue source, and sales tax was the fifth largest revenue source at \$15.9 million. The below graph presents the revenues by source for governmental activities for the fiscal year ended June 30, 2014, not including the extraordinary gain.

Revenues by Source – Governmental Activities



The single largest expense category was public safety at \$53.6 million, accounting for 37.8% of total expenses. Public works was the second largest expense category at \$43.5 million and 30.7% of total expenses. Community and cultural was the third largest expense category at \$20.6 million. General government was the fourth largest expense category at \$12.1 million, followed by community development at \$7.8 million, the fifth largest expense category, and interest on long-term debt at \$4.0 million, the sixth largest expense category.

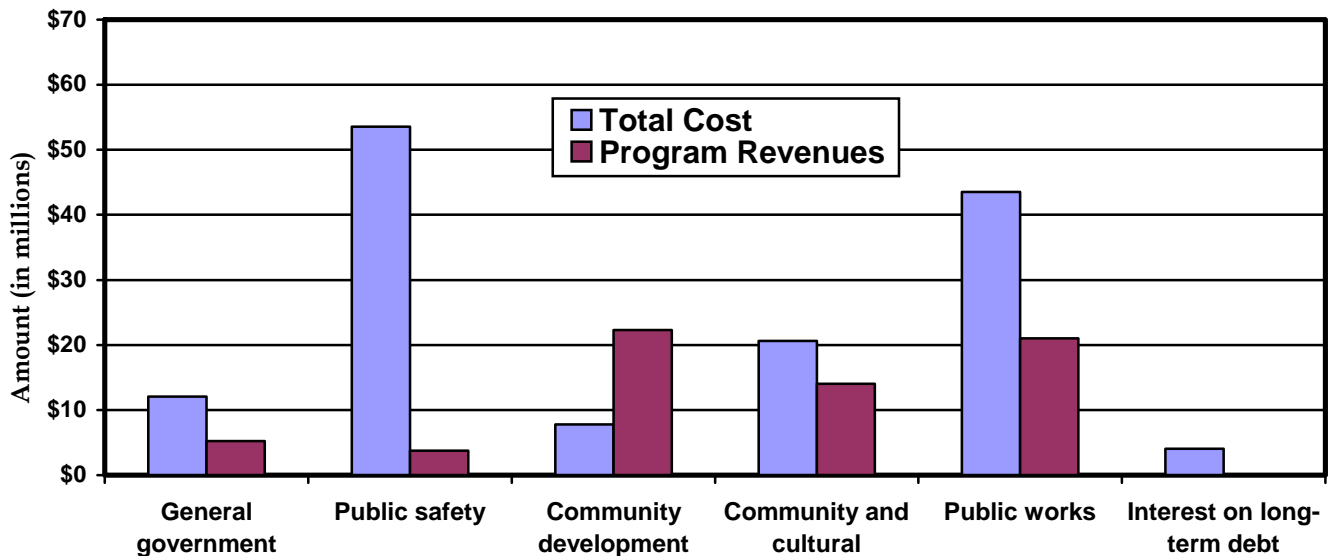
The table below presents the cost of each of the six major program categories, and identifies each program's *net cost* (total cost less revenues generated by the activities). The net cost is the amount paid for by general revenue sources that are generated by all City taxpayers.

**Governmental Activities - Net Cost of Services
For the year ended June 30, 2014**

	Total Cost of Services	Net Cost of Services
General government	\$ 12,081,325	\$ (6,884,221)
Public safety	53,578,915	(49,813,574)
Community development	7,755,380	14,567,133
Community and cultural	20,615,807	(6,582,285)
Public works	43,540,207	(22,111,924)
Interest on long-term debt	4,031,673	(4,031,673)
TOTAL	\$ 141,603,307	\$ (74,856,544)

As illustrated in the above table, program revenues recovered \$66.7 million of the cost of providing these services. The City paid for the remaining public benefit portion of these governmental activities with \$74.7 million in taxes (some of which were restricted for certain programs) and with other revenues. This governmental activity cost/revenue relationship is further illustrated in the following graph.

**Governmental Activities - Net Cost of Services
For the year ended June 30, 2014**



Business-Type Activities

The City's business-type activities include the activities of the Electric Utility. The net position of the City's business-type activities increased \$1.9 million primarily due to the increase in electric consumption. The Electric Utility had total revenues of \$21.7 million, and total expenses of \$19.8 million.

THE CITY'S FUNDS

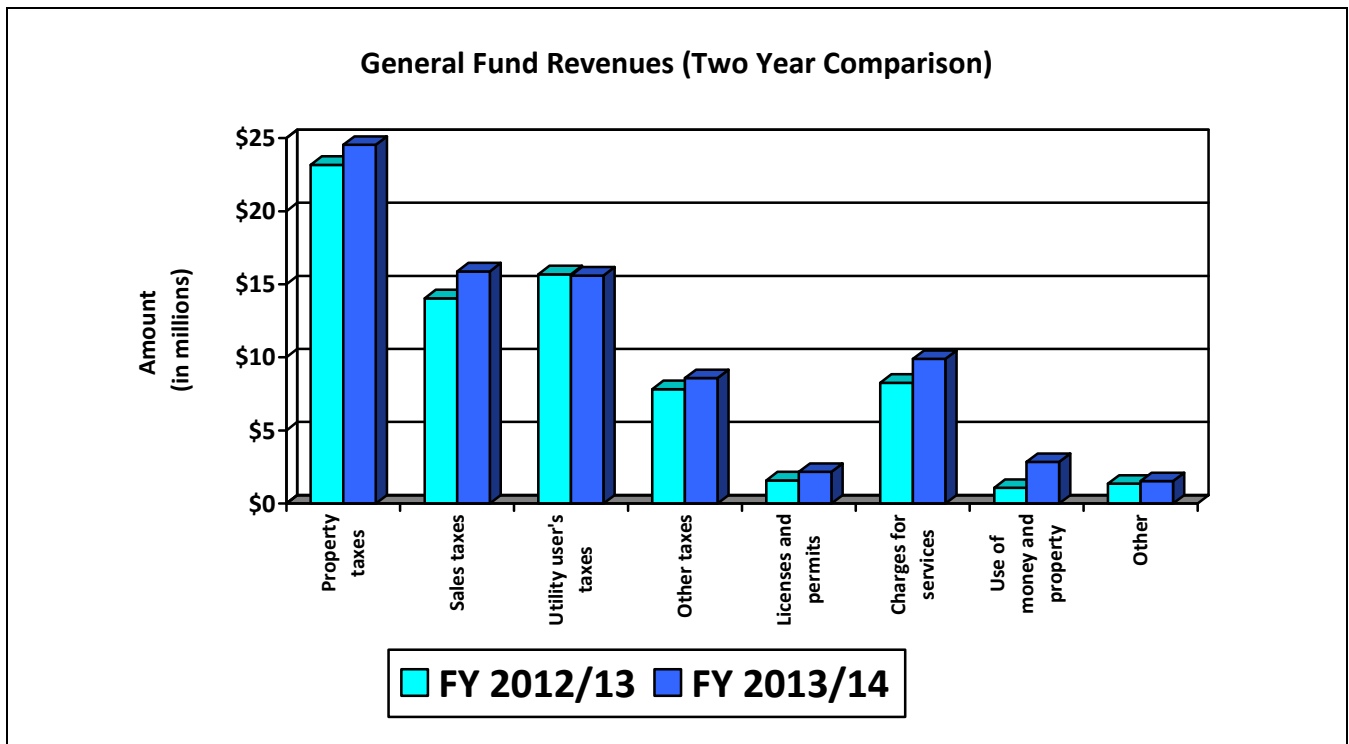
Total fund balances presented in the governmental funds balance sheet are \$170.0 million, with the General Fund representing \$40.6 million, or 23.9% of the total. The City's General Fund fund balance has unassigned fund balance of \$27.5 million.

General Fund Financial Results

The General Fund fund balance increased by \$6.2 million over FY 2012-13 with actual results realizing an increase of \$3.1 million in revenues along with expenditure savings of \$3.1 million. The final budget anticipated a balanced budget with minimal impact to fund balance as FY 2013-14 was the third and final year of the Three-Year Deficit Elimination Plan adopted by Council in response to the economic downturn.

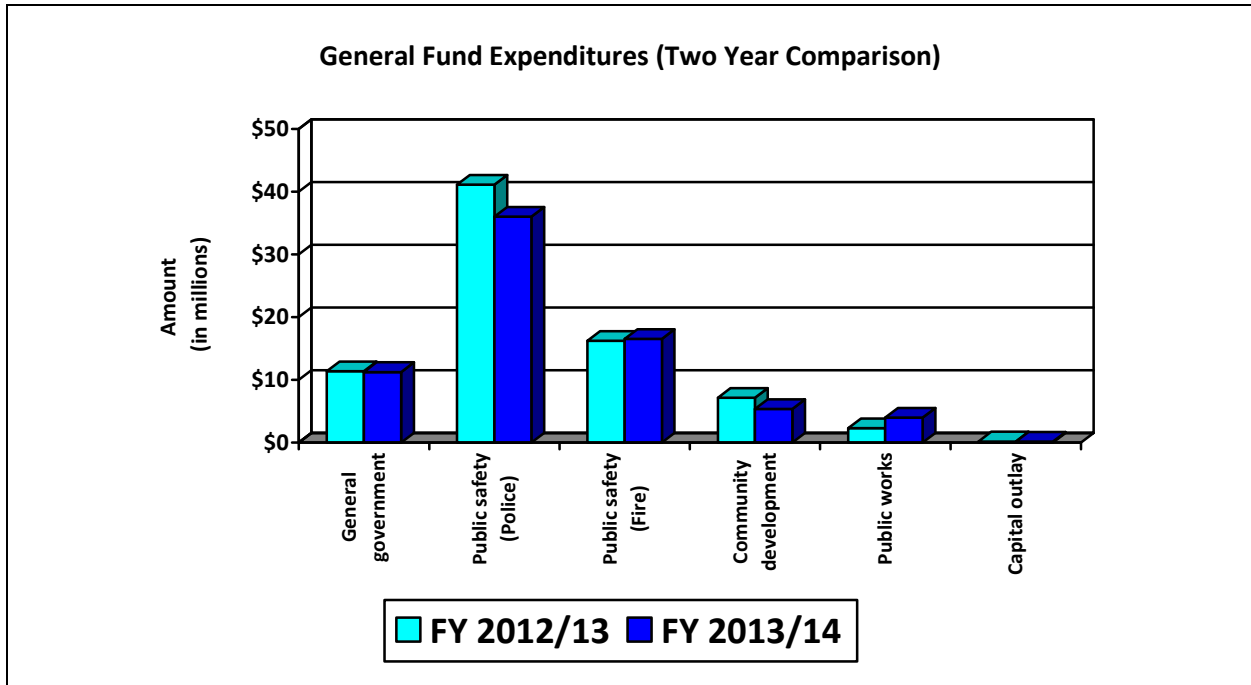
General Fund tax revenues were \$1.5 million more than anticipated and an increase in charges for services of \$0.7 million along with a \$0.8 million increase in licenses, permits and miscellaneous activity all contributed to the unanticipated revenue increase.

The graph below presents a comparison of each General Fund revenue source for the fiscal years ended June 30, 2013 and 2014.



General Fund actual expenditures were \$3.1 million less than the final budget. The major contributor to this result was in large part due to Police and Fire Services coming in under budget by \$2.4 million primarily as a result of contract service rates coming in below budgeted rates.

The graph below presents a comparison of each General Fund expenditure category for the fiscal years ended June 30, 2013 and 2014.



Other Major Fund Financial Results

The fund balance of the Community Service District Zones Special Revenue Fund increased by \$1.0 million over FY 2012-13. This fund accounts for the administration, operations and maintenance of the City’s various service zones established by the Moreno Valley Community Services District. The increase in fund balance is primarily the result of \$1.8 million in transfers from the General Fund to support Residential Street Lights Administration (\$896,000), Library Services (\$617,835), and projects in Parks and Community Services (\$307,500).



The fund balance of the Development Impact Fees Special Revenue Fund decreased by \$0.4 million under FY 2012-13. This fund accounts for the developer impact fees, which are one-time charges, used to offset the additional public-service costs of new development. The decrease in fund balance is primarily due to the remodel of Fire Station #48 that received development impact fee funding during the fiscal year.

The fund balance of the Housing Authority Fund increased \$8.0 million over FY 2012-13. This fund accounts for the housing assets as a result of the recently dissolved redevelopment agency of the City. In FY 2013-14 the Successor Agency of the former redevelopment agency transferred to the Housing Authority several property notes, Hemlock Apartments and Rancho Dorado South that were approved for transfer by the Successor Agency Oversight Board and the Department of Finance.

The fund balance of the Neighborhood Stabilization Grant Fund decreased \$0.1 million under FY 2012-13. This fund accounts for the grant allocation received by the City from Housing and Urban Development to address the foreclosure crisis and implement a neighborhood stabilization program. The decrease in fund balance is primarily the result of program expenses that were incurred for qualifying programs in the fiscal year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2014, the City’s governmental activities had \$1.28 billion (\$895.0 million net of depreciation) invested in a broad range of capital assets, including land, buildings and improvements, machinery and equipment, vehicles, park facilities, roads, highways and bridges. The net increase of \$28.0 million from FY 2012-13 is primarily attributed to the increase in infrastructure.

At June 30, 2014, the City’s business-type activities had \$42.2 million (\$36.0 million net of depreciation) invested in capital assets, primarily utility infrastructure. The net increase of \$0.5 million from FY 2012-13 is primarily attributed to the increase in infrastructure.

City of Moreno Valley Capital Assets

	Governmental Activities		Business-type Activities		Total Primary Government		Total % Change
	2013	2014	2013	2014	2013	2014	
Land	\$ 300,286,754	\$ 310,197,236	\$ 1,237,459	\$ 1,237,459	\$ 301,524,213	\$ 311,434,695	3%
Buildings and Improvements	115,194,031	130,081,944	-	-	115,194,031	130,081,944	13%
Machinery and Equipment	16,129,238	17,576,368	-	-	16,129,238	17,576,368	9%
Vehicles	10,510,284	9,277,549	-	-	10,510,284	9,277,549	-12%
Construction in Progress	38,339,817	25,740,972	161,713	1,099,586	38,501,530	26,840,558	-30%
Infrastructure	734,572,111	782,157,370	39,381,574	39,838,486	773,953,685	821,995,856	6%
	1,215,032,235	1,275,031,439	40,780,746	42,175,531	1,255,812,981	1,317,206,970	5%
Accumulated Depreciation	(348,093,894)	(380,046,084)	(5,362,442)	(6,215,426)	(353,456,336)	(386,261,510)	9%
Total Capital Assets	\$ 866,938,341	\$ 894,985,355	\$ 35,418,304	\$ 35,960,105	\$ 902,356,645	\$ 930,945,460	3%

Some of the major capital projects from the Capital Improvement Plan that were completed during the current fiscal year were:

- Civic Center Site Improvements
- SR60 / Nason Overcrossing Bridge
- City Hall Rehab of 2nd Floor
- Cactus Ave 3rd Eastbound Lane
- Citywide Camera Surveillance
- Gilman Springs Road Improvements



Some major capital projects under construction at the end of the fiscal year which are expected to be completed by the end of the next fiscal year are:

- Alessandro Blvd Median/Indian St
- Nason St/Cactus Ave to Fir Ave
- SR60 / Moreno Bch Drive Interchange (ph 1)
- Moval 33KV S Industrial

Other major projects that are in the Design, Environmental and Right of Way Acquisition Phases are:

- Sunnymead Blvd/SR60 E/B On-Ramp
- San Timoteo Foothill Storm Drain
- Box Springs Communication Site
- Heacock Street Channel

Additional information on the City's capital assets can be found in Note 5 to the basic financial statements.

Long-Term Debt

At year-end, the City's governmental activities had \$77.3 million in bonds, notes, certificates of participation, leases, and compensated absences, versus \$60.6 million last year, an increase of \$16.7 million, or 27.6%. This increase is primarily due to the issuance of \$20 million of new debt secured for current and future street improvement projects.

At June 30, 2014, the City's business-type activities had \$28.1 million in bonds and compensated absences versus \$28.5 million last year, a decrease of \$0.4 million. The decrease was the result of normal maturity on existing debt. The City was able to meet its current debt obligations in a timely manner. The City has an active Debt Management Committee and an approved Debt Management Policy. The table on the next page provides the total long-term debt by category.

**Outstanding Debt at Year End
For the Year Ended June 30, 2014**

	Governmental Activities	Business-type Activities
Special tax bonds	\$ 9,660,000	\$ -
Notes and Other	4,816,500	-
Certificates of participation	20,000,000	-
Lease revenue bonds	36,394,230	28,000,770
Compensated absences	6,478,751	125,667
TOTAL	\$ 77,349,481	\$ 28,126,437

Additional information on the City’s long-term debt can be found in Note 6 to the basic financial statements.

ECONOMIC FACTORS AND OUTLOOK FOR FUTURE YEARS

Although the focus of this Annual Report is on the economic condition of the City in the fiscal year that ended June 30, 2014, it is important for the City’s financial management to report on current issues affecting the City and their economic impact on FY 2013-14 and future years.

Clearly the economic downturn has impacted Moreno Valley, as well as the Inland Region as a whole. Both Riverside and San Bernardino counties are experiencing a delayed and slow economic recovery period. With a population of 199,258, Moreno Valley is still experiencing population growth, albeit at a slower rate because of the economic downturn impacting California. Moreno Valley remains the second largest city in Riverside County and is presently the fourth largest city in the Inland Region. Though population growth has slowed because of the economy, population growth continues in Moreno Valley because of its strategic location at the junction of Interstate I-215 and State Route 60, along with offering a wide array of quality housing options, a family oriented lifestyle and a variety of quality of life amenities.

For several years Moreno Valley has experienced substantial non-residential growth including significant new commercial retail and industrial development. The economy has slowed commercial development in Southern California, but Moreno Valley continues to secure new business development opportunities. In FY 2013-14 several new retail and industrial developments opened adding to the sales tax base which will provide a foundation for sales tax revenue to continue to grow moderately in the near future.

Current economic activity is in the commercial sector, with a specific focus on logistics/distribution centers and medical support businesses. The City Council approved an Economic Development Action Plan during FY 2010-11 that specifically focuses on these market sectors to rebuild the City’s tax revenue base and promote job creation. The impact of the action plan has had a positive influence on the unemployment rate in our City as we have begun to experience a decrease in the unemployment rate since last year with projections to further decrease this rate over the next few fiscal years. Creating employment opportunities and job growth is important to the continued development of the community and to the development of the City’s tax revenue base in the future.

In a recent credit status review by Standard & Poors the City’s credit rating was upgraded to A positive with a stable outlook. A key factor in achieving the strong rating result was the action of City Council and the City Manager to balance the City’s General Fund budget. Our council and management team strategized, planned and

delivered on a three-year deficit elimination plan that has brought revenues in line with expenditures. As revenues continue to steadily grow we look forward to strategizing and planning our continued economic recovery.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. For component units that publish separate financial statements, those statements can be obtained from the City Clerk. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer/City Treasurer, City of Moreno Valley, 14177 Frederick Street, P.O. Box 88005, Moreno Valley, California 92552-0805.



COMPREHENSIVE ANNUAL FINANCIAL REPORT



Fiscal Year
Ended June 30, 2014

City of Moreno Valley

Statement of Net Position
June 30, 2014

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Pooled cash and investments (note 3)	\$ 146,707,926	\$ 6,145,248	\$ 152,853,174
Receivables:			
Accounts	4,735,122	2,940,180	7,675,302
Notes and loans (note 4)	44,421,616	-	44,421,616
Notes to Successor Agency (note 4)	16,998,503	-	16,998,503
Interest	2,147,995	-	2,147,995
Internal balances	580,657	(580,657)	-
Prepaid costs	193,460	-	193,460
Due from other governments	6,902,629	-	6,902,629
Inventories	39,739	243,400	283,139
Land held for resale	3,916,126	-	3,916,126
Restricted assets:			
Cash with fiscal agent (note 3)	23,995,648	1,447,798	25,443,446
Capital assets not being depreciated (note 5)	335,938,208	2,337,045	338,275,253
Capital assets, net of depreciation (note 5)	559,047,147	33,623,060	592,670,207
Total Assets	1,145,624,776	46,156,074	1,191,780,850
Liabilities:			
Accounts payable	19,947,163	3,081,297	23,028,460
Accrued liabilities	960,789	-	960,789
Accrued interest	511,589	255,296	766,885
Unearned revenue	884,698	33,959	918,657
Deposits payable	16,861	993,332	1,010,193
Due to other governments	9,321	94,500	103,821
Noncurrent liabilities:			
Long-term debt, due within one year (note 6)	7,151,481	642,170	7,793,651
Long-term debt, due in more than one year (note 6)	74,445,550	27,322,104	101,767,654
Total Liabilities	103,927,452	32,422,658	136,350,110
Net Position:			
Net investment in capital assets	841,259,763	9,569,296	850,829,059
Restricted for:			
Community development projects	47,104,275	-	47,104,275
Public safety	328,236	-	328,236
Community and cultural	13,201,156	-	13,201,156
Public works	23,648,320	-	23,648,320
Capital projects	32,739,899	-	32,739,899
Debt service	11,996,640	-	11,996,640
Permanent funds - nonexpendable	328,823	-	328,823
Water quality	538,101	-	538,101
Public purpose programs	-	3,903,663	3,903,663
Unrestricted	70,552,111	260,457	70,812,568
Total Net Position	\$ 1,041,697,324	\$ 13,733,416	\$ 1,055,430,740

City of Moreno Valley

Statement of Activities
Year Ended June 30, 2014

	Program Revenues			
	Expenses	Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants
Functions/Programs				
Primary Government:				
Governmental Activities:				
General government	\$ 12,081,325	\$ 5,057,964	\$ 121,564	\$ 17,576
Public safety	53,578,915	3,077,843	687,498	-
Community development	7,755,380	7,620,631	4,972,354	9,729,528
Community and cultural	20,615,807	6,518,337	7,515,185	-
Public works	43,540,207	2,604,218	12,279,173	6,544,892
Interest on long-term debt	4,031,673	-	-	-
Total Governmental Activities	141,603,307	24,878,993	25,575,774	16,291,996
Business-Type Activities:				
Electric	19,796,146	20,213,736	-	-
Total Business-Type Activities	19,796,146	20,213,736	-	-
Total Primary Government	\$ 161,399,453	\$ 45,092,729	\$ 25,575,774	\$ 16,291,996

General Revenues:

Taxes:

Property taxes
 Property taxes in lieu
 Transient occupancy taxes
 Sales taxes
 Franchise taxes
 Business licenses taxes
 Utility users tax
 Other taxes
 Franchise in lieu taxes
 Documentary transfer tax
 Use of money and property
 Miscellaneous

**Extraordinary gain/(loss) on dissolution
of redevelopment agency (note 13)**

Transfers

Total General Revenues and Extraordinary Items

Change in Net Position

Net Position at Beginning of Year

Restatement of Net Position (note 14)

Net Position at End of Year

**Net (Expenses) Revenues and Changes in Net
Position**

Primary Government

<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
\$ (6,884,221)	\$ -	\$ (6,884,221)
(49,813,574)	-	(49,813,574)
14,567,133	-	14,567,133
(6,582,285)	-	(6,582,285)
(22,111,924)	-	(22,111,924)
(4,031,673)	-	(4,031,673)
(74,856,544)	-	(74,856,544)
-	417,590	417,590
-	417,590	417,590
(74,856,544)	417,590	(74,438,954)
14,281,943	-	14,281,943
13,871,754	-	13,871,754
991,431	-	991,431
15,887,129	-	15,887,129
5,361,531	-	5,361,531
1,581,918	-	1,581,918
15,595,141	-	15,595,141
6,467,203	-	6,467,203
194,943	-	194,943
447,103	-	447,103
4,718,739	35,249	4,753,988
696,377	531,523	1,227,900
26,364,076	-	26,364,076
(904,032)	904,032	-
105,555,256	1,470,804	107,026,060
30,698,712	1,888,394	32,587,106
1,007,995,816	11,845,022	1,019,840,838
3,002,796	-	3,002,796
\$ 1,041,697,324	\$ 13,733,416	\$ 1,055,430,740



MAJOR GOVERNMENTAL FUNDS

General Fund

This fund is used to account for all financial resources of the city traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

Community Services District (CSD) Zones Special Revenue Fund

This group of funds is used to account for the revenues expended on the various Community Services District (CSD) programs. There are nine Zones within the Community Services District providing services. Zone A-Parks and Community Services provides citywide park maintenance and recreation programming. Zone B-Residential Street Lighting provides residential subdivision street lighting. Zone C-Arterial Street Lighting provides citywide street lighting on major arterial streets. Zone D-Standard Landscaping provides landscaping for residential developments throughout the City. Zone E-Extensive Landscaping provides landscaping in major developments within the City. Zone L-Library Services provides library services to City residents. Zone M-Medians provides maintenance of medians within the City. Community Facilities District (CFD) #1 provides maintenance of new parks, trails and class 1 bikeways. Zone S – Sunnymead Boulevard Maintenance provides maintenance of extensive landscape services for certain improvements constructed along Sunnymead Boulevard.

Development Impact Fees Special Revenue Fund

This group of funds is used to account for the restricted fees collected to provide funding for capital improvements related to the impact of development on various City services. The City collects fees for the following: arterial streets, traffic signals, fire facilities, police facilities, parkland facilities, Quimby in-lieu of parks, recreation facilities, library facilities, city hall facilities, corporate yard facilities, interchange improvements, maintenance equipment, animal shelter facilities, and administration fees.

Housing Authority Fund

This fund is used to account for the housing assets as a result of the dissolution of the former Community Redevelopment Agency of the City.

Neighborhood Stabilization Program Fund

This fund is used to account for the grant allocation received by the City from HUD to address the foreclosure crisis and implement a neighborhood stabilization program (NSP) aimed at assisting low- to moderate- income households, while targeting the areas of the City most affected by the foreclosures.

Nonmajor Governmental Funds

These funds constitute all other governmental funds that do not meet the criteria to be a major fund, which is 10% or more of assets, liabilities, revenues or expenditures for the governmental funds and 5% or more of total assets, liabilities, revenues or expenditures for the total governmental and enterprise funds combined. These funds include other Special Revenue Funds, all Capital Projects Funds, all Debt Service Funds and all Permanent Funds of the City.

City of Moreno Valley

Balance Sheet
Governmental Funds
June 30, 2014

	Special Revenue Funds			
	General	CSD Zones	Development Impact Fees	Housing Authority
Assets:				
Pooled cash and investments (note 3)	\$ 40,659,739	\$ 13,807,767	\$ 16,260,358	\$ 136,546
Receivables:				
Accounts	2,427,060	128,916	-	-
Notes and loans (note 4)	-	-	-	34,444,031
Notes to Successor Agency (note 4)	16,998,503	-	-	-
Interest	560,730	-	-	1,190,264
Due from other governments	3,021,893	229,033	-	-
Due from other funds (note 7)	2,807,492	-	-	-
Advances to other funds (note 7)	3,772,000	-	-	-
Land held for resale	-	-	-	3,916,126
Restricted assets:				
Cash with fiscal agents (note 3)	-	-	-	-
Total Assets	\$ 70,247,417	\$ 14,165,716	\$ 16,260,358	\$ 39,686,967
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 16,485,502	\$ 773,027	\$ -	\$ 144
Accrued liabilities	933,348	-	-	-
Unearned revenues	628,786	169,021	-	-
Deposits payable	-	16,861	-	-
Due to other governments	6,119	17	-	-
Due to other funds (note 7)	-	5,634	-	-
Advances from other funds	-	-	4,132,000	-
Total Liabilities	18,053,755	964,560	4,132,000	144
Deferred Inflows of Resources:				
Unavailable revenues	11,638,087	-	-	1,190,264
Total Deferred Inflows of Resources	11,638,087	-	-	1,190,264
Fund Balances:				
Nonspendable:				
Notes and loans	-	-	-	-
Notes to Successor Agency	5,360,415	-	-	-
Advances to other funds	3,772,000	-	-	-
Permanent fund principal	-	-	-	-
Restricted for:				
Community development projects	-	-	-	38,496,559
Public safety	-	-	-	-
Community and cultural	-	13,201,156	-	-
Public works	-	-	12,128,358	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Endowments	-	-	-	-
Water quality	-	-	-	-
Committed to:				
Revolving line of credit	2,600,000	-	-	-
Maintenance of pedestrian bridge	129,722	-	-	-
Assigned to:				
Continuing appropriations	534,245	-	-	-
GASB 31	622,748	-	-	-
Unassigned	27,536,445	-	-	-
Total Fund Balances	40,555,575	13,201,156	12,128,358	38,496,559
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 70,247,417	\$ 14,165,716	\$ 16,260,358	\$ 39,686,967

Special Revenue Funds Neighborhood Stabilization Grant	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 34,503,178	\$ 105,367,588
-	2,178,984	4,734,960
4,358,257	5,619,328	44,421,616
-	-	16,998,503
-	397,001	2,147,995
665,472	2,986,231	6,902,629
-	-	2,807,492
-	940,657	4,712,657
-	-	3,916,126
-	23,995,648	23,995,648
\$ 5,023,729	\$ 70,621,027	\$ 216,005,214
\$ 319,425	\$ 2,040,600	\$ 19,618,698
-	27,441	960,789
-	86,891	884,698
-	-	16,861
-	3,185	9,321
433,825	2,368,033	2,807,492
-	-	4,132,000
753,250	4,526,150	28,429,859
4,358,257	397,001	17,583,609
4,358,257	397,001	17,583,609
-	5,619,328	5,619,328
-	-	5,360,415
-	940,657	4,712,657
-	288,098	288,098
-	2,988,388	41,484,947
-	328,236	328,236
-	-	13,201,156
-	10,579,305	22,707,663
-	32,739,899	32,739,899
-	11,996,640	11,996,640
-	40,725	40,725
-	538,101	538,101
-	-	2,600,000
-	-	129,722
-	-	534,245
-	-	622,748
(87,778)	(361,501)	27,087,166
(87,778)	65,697,876	169,991,746
\$ 5,023,729	\$ 70,621,027	\$ 216,005,214

Assets:

Pooled cash and investments (note 3)
Receivables:
Accounts
Notes and loans (note 4)
Notes to Successor Agency (note 4)
Interest
Due from other governments
Due from other funds (note 7)
Advances to other funds (note 7)
Land held for resale
Restricted assets:
Cash with fiscal agents (note 3)

Total Assets

Liabilities, Deferred Inflows of Resources, and Fund Balances:

Liabilities:

Accounts payable
Accrued liabilities
Unearned revenues
Deposits payable
Due to other governments
Due to other funds (note 7)
Advances from other funds

Total Liabilities

Deferred Inflows of Resources:

Unavailable revenues

Total Deferred Inflows of Resources

Fund Balances:

Nonspendable:

Notes and loans
Notes to Successor Agency
Advances to other funds
Permanent fund principal

Restricted for:

Community development projects
Public safety
Community and cultural
Public works
Capital projects
Debt service
Endowments
Water quality

Committed to:

Revolving line of credit
Maintenance of pedestrian bridge

Assigned to:

Continuing appropriations
GASB 31

Unassigned

Total Fund Balances

Total Liabilities, Deferred Inflows of Resources, and Fund Balances



City of Moreno Valley

**Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Position
June 30, 2014**

Fund balances of governmental funds \$ 169,991,746

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets net of depreciation have not been included as financial resources in governmental fund activity.

Capital Assets (excludes internal service capital assets)	1,250,030,499
Accumulated depreciation (excludes internal service accumulated depreciation)	(369,310,914)

Long-term debt and compensated absences have not been included in the governmental fund activity:

2007 Towngate Special Tax Refunding Bonds	\$ (6,825,000)	
2007 Towngate Improvement Tax Refunding	(2,835,000)	
2011 Private Placement Refunding, Series 1997 Variable Rate Certificates of Participation	(2,261,500)	
2005 Lease Revenue Bonds	(25,940,000)	
2011 Private Placement Refunding, Series 1997 Variable Rate Certificates of Participation	(2,555,000)	
2013 Refunding of 2005 Lease Revenue Bonds	(10,454,230)	
2013 Total Road Improvement Certificates of Participation	(20,000,000)	
Unamortized Premium/Discount	(806,550)	
Prepaid Bond Insurance	191,538	
Compensated Absences	<u>(5,710,911)</u>	(77,196,653)

Governmental funds report all OPEB contributions as expenditures, however in the statement of net position any excesses or deficiencies in contributions in relation to the Annual Required Contribution (ARC) are recorded as a asset or liability. (1,347,000)

Accrued interest payable for the current portion of interest due on long-term debt has not been reported in the governmental funds. (511,589)

Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity. 17,583,609

Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position. 52,457,626

Net Position of governmental activities \$1,041,697,324

City of Moreno Valley

Statement of Revenues,
Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2014

Special Revenue Funds

	General	CSD Zones	Development Impact Fees	Housing Authority
Revenues:				
Taxes:				
Property taxes	\$ 10,668,782	\$ 3,613,161	\$ -	\$ -
Property taxes in lieu	13,871,754	-	-	-
Utility taxes	15,595,141	-	-	-
Sales taxes	15,887,129	-	-	-
Other taxes	8,576,926	6,350,039	-	-
Licenses and permits	2,164,753	-	-	-
Intergovernmental	311,509	4,660	-	-
Charges for services	9,895,991	5,958,400	2,340,687	-
Use of money and property	2,836,595	725,733	257,273	34,261
Fines and forfeitures	577,962	41,980	-	-
Contributions	-	-	-	-
Contributions from Successor Agency	150,000	-	-	7,970,000
Miscellaneous	492,855	480,449	-	17,962
Total Revenues	81,029,397	17,174,422	2,597,960	8,022,223
Expenditures:				
Current:				
General government	11,249,491	-	-	-
Public safety	52,565,026	-	-	-
Community development	5,344,292	-	-	56,016
Community and cultural	-	11,888,439	-	-
Public works	3,974,839	5,760,298	-	-
Capital outlay	152,247	339,048	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total Expenditures	73,285,895	17,987,785	-	56,016
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,743,502	(813,363)	2,597,960	7,966,207
Other Financing Sources (Uses):				
Transfers in (note 7)	1,013,421	1,924,735	1,484,426	-
Transfers out (note 7)	(2,575,373)	(129,722)	(4,518,200)	-
Refunding bonds issued	-	-	-	-
Other debt issued	-	-	-	-
Bond premium/(discount)	-	-	-	-
Total Other Financing Sources (Uses)	(1,561,952)	1,795,013	(3,033,774)	-
Net Change in Fund Balances	\$ 6,181,550	\$ 981,650	\$ (435,814)	\$ 7,966,207
Fund Balances:				
Beginning of year, as originally reported	\$ 34,374,025	\$ 12,219,506	\$ 12,564,172	\$ 30,530,352
Restatements	-	-	-	-
Beginning of year, as restated	34,374,025	12,219,506	12,564,172	30,530,352
Net change in fund balances	6,181,550	981,650	(435,814)	7,966,207
End of Year	\$ 40,555,575	\$ 13,201,156	\$ 12,128,358	\$ 38,496,559

**Special
Revenue Funds**

Neighborhood Stabilization Grant	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 14,281,943
-	-	13,871,754
-	-	15,595,141
-	-	15,887,129
-	117,164	15,044,129
-	-	2,164,753
1,096,836	27,397,214	28,810,219
-	2,034,556	20,229,634
-	180,727	4,034,589
-	-	619,942
-	17,576	17,576
-	1,609,528	9,729,528
-	1,260,623	2,251,889
1,096,836	32,617,388	142,538,226
-	770,471	12,019,962
-	927,025	53,492,051
1,211,334	1,311,767	7,923,409
-	7,344,250	19,232,689
-	8,537,869	18,273,006
-	26,721,595	27,212,890
-	13,884,500	13,884,500
-	3,284,958	3,284,958
-	895,960	895,960
1,211,334	63,678,395	156,219,425
(114,498)	(31,061,007)	(13,681,199)
-	26,570,636	30,993,218
-	(22,888,073)	(30,111,368)
-	10,454,230	10,454,230
-	20,000,000	20,000,000
-	905,166	905,166
-	35,041,959	32,241,246
\$ (114,498)	\$ 3,980,952	\$ 18,560,047
\$ 26,720	\$ 58,714,128	\$ 148,428,903
-	3,002,796	3,002,796
26,720	61,716,924	151,431,699
(114,498)	3,980,952	18,560,047
\$ (87,778)	\$ 65,697,876	\$ 169,991,746

Revenues:

Taxes:

Property taxes
Property taxes in lieu
Utility taxes
Sales taxes
Other taxes
Licenses and permits
Intergovernmental
Charges for services
Use of money and property
Fines and forfeitures
Contributions
Contributions from Successor Agency
Miscellaneous

Total Revenues

Expenditures:

Current:

General government
Public safety
Community development
Community and cultural
Public works
Capital outlay
Debt service:
Principal retirement
Interest and fiscal charges
Bond issuance costs

Total Expenditures

Excess (Deficiency) of Revenues
Over (Under) Expenditures

Other Financing Sources (Uses):

Transfers in (note 7)
Transfers out (note 7)
Refunding bonds issued
Other debt issued
Bond premium/(discount)

**Total Other Financing Sources
(Uses)**

Net Change in Fund Balances

Fund Balances:

Beginning of year, as originally reported
Restatements
Beginning of year, as restated
Net change in fund balances

End of Year

City of Moreno Valley

**Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended June 30, 2014**

Net change in fund balances - total governmental funds \$ 18,560,047

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlay (excludes internal service capital outlay)	24,777,578
Depreciation expense (excludes internal service depreciation)	(26,784,459)
Contributed capital assets	3,335,000

The issuance of long-term debt provides current financial resources in the governmental funds, but issuing debt increases the long-term liabilities in the statement of net position. Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal repayments	13,884,500
New debt issued	(20,000,000)
Refunded debt issued	(10,454,230)
Plus premium/discount on debt issued	(905,166)
Prepaid bond insurance on debt issued	199,518
Amortization of bond premiums/discounts and prepaid insurance	90,636

Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period. (140,909)

Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (31,607)

Governmental funds report all contributions in relation to the annual required contribution (ARC) for OPEB as expenditures, however in the statement of activities only the ARC is an expense. (447,000)

Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity. 968,749

Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The net revenues (expenses) of the internal service funds is reported with governmental activities. 1,281,979

Extraordinary gains and losses relating to capital assets and long-term liabilities transferred to the Successor Agency are reported in the statement of activities do not require the use of current financial resources, and therefore, are not reported in the governmental funds.

Capital assets	26,364,076
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Change in net position of governmental activities \$ 30,698,712

City of Moreno Valley

Budgetary Comparison Statement
General Fund
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property taxes	\$ 9,647,100	\$ 9,647,100	\$ 10,668,782	\$ 1,021,682
Property taxes in-lieu	13,640,000	13,840,000	13,871,754	31,754
Utility user's tax	16,114,000	16,114,000	15,595,141	(518,859)
Sales taxes	15,570,000	15,570,000	15,887,129	317,129
Other taxes	7,965,000	7,965,000	8,576,926	611,926
Licenses and permits	1,514,000	1,764,000	2,164,753	400,753
Intergovernmental	265,000	235,000	311,509	76,509
Charges for services	8,869,395	9,224,707	9,895,991	671,284
Use of money and property	2,688,000	2,688,000	2,836,595	148,595
Fines and forfeitures	601,500	601,500	577,962	(23,538)
Contributions from Successor Agency	-	150,000	150,000	-
Miscellaneous	51,400	51,400	492,855	441,455
Total Revenues:	76,925,395	77,850,707	81,029,397	3,178,690
Expenditures:				
Current:				
General government				
City council	616,632	654,113	642,585	11,528
City manager	1,318,957	1,917,210	1,915,199	2,011
City clerk	448,351	541,202	573,396	(32,194)
City attorney	483,533	776,045	869,430	(93,385)
Financial and management services	2,980,392	3,091,265	2,844,706	246,559
Administrative services	3,657,689	3,764,674	3,544,108	220,566
Non-departmental	812,500	221,553	860,067	(638,514)
Public safety				
Police	37,936,734	37,520,695	36,019,308	1,501,387
Fire	17,368,153	17,417,212	16,545,718	871,494
Community development	6,731,597	5,714,662	5,344,292	370,370
Public works	2,136,995	4,465,001	3,974,839	490,162
Capital outlay	192,000	337,679	152,247	185,432
Total Expenditures	74,683,533	76,421,311	73,285,895	3,135,416
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,241,862	1,429,396	7,743,502	6,314,106
Other Financing Sources (Uses):				
Transfers in (note 7)	967,341	1,097,063	1,013,421	(83,642)
Transfers out (note 7)	(2,284,003)	(2,575,427)	(2,575,373)	54
Total Other Financing Sources (Uses)	(1,316,662)	(1,478,364)	(1,561,952)	(83,588)
Net Change in Fund Balances	925,200	(48,968)	6,181,550	6,230,518
Fund Balance, Beginning of Year	34,374,025	34,374,025	34,374,025	-
Fund Balance, End of Year	\$ 35,299,225	\$ 34,325,057	\$ 40,555,575	\$ 6,230,518

City of Moreno Valley
Budgetary Comparison Statement
CSD Zones
Year Ended June 30, 2014

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Property taxes	\$ 3,188,300	\$ 3,188,300	\$ 3,613,161	\$ 424,861
Other taxes	6,322,000	6,322,000	6,350,039	28,039
Intergovernmental	-	-	4,660	4,660
Charges for services	6,115,031	5,865,531	5,958,400	92,869
Use of money and property	614,221	614,221	725,733	111,512
Fines and forfeitures	50,000	50,000	41,980	(8,020)
Miscellaneous	20,100	20,580	480,449	459,869
Total Revenues	<u>16,309,652</u>	<u>16,060,632</u>	<u>17,174,422</u>	<u>1,113,790</u>
Expenditures:				
Current:				
Community and cultural	11,790,946	12,350,161	11,888,439	461,722
Public works	6,520,744	6,560,347	5,760,298	800,049
Capital outlay	883,000	992,000	339,048	652,952
Total Expenditures	<u>19,194,690</u>	<u>19,902,508</u>	<u>17,987,785</u>	<u>1,914,723</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,885,038)</u>	<u>(3,841,876)</u>	<u>(813,363)</u>	<u>3,028,513</u>
Other Financing Sources (Uses):				
Transfers in (note 7)	1,783,244	2,041,371	1,924,735	(116,636)
Transfers out (note 7)	-	(129,722)	(129,722)	-
Total Other Financing Sources (Uses)	<u>1,783,244</u>	<u>1,911,649</u>	<u>1,795,013</u>	<u>(116,636)</u>
Net Change in Fund Balances	(1,101,794)	(1,930,227)	981,650	2,911,877
Fund Balance, Beginning of Year	<u>12,219,506</u>	<u>12,219,506</u>	<u>12,219,506</u>	<u>-</u>
Fund Balance, End of Year	<u>\$11,117,712</u>	<u>\$10,289,279</u>	<u>\$13,201,156</u>	<u>\$ 2,911,877</u>

City of Moreno Valley

Budgetary Comparison Statement
Development Impact Fees
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 418,500	\$ 418,500	\$ 2,340,687	\$ 1,922,187
Use of money and property	211,400	225,350	257,273	31,923
Total Revenues	629,900	643,850	2,597,960	1,954,110
Excess (Deficiency) of Revenues Over (Under) Expenditures	629,900	643,850	2,597,960	1,954,110
Other Financing Sources (Uses):				
Transfers in (note 7)	1,484,426	1,484,426	1,484,426	-
Transfers out (note 7)	(4,291,200)	(4,518,200)	(4,518,200)	-
Total Other Financing Sources (Uses)	(2,806,774)	(3,033,774)	(3,033,774)	-
Net Change in Fund Balances	(2,176,874)	(2,389,924)	(435,814)	1,954,110
Fund Balance, Beginning of Year	12,564,172	12,564,172	12,564,172	-
Fund Balance, End of Year	\$ 10,387,298	\$ 10,174,248	\$ 12,128,358	\$ 1,954,110

City of Moreno Valley
Budgetary Comparison Statement
Housing Authority
Year Ended June 30, 2014

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Use of money and property	\$ 15,000	\$ 15,000	\$ 34,261	\$ 19,261
Contributions from Successor Agency	-	-	7,970,000	7,970,000
Miscellaneous	-	-	17,962	17,962
Total Revenues	<u>15,000</u>	<u>15,000</u>	<u>8,022,223</u>	<u>8,007,223</u>
Expenditures:				
Current:				
Community development	-	-	56,016	(56,016)
Total Expenditures	<u>-</u>	<u>-</u>	<u>56,016</u>	<u>(56,016)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>15,000</u>	<u>15,000</u>	<u>7,966,207</u>	<u>7,951,207</u>
Fund Balance, Beginning of Year	<u>30,530,352</u>	<u>30,530,352</u>	<u>30,530,352</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 30,545,352</u>	<u>\$ 30,545,352</u>	<u>\$ 38,496,559</u>	<u>\$ 7,951,207</u>

City of Moreno Valley

Budgetary Comparison Statement
 Neighborhood Stabilization Grant
 Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 3,500,000	\$ 3,500,000	\$ 1,096,836	\$ (2,403,164)
Total Revenues	3,500,000	3,500,000	1,096,836	(2,403,164)
Expenditures:				
Current:				
Community development	3,466,451	4,664,280	1,211,334	3,452,946
Total Expenditures	3,466,451	4,664,280	1,211,334	3,452,946
Excess (Deficiency) of Revenues Over (Under) Expenditures	33,549	(1,164,280)	(114,498)	1,049,782
Net Change in Fund Balances	33,549	(1,164,280)	(114,498)	1,049,782
Fund Balance, Beginning of Year	26,720	26,720	26,720	-
Fund Balance, End of Year	\$ 60,269	\$ (1,137,560)	\$ (87,778)	\$ 1,049,782



PROPRIETARY FUNDS

ENTERPRISE FUND:

Electric Fund

This fund is used to account for the operations of the City electric utility, with its basic purpose to purchase and distribute electricity to customers in the City's newly developed areas under the "Greenfield" concept. The City began serving its first customers in February 2004.

INTERNAL SERVICE FUNDS:

Internal Service Funds

These funds are used to account for services provided to other departments on a cost reimbursement basis. These services include providing insurance benefits, maintaining and replacing information systems, facilities maintenance, vehicle and equipment maintenance, and accumulating cash reserves for equipment replacement.

City of Moreno Valley

Statement of Net Position
Proprietary Funds
June 30, 2014

	<u>Enterprise Fund - Electric</u>	<u>Governmental Activities- Internal Service Funds</u>
Assets:		
Current:		
Pooled cash and investments (note 3)	\$ 6,145,248	\$ 41,340,338
Receivables:		
Accounts	2,940,180	162
Prepaid costs	-	1,922
Inventories	243,400	39,740
Restricted:		
Cash with fiscal agent (note 3)	<u>1,447,798</u>	<u>-</u>
Total Current Assets	<u>10,776,626</u>	<u>41,382,162</u>
Noncurrent:		
Capital assets - net of accumulated depreciation (note 5)	<u>35,960,105</u>	<u>14,265,769</u>
Total Noncurrent Assets	<u>35,960,105</u>	<u>14,265,769</u>
Total Assets	<u>\$46,736,731</u>	<u>\$ 55,647,931</u>
Liabilities and Net Position:		
Liabilities:		
Current:		
Accounts payable	\$ 3,081,297	\$ 328,465
Accrued interest	255,296	-
Unearned revenues	33,959	-
Deposits payable	993,332	-
Due to other governments	94,500	-
Compensated absences (note 6)	75,400	460,704
Self-insurance payable (note 12)	-	708,000
Bonds, notes, and loans payable (note 6)	<u>566,770</u>	<u>-</u>
Total Current Liabilities	<u>5,100,554</u>	<u>1,497,169</u>
Noncurrent:		
Advances from other funds (note 7)	580,657	-
Compensated absences (note 6)	50,267	307,136
Self-insurance payable (note 12)	-	1,386,000
Bonds, notes, and loans payable (note 6)	<u>27,271,837</u>	<u>-</u>
Total Noncurrent Liabilities	<u>27,902,761</u>	<u>1,693,136</u>
Total Liabilities	<u>33,003,315</u>	<u>3,190,305</u>
Net Position:		
Net investment in capital assets	9,569,296	14,265,769
Restricted for public purpose programs	3,903,663	-
Unrestricted	<u>260,457</u>	<u>38,191,857</u>
Total Net Position	<u>13,733,416</u>	<u>52,457,626</u>
Total Liabilities and Net Position	<u>\$46,736,731</u>	<u>\$ 55,647,931</u>

City of Moreno Valley

Statement of Revenues, Expenses
and Changes in Fund Net Position
Proprietary Funds
Year Ended June 30, 2014

	Enterprise Fund - Electric	Governmental Activities- Internal Service Funds
Operating Revenues:		
Sales and service charges	\$ 19,905,135	\$ 13,171,084
Miscellaneous	531,523	35,451
Total Operating Revenues	20,436,658	13,206,535
Operating Expenses:		
Cost of services	726,109	8,336,198
Depreciation expense	852,984	915,603
Electricity purchased	10,200,721	-
Services and supplies	3,695,862	-
Distributive share	2,678,910	-
Self-insurance claims and charges	-	849,758
Total Operating Expenses	18,154,586	10,101,559
Operating Income (Loss)	2,282,072	3,104,976
Nonoperating Revenues (Expenses):		
Interest revenue	35,249	-
Interest expense	(1,641,560)	-
Engineering plan check fees	308,601	-
Gain (loss) on disposal of capital assets	-	(37,115)
Total Nonoperating Revenues (Expenses)	(1,297,710)	(37,115)
Income (Loss) Before Transfers	984,362	3,067,861
Transfers in (note 7)	904,032	2,325,628
Transfers out (note 7)	-	(4,111,510)
Changes in Net Position	1,888,394	1,281,979
Net Position:		
Beginning of Fiscal Year	11,845,022	51,175,647
End of Fiscal Year	\$ 13,733,416	\$ 52,457,626

City of Moreno Valley

Statement of Cash Flows
Proprietary Funds
Year Ended June 30, 2014

	Enterprise Fund - Electric	Governmental Activities- Internal Service Funds
Cash Flows from Operating Activities:		
Cash received from customers	\$ 20,324,328	\$ 13,206,585
Cash paid to suppliers for goods and services	(12,242,327)	(5,692,713)
Cash paid to employees for services	(4,414,354)	(3,294,902)
Cash paid for claims	-	(863,758)
Net Cash Provided (Used) by Operating Activities	<u>3,667,647</u>	<u>3,355,212</u>
Cash Flows from Non-Capital Financing Activities:		
Cash transfers in	904,032	2,325,628
Cash transfers out	-	(4,111,510)
Cash paid to utility operator	(2,289,297)	-
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>(1,385,265)</u>	<u>(1,785,882)</u>
Cash Flows from Capital and Related Financing Activities:		
Proceeds from capital debt	1,341,288	-
Acquisition and construction of capital assets	(1,394,785)	(1,307,536)
Engineering plan check fees	308,601	-
Principal paid on capital debt	(1,925,000)	-
Interest paid on capital debt	(1,646,664)	-
Repayment of loans to other governments	(31,500)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(3,348,060)</u>	<u>(1,307,536)</u>
Cash Flows from Investing Activities:		
Interest received	35,249	-
Net Cash Provided (Used) by Investing Activities	<u>35,249</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(1,030,429)</u>	<u>261,794</u>
Cash and Cash Equivalents at Beginning of Year	8,623,475	41,078,544
Cash and Cash Equivalents at End of Year	<u>\$ 7,593,046</u>	<u>\$ 41,340,338</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:		
Operating income (loss)	\$ 2,282,072	\$ 3,104,976
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:		
Depreciation	852,984	915,603
(Increase) decrease in accounts receivable	(216,868)	50
(Increase) decrease in prepaid costs	-	3,877
(Increase) decrease in inventories	(11,350)	2,896
Increase (decrease) in accounts payable	648,352	(711,949)
Increase (decrease) in accrued liabilities	(13,990)	(60,299)
Increase (decrease) in unearned revenue	11,758	-
Increase (decrease) in deposits payable	92,780	-
Increase (decrease) in self-insurance payable	-	(14,000)
Increase (decrease) in compensated absences	21,909	114,058
Total Adjustments	<u>1,385,575</u>	<u>250,236</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 3,667,647</u>	<u>\$ 3,355,212</u>

Non-Cash Investing, Capital, and Financing Activities:

There were no noncash investing, capital or noncapital financing activities for the year ended June 30, 2014.

FIDUCIARY FUNDS

FIDUCIARY FUNDS:

Fiduciary Funds

These funds are used to account for assets held in an agency or trustee capacity for others. These funds cannot be used to support the City's own programs.

City of Moreno Valley

Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2014

	<u>Agency Funds</u>	<u>Private- Purpose Trust Fund</u> <u>Successor Agency of the Former RDA</u>
Assets:		
Pooled cash and investments (note 3 and 13)	\$ 4,873,927	\$ 3,527,892
Due from other governments	-	94,500
Restricted assets:		
Cash with fiscal agents (note 3 and 13)	749,308	2
Total Assets	<u>\$ 5,623,235</u>	<u>3,622,394</u>
Liabilities:		
Accounts payable	\$ 187,093	7,189
Accrued interest	-	842,202
Deposits payable	3,993,060	-
Due to other governments	-	1,058
Payable to trustee	1,443,082	-
Long-term debt, due within one year (note 13)	-	230,000
Long-term debt, due in more than one year (note 13)	-	59,242,136
Total Liabilities	<u>\$ 5,623,235</u>	<u>60,322,585</u>
Net Position:		
Held in trust for other purposes		(56,700,191)
Total Net Position		<u>\$ (56,700,191)</u>

City of Moreno Valley

Statement of Changes in Fiduciary Net Position
 Fiduciary Funds
 Year Ended June 30, 2014

	<u>Private- Purpose Trust Fund</u>
	<u>Successor Agency of the Former RDA</u>
Additions:	
Taxes	\$ 6,305,087
Use of money and property	13,942
Total Additions	<u>6,319,029</u>
Deductions:	
Administrative expenses	76,260
Contractual services	14,589
Interest expense	3,048,923
Depreciation expense	991,196
Contributions to City	9,729,528
Total Deductions	<u>13,860,496</u>
Extraordinary gain/(loss) on dissolution of redevelopment agency (note 13)	<u>(26,364,076)</u>
Changes in Net Position	<u>(33,905,543)</u>
Net Position - Beginning of the Year	<u>(22,794,648)</u>
Net Position - End of the Year	<u><u>\$ (56,700,191)</u></u>



COMPREHENSIVE ANNUAL FINANCIAL REPORT



Fiscal Year
Ended June 30, 2014

Item No. A.7

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014**

Note 1: Organization and Summary of Significant Accounting Policies

a. Description of the Reporting Entity

The City of Moreno Valley, California (the City), is located in the County of Riverside and was incorporated on December 3, 1984 under the general laws of the State of California. The City operates under an elected Council/City Manager form of government. The City's major operations include police and fire protection, public works, parks, recreation and certain social services and general administration services.

Reporting Entity

Accounting principles generally accepted in the United States of America require that these financial statements represent the City of Moreno Valley and its component units. A component unit is included in the primary government's financial statements if the governing body is substantively the same as that of the City or if the component unit provides services or other benefits almost entirely to the primary government. The component units discussed below are included in the City's reporting entity because of their operational significance or financial relationships with the City. These component units are controlled by common governing boards, which are substantively the same as the City's and are presented as blended component units for financial reporting purposes. The component units have the same fiscal year end as the City.

- The Moreno Valley Community Services District (the District) was established pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982. Its purpose is to finance the acquisition and construction of certain major public capital infrastructure and improvements within the boundaries of the Community Facilities Districts. Separate financial statements for the District are available from the City Clerk.
- Community Facilities District No. 3 (Auto Mall Refinancing), and Community Facilities District No. 87-1 and 87-1, IA#1 (Towngate) were established pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982. Their purpose is to finance the acquisition and construction of certain major public capital infrastructure and improvements within the boundaries of the Community Facilities Districts and they are governed by City Council. Separate financial statements are not available for the Community Facilities Districts.
- The Moreno Valley Public Facilities Financing Corporation (MVPFFC) and the Moreno Valley Public Financing Authority (MVPFA) are nonprofit public benefit corporations, formed for the purpose of providing public facility financing to the City. The Corporations' Boards of Directors are each composed of the five elected City Council members. Both Corporations may acquire, construct, rehabilitate, remodel, improve, install and finance or lease various facilities, land and equipment for the benefit of the City. Separate financial statements are not available for the Public Facilities Financing Corporation and the Public Financing Authority.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

- The Moreno Valley Housing Authority (the Housing Authority) was established pursuant to State law section 34240 of the California Health and Safety Code, which allows for every City to establish a housing authority. The Housing Authority is designed to protect local housing funds and programs, provide new revenue opportunities for affordable housing programs, serve the public interest, promote public safety and welfare, and ensure decent, safe, sanitary and affordable housing accommodations to persons of low income. The City of Moreno Valley City Council serves as the Housing Authority's Commissioners. Separate financial statements are not available for the Housing Authority.

The accounting policies of the City of Moreno Valley conform with generally accepted accounting principles as applicable to governments. The following is a summary of the significant policies.

b. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Certain indirect costs are included in the program expense reported for individual functions and activities. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

c. Measurement Focus, Basis of Accounting and Financial Statements Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The proprietary and private-purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency funds have no measurement focus but utilize the accrual basis of accounting for reporting assets and liabilities.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, while grant and sales tax revenues have an availability period of 120 days.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and as such have been recognized as revenue in the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental funds:

The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The CSD Zones Special Revenue Fund accounts for restricted property taxes for the various Community Services District (CSD) programs. There are nine Zones within the Community Services District providing services. Zone A-Parks and Community Services provides citywide park maintenance and recreation programming. Zone B-Residential Street Lighting provides residential subdivision street lighting. Zone C-Arterial Street Lighting provides citywide street lighting on major arterial streets. Zone D-Standard Landscaping provides landscaping for residential developments throughout the City. Zone E-Extensive Landscaping provides landscaping in major developments within the City. Zone L-Library Services provides library services to City residents. Zone M-Medians provides maintenance of median landscaping within the City. Community Facilities District (CFD) #1 provides maintenance of new parks, trails and class 1 bikeways. Zone S – Sunnymead Boulevard Maintenance provides maintenance of extensive landscape services for certain improvements along Sunnymead Boulevard.

The Development Impact Fees Special Revenue Fund accounts for the restricted fees collected to provide funding for capital improvements related to the impact of development on various City services. The City collects fees for the following: arterial streets, traffic signals, fire facilities, police facilities, parkland facilities, Quimby in-lieu of parks, recreation facilities, library facilities, city hall facilities, corporate yard facilities, interchange improvements, maintenance equipment, animal shelter facilities, and administrative fees. The City has elected to report this fund as a major fund.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

The Housing Authority accounts for the housing assets as a result of the dissolution of the former Community Redevelopment Agency of the City.

The Neighborhood Stabilization Grant Fund is used to account for the grant allocation received by the City from HUD to address the foreclosure crisis and implement a neighborhood stabilization program (NSP) aimed at assisting low-to moderate-income households, while targeting the areas of the City most affected by the foreclosures.

The City reports the following major business-type fund:

The Electric Fund accounts for the operations of the City electric utility, with its basic purpose to purchase and distribute electricity to customers in the City's newly developed areas under the "Greenfield" concept. The City began serving its first customers in February 2004.

Additionally the government reports the following fund types:

Internal Service Funds account for financial transactions related to repair, replacement and maintenance of City-owned equipment, the City's self-insurance programs and the City's general information systems and telecommunications hardware and software. These services are provided to other departments or agencies of the City on a cost reimbursement basis.

The Agency Funds are used to report resources held by the City in a purely custodial capacity, which includes assets held on behalf of customers and trustees for the Assessment Districts, TUMF and MSHCP Trust funds.

The Private-Purpose Trust Fund accounts for the assets and liabilities of the former redevelopment agency and its allocated revenue to pay estimated installment payments of enforceable obligations until obligations of the former redevelopment agency are paid in full and assets have been liquidated.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's proprietary funds function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Internal Service Funds are charges to other departments or agencies for sales and services. Operating expenses for Internal Service Funds include the cost of sales and services, administrative expenses and depreciation

City of Moreno Valley

Notes to Financial Statements
Year Ended June 30, 2014 (Continued)

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

d. Assets, Liabilities, Deferred Inflows and Net Position or Equity

Deposits, Investments, Cash and Cash Equivalents

The City's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

Investments for the City, as well as for its component units, are reported at fair value except for investment contracts that are reported at cost because they are not transferable and they have terms that are not affected by changes in market interest rates. The City's policy is generally to hold investments until maturity or until fair values equal or exceed cost. The State Treasurer's Investment Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." All trade and property tax receivables are shown net of an allowance for uncollectibles.

All trade and property tax receivables are shown net of an allowance for uncollectibles.

Inventory and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method. Inventory consists of expendable supplies held for consumption.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The fund balances in the governmental fund types have been set aside as nonspendable for amounts equal to the prepaid items in the fund-level statements, since these amounts are not available for appropriation.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	5 - 50
Furniture and Equipment	3 - 15
Vehicles	3 - 10
Infrastructure	25 - 50

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position and governmental balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has only one item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. Unavailable revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. The amount is deferred and recognized as an inflow of resources in the period when the amount becomes available.

Unearned Revenue

The City reports unearned revenue in the fund-level statements and in the statement of net position. Unearned revenue arises when the City receives resources before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures.

Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused annual leave benefits. The City records the annual leave liability using benefits earned by employees at the balance sheet date that will result in termination payments rather than compensated absences. The City records the annual leave liability using the dollar value of employees' rights to receive compensation attributable to services already rendered.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

Long-Term Obligations

In the government-wide financial statements, and proprietary and fiduciary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Land Held for Resale

Land purchased for the purposes of resale is recorded at cost or, if lower, the estimated net realizable value upon entering into an agreement to sell the property.

Fund Balance

In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted include amounts that are constrained on the use of resources by either (a) external creditors, grantors, contributors, or laws or regulations of other governments, or (b) by law through constitutional provisions or enabling legislation.

Committed include amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest authority, City Council. The formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution by the City Council.

Assigned include amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The Financial and Management Services Director is authorized to assign amounts to a specific purpose, which was established by the governing body in a resolution.

Unassigned include the residual amounts that have not been restricted, committed, or assigned to specific purposes.

An individual governmental fund could include nonspendable resources and amounts that are restricted, committed, assigned, or unassigned or any combination of those classifications. Restricted amounts are to be considered spent when an expenditure

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 1: Organization and Summary of Significant Accounting Policies (Continued)

is incurred for purposes for which both restricted and unrestricted fund balance is available and committed, assigned, then unassigned amounts are considered to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Secured property taxes are payable in two installments with December 10 the last day to pay the first installment of secured property taxes without penalty, and April 10 the last day to pay the second installment of secured property taxes without penalty. Unsecured personal property taxes are due in a single installment on August 31. The County of Riverside bills and collects the property taxes and remits them to the City in installments during the year. Property taxes received within 60 days after the City's fiscal year end are considered "measurable" and "available" and are accrued in the City's financial statements.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 2: Stewardship, Compliance and Accountability

a. Budget Information

Budgets are legally adopted and formal budgetary integration is employed as a management control device during the year for all governmental fund types. The budget is prepared on a GAAP (Generally Accepted Accounting Principles) basis. From the effective date of the budget, the amounts stated therein as proposed expenditures become appropriations to the various City departments.

The City Council may amend the budget only during a regular meeting, providing that sufficient monies are available and that expenditures of proceeds of taxes will not be increased beyond the constitutional appropriation limit as imposed by Article XIIIB of the State Constitution.

The City's formal budgetary process begins at the operating program level. Departmental budgets are comprised of the various operating program budgets. Operating programs do not cross departmental lines. Individual fund budgets consist of the departmental budgets; departmental budgets may cross fund lines.

Individual fund budgets are, in all cases where appropriations are required, the same as the appropriation amounts. In the case of the Governmental Fund types, unexpended budgeted amounts, except for amounts relating to capital projects, lapse at the end of the budget year. Spending control (legal level) for most funds is established by the amount of expenditures budgeted at the departmental and fund levels. Accordingly, the General Fund expenditures are displayed in the supplementary schedules at the department level and the Special Revenue, Debt Service and Capital Projects Funds expenditures are displayed at the function level. Management control is exercised at the line item level in each operating program. Management can transfer budgeted amounts between operating programs, departments or funds, provided that such transfers do not increase the overall budget. Appropriations that increase the budget require City Council approval.

For fiscal year 2013-2014, the following funds had no adopted annual budgets:

- Traffic Signal Mitigation Capital Projects Fund
- Warner Ranch Capital Development Capital Projects Fund

These funds had no adopted budget due to the timing of the usage of the funds. Money will be budgeted as needed based on specific projects to be completed with these funds.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 2: Stewardship, Compliance and Accountability (Continued)

b. Excess Expenditures Over Appropriations

Excess of expenditures over appropriations in departments of individual funds are as follows:

	<u>Final Budget</u>	<u>Expenditures</u>	<u>Excess</u>
General Fund:			
City clerk	\$ 541,202	\$ 573,396	\$ 32,194
City attorney	776,045	869,430	93,385
Non-departmental	221,553	860,067	638,514
Housing Authority Special Revenue Fund:			
Community development	-	56,016	56,016
State Gasoline Tax Special Revenue Fund:			
Public works	5,710,352	5,885,902	175,550
Public Education Government Access Special Revenue Fund:			
Public works	-	865	865
Capital outlay	499,889	500,343	454
Air Quality Management Special Revenue Fund:			
Public works	230,164	236,985	6,821
Prop 42 Replacement Funds Special Revenue Fund:			
Capital outlay	842,161	843,310	1,149
Civil Penalties Special Revenue Fund:			
Community development	-	14,075	14,075
Lease Revenue Bonds 2005 Debt Service Fund:			
General government	2,100	2,525	425
TRIP COP 13A Debt Fund Debt Service Fund:			
Public works	-	2,268	2,268
Equestrian Trail Endowment Permanent Fund:			
Community and cultural	-	429	429

Note 3: Cash and Investments

As of June 30, 2014, cash and investments were reported in the accompanying financial statements as follows:

Government Activities:	\$ 170,703,574
Business-Type Activities	7,593,046
Fiduciary Funds	<u>9,151,129</u>
 Total Cash and Investments	 <u>\$ 187,447,749</u>

Cash and investments as of June 30, 2014, consist of the following:

Cash and Cash Equivalents	
Petty cash and change boxes	\$ 10,770
Demand deposit	(1,315,312)
Investments	162,559,535
Cash and Investments with fiscal agents	<u>26,192,756</u>
 Total Cash and Investments	 <u>\$ 187,447,749</u>

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 3: Cash and Investments (Continued)

The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under provisions of bond indentures. Interest income earned on pooled cash and investments is allocated monthly to the various funds based on monthly cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

Deposits

The California Government Code requires California banks and savings and loan associations to secure a City's deposits by pledging government securities with a value of 110% of a City's deposits. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of a City's total deposits. The City Treasurer may waive the collateral requirement for deposits that are fully insured up to \$250,000 by the FDIC. The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an Agent of Depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an "Agent of Depository" has the effect of perfecting the security interest in the name of the local government agency. Accordingly, all collateral held by the California Agents of Depository are considered to be held for, and in the name of, the local government agency.

Investments

Under provisions of the City's investment policy, and in accordance with the California Government Code, the following investments are authorized:

- U.S. Treasury Bills, Notes and Bonds
- Government Sponsored Enterprises (GSE's) or U.S. Agencies
- California State Local Agency Investment Fund (LAIF)
- Bonds, notes or other indebtedness of the State of California
- Bonds, notes or other indebtedness of local agencies in California
- Bankers Acceptances
- Commercial Paper
- Commercial Paper issued under the Temporary Liquidity Guarantee Program (TLGP)
- Time Deposits and Non-negotiable Certificates of Deposit
- Negotiable Certificates of Deposit
- Repurchase Agreements
- Corporate Obligations (Medium-term Notes)
- Corporate Obligations (Medium-term Notes) issued under the Temporary Liquidity Guarantee Program (TLGP)
- Mutual Funds and Money Market Accounts
- Other Government Sponsored Investment Pools

Investments Authorized by Debt Agreements

The above investments do not address the investment of debt proceeds held by a bond trustee. Investments of debt proceeds held by a bond trustee are governed by provisions

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 3: Cash and Investments (Continued)

of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy.

Investments in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The State Treasurer's Office audits the fund annually. The fair value of the position in the investment pool is the same as the value of the pool shares.

GASB Statement No. 31

The City adopted GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, as of July 1, 1997. GASB Statement No. 31 establishes fair value standards for investments in participating interest earning investment contracts, external investment pools, equity securities, option contracts, stock warrants and stock rights that have readily determinable fair values. Accordingly, the City reports its investments at fair value in the balance sheet. All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statement.

Credit Risk

The City's investment policy limits investments in medium term notes (MTN's) to those rated in the top category by two of the three largest nationally recognized rating services at the time of purchase (with split ratings, the lower rating must meet the standard). As of June 30, 2014, the City's investment in medium term notes consisted of investments with Blackrock Inc., PepsiCo Inc., JP Morgan Chase, IBM Corp, Wells Fargo Bank, Berkshire Hathaway, Coca Cola Company, Bank of New York, Pfizer Inc., Praxair Inc., EBAY Inc., Google Inc., John Deere, Occidental Petroleum, United Technologies Corp., Chevron Corp., Intel Corp., WalMart Stores Inc., Apple Inc., U.S. Bankcorp, General Electric, Cisco Systems, Honda, Toyota, and Chase. At June 30, 2014, all MTN's were rated "A" or higher by Moody's. All securities were investment grade and legal under State and City law at their time of purchase. Federal agency securities are rated AA+. Investments in U.S. Treasury securities are not considered to have credit risk and, therefore, their credit quality is not disclosed. As of June 30, 2014, the City's investments in external investment pools and investment agreements are unrated.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The carrying amount of the City's demand deposits was (\$1,315,312) at June 30, 2014. Bank balances before reconciling items was \$2,372,882 at that date, the total amount of which was collateralized or insured with securities held by the pledging financial institutions in the City's name as discussed above under "Deposits". The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. In accordance with the City's

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 3: Cash and Investments (Continued)

investment policy, all investments are held by third-party custodians for safekeeping, with the securities in the City's name. This is the lowest level of custodial credit risk exposure.

Interest Rate Risk

The City's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The City's investment portfolio will not directly invest in securities maturing in more than five years. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk.

As of June 30, 2014, the City had the following investments and original maturities:

Investment Type	6 months or less	6 months to 1 year	1 to 3 years	3 to 5 years	Fair Value
Local Agency Investment Fund	\$ 28,883,670	\$ -	\$ -	\$ -	\$ 28,883,670
Money Market Fund	36,335	-	-	-	36,335
Commercial Paper	665,000	-	-	-	665,000
Medium Term Notes	1,653,493	20,543,581	4,946,776	23,087,925	50,231,775
US Treasury Notes	-	-	6,196,292	23,166,960	29,363,252
Federal Farm Credit Bank	-	-	5,233,923	1,633,615	6,867,538
Federal Farm Loan Bank	-	-	10,765,543	919,484	11,685,027
Federal Home Loan Mortgage Corp	-	-	12,167,695	3,271,661	15,439,356
Federal National Mortgage Assn	2,031,571	-	3,314,860	14,041,151	19,387,582
Held by Bond Trustee:					
Money Market Funds	26,192,756	-	-	-	26,192,756
Totals	\$ 59,462,825	\$ 20,543,581	\$ 42,625,089	\$ 66,120,796	\$ 188,752,291

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 3: Cash and Investments (Continued)

Concentration of Credit Risk

The City's investment policy imposes restrictions on the maximum percentage and amount that can be invested in certain types of investments. These restrictions are as follows:

Investment Types	Maturity Limit	Maximum Portfolio Percentage	Maximum Investment in One Issuer
U.S. Treasury bills, notes and bonds	5 years	None	None
GSE's or U.S. Agencies	5 years	None	None
California State Local Agency Investment Fund	n/a	None	None
Bonds, notes or other indebtedness of the State of California	5 years	None	None
Bonds, notes or other indebtedness of local agencies in CA	5 years	None	5%
Bankers Acceptances	180 days	40%	5%
Commercial Paper	270 days	25%	5%
Negotiable Certificates of Deposits	5 years	30%	5%
CD Placement Service	5 years	30%	5%
Repurchase Agreements	1 year	None	5%
Reverse Repurchase Agreements	92 days	20%	5%
Medium-term Notes (MTN's)	5 years	30%	5%
Mutual Funds and Money Market Accounts	n/a	20%	5%
Collateralized Bank Deposits	5 years	None	5%
Mortgage Pass-Through Securities	5 years	20%	5%
Bank/Time Deposits	5 years	None	5%
Other Governmental Sponsored Investment Pools	n/a	None	None

As of June 30, 2014, the City is in compliance with the investment policy restriction.

In accordance with GASB Statement No. 40, if the City has invested more than 5% of its investments in any one issuer, it is exposed to credit risk. The following investments are considered exposed to credit risk:

Federal Farm Loan Bank	6.2%
Federal Home Loan Mortgage Corp	8.2%
Federal National Mortgage Association	10.3%

Investments guaranteed by the U.S. government and investments in mutual funds and external investment pools are excluded from this.

Note 4: Notes and Loans

a. Notes and Loans Receivable

Notes and loans receivables of \$44,421,616 consist primarily of revolving home improvement loans and are due beyond one year.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 4: Notes and Loans (Continued)

A summary of amounts owed at June 30, 2014, follows:

	Housing Authority	Neighborhood Stabilization Grant	Nonmajor Governmental Funds	Total
Cottonwood Properties	\$ 3,839,108	\$ -	\$ 2,050,000	\$ 5,889,108
Sheila Street Rehabilitation	2,651,875	-	-	2,651,875
RHDC Properties	1,833,103	-	739,756	2,572,859
CVHC	1,639,450	-	-	1,639,450
Ability First	824,917	-	-	824,917
Bay Family Apartments	755,000	-	-	755,000
Perris Isle	413,000	-	687,000	1,100,000
Oakwood	3,000,000	-	-	3,000,000
Rancho Dorado	12,500,000	-	-	12,500,000
Hemlock Family Apartments	6,300,000	-	1,628,643	7,928,643
Others	687,578	4,358,257	513,929	5,559,764
Totals	\$ 34,444,031	\$ 4,358,257	\$ 5,619,328	\$ 44,421,616

b. Notes to Successor Agency

In prior years, the City made various loans to the former Redevelopment Agency. Upon dissolution of the Redevelopment Agency, certain loans were approved as enforceable obligations in a letter dated May 26, 2012, from the California Department of Finance and remain as a receivable in the General Fund and a liability of the Successor Agency. At June 30, 2014, the balance of \$16,998,503 consists of the following:

The Towngate Regional Mall notes (Sears Note) totaling \$13,000,000, originate from a participation agreement (as amended) whereby the Agency acquired certain parcels within the mall for subsequent transfer to major tenants. The notes bear interest at 7.25% and are payable solely from available site-generated property tax increment and up to 50% of site-generated sales tax. Furthermore, the Agency has covenanted to use reasonable best efforts to refinance these notes with Tax Allocation Bonds, provided such financing is determined to be fiscally feasible. At June 30, 2014, accrued interest amounts to \$3,331,838.

The long-term payable to the General Fund from the Agency Debt Service Fund includes \$652,248 representing monies borrowed in prior fiscal years by the Agency to finance redevelopment activities. The monies loaned to the Agency bear an interest rate of 12%. Repayment of the long-term payable will be made when funds becomes available. At June 30, 2014, accrued interest amounts to \$14,417.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 5: Capital Assets

The following is a schedule of changes in governmental activities capital assets for the year ended June 30, 2014:

	Balance July 1, 2013	Transfers	Additions	Deletions	Transfers from Successor Agency*	Balance June 30, 2014
Non-Depreciable Assets:						
Land	\$ 300,286,754	\$ 474,546	\$ -	\$ -	\$ 9,435,936	\$ 310,197,236
Construction In Progress	38,339,817	(39,195,822)	27,548,188	(951,211)	-	25,740,972
Total Non-Depreciable Assets	338,626,571	(38,721,276)	27,548,188	(951,211)	9,435,936	335,938,208
Depreciable Assets:						
Buildings and Improvements	115,194,031	2,919,080	26,598	(249,602)	12,191,837	130,081,944
Furniture and Equipment	16,129,238	1,471,873	217,993	(595,573)	352,837	17,576,368
Vehicles	10,510,284	-	228,276	(1,461,011)	-	9,277,549
Infrastructure	734,572,111	34,330,323	3,335,000	(13,864)	9,933,800	782,157,370
Total Depreciable Assets	876,405,664	38,721,276	3,807,867	(2,320,050)	22,478,474	939,093,231
Less Accumulated Depreciation:						
Buildings and Improvements	(44,688,621)	-	(3,156,493)	-	(4,118,674)	(51,963,788)
Furniture and Equipment	(11,258,538)	-	(1,060,764)	575,584	(352,837)	(12,096,555)
Vehicles	(8,698,070)	-	(429,895)	722,622	-	(8,405,343)
Infrastructure	(283,448,665)	-	(23,052,910)	-	(1,078,823)	(307,580,398)
Total Accumulated Depreciation	(348,093,894)	-	(27,700,062)	1,298,206	(5,550,334)	(380,046,084)
Total Depreciable Assets, Net of Accumulated Depreciation	528,311,770	38,721,276	(23,892,195)	(1,021,844)	16,928,140	559,047,147
Total Net Capital Assets	\$ 866,938,341	\$ -	\$ 3,655,993	\$ (1,973,055)	\$ 26,364,076	\$ 894,985,355

*As a result of the dissolution of the former Redevelopment Agency, capital assets of the Successor Agency were transferred to the City after review by the Oversight Board and approval of the California Department of Finance. See Note 13 for additional information on the Successor Agency.

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
General government	\$ 344,641
Public safety	1,172,658
Community development	135,831
Community and cultural	1,998,740
Public works	23,132,589
Internal service funds	915,603
Total	\$ 27,700,062

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 5: Capital Assets (Continued)

The following is a schedule of changes in business-type activities capital assets for the year ended June 30, 2014:

	<u>Balance July 1, 2013</u>	<u>Transfers</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2014</u>
Non-Depreciable Assets:					
Land	\$ 1,237,459	\$ -	\$ -	\$ -	\$ 1,237,459
Construction In Progress	161,713	(78,187)	1,016,060	-	1,099,586
Total Non-Depreciable Assets	<u>1,399,172</u>	<u>(78,187)</u>	<u>1,016,060</u>	<u>-</u>	<u>2,337,045</u>
Depreciable Assets:					
Infrastructure	39,381,574	78,187	378,725	-	39,838,486
Total Depreciable Assets	<u>39,381,574</u>	<u>78,187</u>	<u>378,725</u>	<u>-</u>	<u>39,838,486</u>
Less Accumulated Depreciation:					
Infrastructure	(5,362,442)	-	(852,984)	-	(6,215,426)
Total Accumulated Depreciation	<u>(5,362,442)</u>	<u>-</u>	<u>(852,984)</u>	<u>-</u>	<u>(6,215,426)</u>
Total Depreciable Assets, Net of Accumulated Depreciation	<u>34,019,132</u>	<u>78,187</u>	<u>(474,259)</u>	<u>-</u>	<u>33,623,060</u>
Total Net Capital Assets	<u>\$ 35,418,304</u>	<u>\$ -</u>	<u>\$ 541,801</u>	<u>\$ -</u>	<u>\$ 35,960,105</u>

Depreciation expense for business-type activities was charged as follows:

Electric Utility	<u>\$ 852,984</u>
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City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 6: Long Term Debt

a. Changes in Long-Term Debt - Governmental Activities

The following is a schedule of changes in governmental activities long-term debt for the year ended June 30, 2014:

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014	Due Within One Year
Towngate Community Facilities District No. 87-1:					
2007 Towngate Special Tax Refunding Bonds	\$ 7,525,000	\$ -	\$ (700,000)	\$ 6,825,000	\$ 730,000
2007 Towngate Improvement Tax Refunding	3,055,000	-	(220,000)	2,835,000	230,000
Community Facilities District No. 3:					
Auto Mall Special Tax Bonds	105,000	-	(105,000)	-	-
Moreno Valley Public Facilities Financing:					
2011 Private Placement Refunding, Series 1997 Variable Rate Certificates of Participation	2,972,000	-	(710,500)	2,261,500	732,000
Moreno Valley Public Facilities Financing Authority:					
Lease Revenue Bonds, 2005	37,855,000	-	(11,915,000)	25,940,000	-
2011 Private Placement Refunding, Series 1997 Variable Rate Certificates of Participation	2,789,000	-	(234,000)	2,555,000	241,000
2013 Refunding of 2005 Lease Revenue Bonds	-	10,454,230		10,454,230	623,230
Unamortized Issue Premium	-	1,040,115	(104,012)	936,103	-
City:					
2013 Total Road Improvement Program COPs	-	20,000,000	-	20,000,000	-
Unamortized Issue Discount	-	(134,949)	5,396	(129,553)	-
OPEB Liability	900,000	447,000	-	1,347,000	-
Accrued Self-Insurance Claims and Judgments	2,108,000	123,000	(137,000)	2,094,000	708,000
Compensated Absences:					
Governmental Funds	5,679,304	2,534,179	(2,502,572)	5,710,911	3,426,547
Internal Service Funds	653,782	307,238	(193,180)	767,840	460,704
Totals	\$63,642,086	\$34,770,813	\$(16,815,868)	\$ 81,597,031	\$7,151,481

2007 Towngate Special Tax Refunding Bonds

Towngate CFD 87-1 2007 Special Tax Refunding Bonds in the original issue of \$10,665,000 were issued in November 2007, to refund prior bonds currently outstanding, to fund a reserve for the bonds and to pay issuance costs. The bonds mature in serial fashion through December 1, 2021 and bear interest ranging from 3.50% to 5.00%. The bonds are subject to both optional and mandatory redemption prior to maturity beginning on December 1, 2017. The bonds are payable from and secured by a special tax levy against certain affected parcels within the District. Under an arrangement (Participation Agreement) involving the District, the City and the Successor Agency of the former RDA, the required tax levy may be reduced in part by the reimbursable tax increment and utility reimbursements from the Agency.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 6: Long Term Debt (Continued)

The annual debt service requirements for the 2007 Towngate Special Tax Refunding Bonds payable outstanding at June 30, 2014, are as follows:

Year Ending June 30,	2007 Towngate Special Tax Refunding Bonds	
	Principal	Interest
2015	\$ 730,000	\$ 283,181
2016	760,000	253,381
2017	790,000	218,431
2018	830,000	177,931
2019	870,000	136,106
2020-2024	2,845,000	176,778
Totals	<u>\$ 6,825,000</u>	<u>\$ 1,245,808</u>

2007 Towngate Improvement Tax Refunding Bonds

CFD 87-1 Improvement Area No. 1 Special Tax Refunding Bonds in the original issue of \$4,075,000 were issued in November 2007, to refund prior bonds currently outstanding, to fund a reserve for the bonds and to pay issuance costs. The bonds mature in serial fashion through October 1, 2023 and bear interest ranging from 3.75% to 4.875%. The bonds are subject to both optional and mandatory redemption prior to maturity beginning on April 1, 2009. The bonds are payable from and secured by a special tax levy against certain affected parcels within the District. Under an arrangement (a Cooperation and Reimbursement Agreement) involving the District, the City and the Successor Agency of the former RDA, the required tax levy may be reduced in part by a reimbursable tax increment from the Agency to a maximum of 70.3% of required debt service.

The annual debt service requirements for the 2007 Towngate Improvement Tax Refunding Bonds payable outstanding at June 30, 2014, are as follows:

Year Ending June 30,	2007 Towngate Improvement Tax Refunding Bonds	
	Principal	Interest
2015	\$ 230,000	\$ 125,669
2016	240,000	115,739
2017	250,000	105,170
2018	260,000	93,851
2019	275,000	81,676
2020-2024	1,580,000	196,496
Totals	<u>\$ 2,835,000</u>	<u>\$ 718,601</u>

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 6: Long Term Debt (Continued)

Auto Mall Special Tax Bonds

Community Facilities District No. 3, Auto Mall Special Tax Bonds 2000, Refinancing in March 2000, the Community Facilities District No. 3 of the City of Moreno Valley issued Special Tax Bonds 2000 (Refinancing Bonds) in the amount of \$8,075,000 to refund on June 1, 2000 \$7,828,258 of outstanding Auto Mall Special Tax Bonds (Refunded Bonds). The Refinancing Bonds mature in serial and term fashion through September 2030 and bear interest payable semi-annually at rates ranging from 5.25% to 7.50%. The bonds are subject to optional and mandatory redemption prior to maturity beginning September 1, 2010. The bonds are payable from and secured by a special tax levy against parcels within the District. Under an arrangement (Owner Participation Agreement) involving the parcel owners, the District, the City and the Successor Agency of the former RDA, the required tax levy is to be offset by available property tax increment from the Agency. Should available increment be insufficient to offset the levy, available project sales tax collected by the City will be used. At of June 30, 2014, these bonds have been paid off.

2011 Private Placement Refunding, 1997 Certificates of Participation

The 2011 Private Placement Refunding of the 1997 Certificates of Participation mature in serial fashion through November 1, 2016 and bear interest of 2.92%. The original amount of the issue was \$4,343,500. The bonds are payable from lease payments made by the City under a project lease dated November 1, 1997, between the City and the Moreno Valley Public Facilities Financing Corporation. The lease payments are equal to the principal and interest on the bonds and are made by the City for the rental use of the public safety building financed by the original 1997 Certificates of Participations issue. This issue is fully insured in the event of nonpayment by the City. The refinancing decreased aggregate debt service payments that were required by approximately \$65,630 and resulted in an economic gain of approximately \$25,174.

The annual debt service requirements for the 2011 Private Placement Refunding, 1997 Certificates of Participation payable outstanding at June 30, 2014, are as follows:

Year Ending June 30,	2011 Private Placement Refunding, 1997 Certificates of Participation	
	Principal	Interest
2015	\$ 732,000	\$ 55,349
2016	753,500	33,660
2017	776,000	11,330
Totals	<u>\$ 2,261,500</u>	<u>\$ 100,339</u>

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 6: Long Term Debt (Continued)

2011 Private Placement Refunding, 1997 Lease Revenue Bonds

The 2011 Private Placement Refunding bonds mature in serial and term fashion through November 1, 2022 and bear interest ranging from 5.2% to 5.5%. The original amount of the issue was \$3,272,000. The bonds are payable from lease payments made by the City under a project lease dated November 1, 1997 between the City and the MVPFA. The lease payments are equal to the principal and interest on the bonds and are made by the City for the rental use of the public safety building financed by the original 1997 Lease Revenue bonds issue. This issue is fully insured in the event of nonpayment by the City.

The annual debt service requirements for the 2011 Private Placement Refunding, 1997 Lease Revenue Bonds payable outstanding at June 30, 2014, are as follows:

Year Ending June 30,	2011 Private Placement Refunding, 1997 Lease Revenue Bonds	
	Principal	Interest
2015	\$ 241,000	\$ 96,893
2016	252,000	87,082
2017	262,000	76,854
2018	273,000	66,207
2019	282,000	55,163
2020-2024	1,245,000	101,749
Totals	<u>\$ 2,555,000</u>	<u>\$ 483,948</u>

Lease Revenue Bonds, 2005

Lease Revenue Bonds 2005 in the original issue amount of \$48,205,000 were issued for the purpose of financing a portion of the cost of the expansion of the public safety building, electric utility infrastructure, construction of a fire station, various public works and redevelopment projects, to fund a reserve for the bonds and to pay issuance costs. Of the \$48,205,000 originally issued, the portion for the electric utility infrastructure (\$5,105,000) has been separated and is shown as long-term debt of the Electric Fund business-type activities. The bonds mature in serial and term fashion through November 1, 2035 and bear interest ranging from 3% to 4.375%. The bonds are subject to both optional and mandatory redemption beginning November 1, 2006. The bonds are payable from lease payments made by the City under a project lease dated May 1, 1997, between the City and the MVPFA. The lease payments are equal to the principal and interest on the bonds and are made by the City as rent for use of the Public Safety Building and the City Hall. This issue is fully insured in the event of nonpayment by the City.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 6: Long Term Debt (Continued)

The annual debt service requirements for the Lease Revenue Bonds, 2005 payable outstanding at June 30, 2014, are as follows:

Year Ending June 30,	2005 Lease Revenue Bonds	
	Principal	Interest
2015	\$ -	\$ 1,145,336
2016	-	1,145,336
2017	-	1,145,336
2018	-	1,145,336
2019	-	1,145,336
2020-2024	1,520,000	5,693,170
2025-2029	8,650,000	4,475,600
2030-2034	10,770,000	2,313,418
2035-2039	5,000,000	221,156
Totals	\$ 25,940,000	\$ 18,430,024

2013 Refunding Lease Revenue Bonds

Refunding Lease Revenue Bonds 2013 in the original issue amount of \$11,695,000 were issued for the purpose of paying off a portion of the 2005 Lease Revenue Bonds and certain costs related to the issuance of the Bonds. Of the \$11,695,000 originally issued, the portion for the electric utility infrastructure (\$1,240,770) has been separated and is shown as long-term debt of the Electric Fund business-type activities. The bonds mature in serial fashion through November 1, 2032 and bear interest ranging from 3% to 5.00%. The bonds are not subject optional redemption but are subject to mandatory redemption beginning November 1, 2014. The bonds are payable from lease payments made by the City under a project lease dated May 1, 1997, between the City and the MVPFA. The lease payments are equal to the principal and interest on the bonds and are made by the City as rent for use of the Public Safety Building and the City Hall. This issue is fully insured in the event of nonpayment by the City.

The annual debt service requirements for the 2013 Refunding Lease Revenue Bonds, payable outstanding at June 30, 2014, are as follows:

Year Ending June 30,	2013 Refunding Lease Revenue Bonds	
	Principal	Interest
2015	\$ 623,230	\$ 489,542
2016	1,033,000	549,641
2017	1,085,000	411,946
2018	1,132,000	649
2019	1,183,000	298,898
2020-2024	5,398,000	554,985
Totals	\$ 10,454,230	\$ 2,305,661

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 6: Long Term Debt (Continued)

2013 Total Road Improvement Program COPs

On August 15, 2013, the City entered into an Installment Sale Agreement with California Communities. The 2013 Total Road Improvement Program Certificates of Participation mature in serial and term fashion through June 1, 2039 and bear interest ranging from 4.000% to 5.125%, commencing on December 1, 2013. The original amount of the issue was \$20,000,000.

The annual debt service requirements for the 2013 Total Road Improvement Program COPs payable outstanding at June 30, 2014, are as follows:

Year Ending June 30,	2013 Total Road Improvement Program COPs	
	Principal	Interest
2015	\$ -	\$ 991,313
2016	-	991,313
2017	490,000	991,313
2018	515,000	966,813
2019	540,000	941,063
2020-2024	3,145,000	4,276,913
2025-2029	3,915,000	3,503,688
2030-2034	4,985,000	2,433,506
2035-2039	6,410,000	1,018,850
Totals	\$ 20,000,000	\$ 16,114,772

Compensated Absences

At June 30, 2014, the amount of compensated absences liability was \$6,478,751. This amount consists of \$5,710,911 for governmental funds, principally paid by the General Fund, and \$767,840 for internal service funds.

b. Changes in Long-Term Debt - Business-Type Activities

The following is a schedule of changes in business-type activities long-term debt for the year ended June 30, 2014:

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014	Due Within One Year
Lease Revenue Bonds, 2005	\$ 4,595,000	\$ -	\$(1,450,000)	\$ 3,145,000	\$ -
Less Unamortized Discount	-	(26,539)	2,654	(23,885)	-
Lease Revenue Bonds, 2007	24,090,000	-	(475,000)	23,615,000	495,000
Less Unamortized Discount	(262,681)	-	10,945	(251,736)	-
Refunding Lease Revenue Bonds, 2013	-	1,240,770	-	1,240,770	71,770
Plus Unamortized Premium	-	126,064	(12,606)	113,458	-
Compensated Absences	103,758	68,182	(46,273)	125,667	75,400
Totals	\$ 28,526,077	\$ 1,408,477	\$(1,970,280)	\$ 27,964,274	\$ 642,170

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 6: Long Term Debt (Continued)

Lease Revenue Bonds, 2005

Lease Revenue Bonds 2005 in the original issue amount of \$48,205,000 were issued for the purpose of financing a portion of the cost of the expansion of the public safety building, electric utility infrastructure, construction of a fire station, various public works and redevelopment projects, to fund a reserve for the bonds and to pay issuance costs. Of the \$48,205,000 originally issued, the portion for the electric utility infrastructure (\$5,105,000) has been separated and is shown as long-term debt for business-type activities. The bonds mature in serial and term fashion through November 1, 2035 and bear interest ranging from 3% to 4.375%. The bonds are subject to both optional and mandatory redemption beginning November 1, 2006. The bonds are payable from lease payments made by the City under a project lease dated May 1, 1997, between the City and the MVPFA. The lease payments are equal to the principal and interest on the bonds and are made by the City as rent for use of the Public Safety Building and the City Hall. This issue is fully insured in the event of nonpayment by the City.

The annual debt service requirements for the Lease Revenue Bonds, 2005 payable outstanding at June 30, 2014, are as follows:

Year Ending June 30,	2005 Lease Revenue Bonds	
	Principal	Interest
2015	\$ -	\$ 138,817
2016	-	138,817
2017	-	138,817
2018	-	138,817
2019	-	138,817
2020-2024	185,000	690,083
2025-2029	1,050,000	531,543
2030-2034	1,305,000	280,041
2035-2039	605,000	26,797
Totals	<u>\$ 3,145,000</u>	<u>\$ 2,222,549</u>

Lease Revenue Bonds, 2007

Lease Revenue Bonds 2007 (Taxable) in the original issue amount of \$25,765,000 were issued for the purpose of financing a City-owned 115kV to 12kV substation, an 115kV to 12kV switchyard adjacent to the substation, and other infrastructure improvements to support planned growth of the City-owned electrical distribution system. The bonds mature in serial and term fashion through May 1, 2038 and bear interest ranging from 5.084% to 5.75%. The bonds are subject to both optional and mandatory redemption beginning May 1, 2017. The bonds are payable from lease payments made by the City under a project lease dated May 1, 2007, between the City and the MVPFA. The lease payments are equal to the principal and interest on the bonds and are made by the City as rent for use of the 115kV to 12kV substation. This issue is fully insured in the event of nonpayment by the City.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 6: Long Term Debt (Continued)

The annual debt service requirements for the Lease Revenue Bonds, 2007 payable outstanding at June 30, 2014, are as follows:

Year Ending June 30,	Lease Revenue Bonds, 2007	
	Principal	Interest
2015	\$ 495,000	\$ 1,332,495
2016	520,000	1,307,329
2017	550,000	1,280,893
2018	575,000	1,252,931
2019	610,000	1,221,024
2020-2024	3,585,000	5,559,375
2025-2029	4,700,000	4,445,921
2030-2034	6,205,000	2,943,425
2035-2039	6,375,000	941,850
Totals	\$ 23,615,000	\$ 20,285,243

2013 Refunding Lease Revenue Bonds

Refunding Lease Revenue Bonds 2013 in the original issue amount of \$11,695,000 were issued for the purpose of paying off a portion of the 2005 Lease Revenue Bonds and certain costs related to the issuance of the Bonds. Of the \$11,695,000 originally issued, the portion for the electric utility infrastructure (\$1,240,770) has been separated and is shown as long-term debt for Electric Fund business-type activities. The bonds mature in serial fashion through November 1, 2032 and bear interest ranging from 3% to 5.00%. The bonds are not subject optional redemption but are subject to mandatory redemption beginning November 1, 2014. The bonds are payable from lease payments made by the City under a project lease dated May 1, 1997, between the City and the MVPFA. The lease payments are equal to the principal and interest on the bonds and are made by the City as rent for use of the Public Safety Building and the City Hall. This issue is fully insured in the event of nonpayment by the City.

The annual debt service requirements for the 2013 Refunding Lease Revenue Bonds, payable outstanding at June 30, 2014, are as follows:

Year Ending June 30,	2013 Refunding Lease Revenue Bonds	
	Principal	Interest
2015	\$ 71,770	\$ 59,333
2016	122,000	55,709
2017	130,000	49,929
2018	133,000	43,226
2019	142,000	36,227
2020-2024	642,000	67,266
Totals	\$ 1,240,770	\$ 311,690

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 6: Long Term Debt (Continued)

Compensated Absences

At June 30, 2014, the amount of compensated absences liability totaled \$125,667. Based on the current trend of usage, \$75,400 is expected to be paid within one year.

c. Conduit Debt

The Moreno Valley Public Financing Authority issued \$5,548,000 Assisted Living Housing Revenue Bonds, Series 2000A. The bonds and interest thereon are limited obligations of the issuer, payable solely from the revenues and the trust estate, which are assigned and pledged to such purposes. Consequently, no liability is reported in these accompanying financial statements. The outstanding balance at June 30, 2014, was \$5,113,000.

d. Non-Commitment Debt

The Community Facilities District No. 5 of the City of Moreno Valley 2007 Special Tax Bonds were issued to finance various public improvements needed to develop property located within the Community Facilities District No. 5 ("District"). The original issue amount was \$5,870,000. The Bonds are special limited obligations of the District and are payable solely from revenues derived from certain annual Special Taxes to be levied on and collected from the owners of the taxable land within the District and from certain other funds pledged under the Fiscal Agent Agreement dated May 1, 2007 by and between the City for and on behalf of the District and Wells Fargo Bank, National Association, as fiscal agent. The Special Taxes are to be levied according to the rates and method of apportionment approved by the City Council, the legislative body of the District, and the qualified electors within the District. Except for the Special Taxes, no other taxes are pledged to the payment of the Bonds. The City is in no way liable for repayment but is acting as an agent for the property owners in collecting the assessments and forwarding the collections to bondholders. Interest on the Bonds will be payable on September 1, 2007 and semiannually thereafter on each March 1 and September 1 thru 2037. Interest rates range from 4.00% to 5.00%. Principal on the Bonds is due each September 1 beginning 2009 and ending 2037. The outstanding balance at June 30, 2014, was \$5,725,000.

Note 7: Interfund Receivables, Payables and Transfers

a. Due To/From Other Funds

Due From Other Funds	Due To Other Funds			Total
	CSD Zones	Neighborhood Stabilization Grant	Nonmajor Governmental Funds	
General Fund	\$ 5,634	\$ 433,825	\$ 2,368,033	\$ 2,807,492

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 7: Interfund Receivables, Payables and Transfers (Continued)

The City of Moreno Valley utilizes the State of California Local Agency Investment Fund (LAIF) as a short-term investment tool. In June 2006, the General Fund LAIF account reached the LAIF threshold and as an alternative for investing, the remaining funds were loaned to the CSD Zones Fund. The amount of the loans outstanding at June 30, 2014, was \$5,634.

The General Fund has made short-term loans to the following funds to eliminate negative cash balances:

Major Governmental Funds:	
Neighborhood Stabilization Grant	\$ 433,825
Nonmajor Governmental Funds:	
Article 3 Transportation	138,420
Law Enforcement	203,454
Other Grants	34,694
Stormwater Maintenance	189,211
ASES Program Grants	481,357
TUMF Capital Projects	33,007
TRIP Capital Projects	1,280,654
TRIP COP 13A Debt Fund	7,236
	<hr/>
Total Nonmajor Governmental Funds	\$ 2,801,858
	<hr/> <hr/>

b. Advances To/From Other Funds

Advances to Other Funds	Advances from Other Funds		Total
	Development Impact Fees	Electric Enterprise Fund	
General Fund	\$ 3,772,000	\$ -	\$ 3,772,000
Nonmajor Governmental Fund	360,000	580,657	940,657
	<hr/>	<hr/>	<hr/>
Total	\$ 4,132,000	\$ 580,657	\$ 4,712,657
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The General Fund and Nonmajor Governmental Funds loaned to the Development Impact Fees Fund \$4,132,000 to cover negative cash balances resulting from construction of facilities and purchases of land for future expansion. This loan is to be fully repaid by June 30, 2015.

The Special Districts Administration Fund has loaned \$580,657 to the Electric Fund for start-up costs. The loan will be repaid when revenue becomes available.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 7: Interfund Receivables, Payables and Transfers (Continued)

c. Interfund Transfers

Transfers Out	Transfers In						Total
	General Fund	CSD Zones	Development Impact Fees	Nonmajor Governmental Funds	Electric Fund	Internal Service Funds	
General Fund	\$ -	\$ 1,924,735	\$ -	\$ 650,638	\$ -	\$ -	\$ 2,575,373
CSD Zones	129,722	-	-	-	-	-	129,722
Development Impact Fees	-	-	-	4,518,200	-	-	4,518,200
Nonmajor Governmental Funds	-	-	1,484,426	20,499,615	904,032	-	22,888,073
Internal Service Funds	883,699	-	-	902,183	-	2,325,628	4,111,510
Total	\$ 1,013,421	\$ 1,924,735	\$ 1,484,426	\$ 26,570,636	\$ 904,032	\$ 2,325,628	\$ 34,222,878

The General Fund transferred a total of \$2,575,373 to several funds to provide subsidies to cover the operating deficits.

The Development Impact Fees Fund transferred a total of \$4,518,200 to nonmajor governmental funds for debt service payments and to provide support for several capital projects in the fiscal year.

Note 8: Employee Pension Plan

Plan Description

The City's defined benefit pension plan, Public Employees Retirement System (PERS), provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. PERS is part of the Public Agency portion of the California Public Employees Retirement System (CalPERS), an agent multiple-employer plan administered by CalPERS, which acts as a common investment and administrative agent for participating public employers within the State of California. A menu of benefit provisions, as well as other requirements, is established by state statutes within the Public Employees' Retirement Law. The City selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through local ordinance. CalPERS issues a separate comprehensive annual financial report. Copies of the CalPERS annual financial report may be obtained from the CalPERS Headquarters, 400 Q Street, Sacramento, California 95811.

Funding Policy

Active plan members in PERS are required to contribute a percentage of their annual covered salary based on their hire date. The City pays the 8% required contribution for employees hired prior to July 1, 2009. Employees hired between July 1, 2009 and December 22, 2011, have a required employee contribution of 8%. Employees hired between December 23, 2011 and December 31, 2012 have a required contribution of 7% and the required contribution for all employees hired on or after January 1, 2013 is 6.25%. The City is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members. The actuarial methods and assumptions used are those adopted by the CalPERS Board of Administration. The required employer contribution rate was 22.305% for fiscal year 2013-2014. The contribution requirements

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 8: Employee Pension Plan (Continued)

of the plan members are established by state statute and the employer contribution rate is established and may be amended by CalPERS.

Annual Pension Cost

For fiscal year 2013-2014, the City's annual pension cost was \$4,267,872. The City also contributed \$1,608,343 on behalf of the employees for the employee contribution. The required contribution for the fiscal year 2013-2014 was determined as part of the June 30, 2011, actuarial valuation using the entry age normal actuarial cost method with the contributions determined as a percent of pay. The actuarial assumptions included: a) 7.75% investment rate of return (net of administrative expenses), b) projected salary increases for employees that vary by duration of service ranging from 3.30% to 14.20% for miscellaneous members, and c) 3.25% cost-of-living adjustment. Both a) and b) include an inflation component of 2.75%. The actuarial value of assets was determined using a technique that smooths the effect of short-term volatility in the fair value of investments over a 15-year period. The PERS unfunded actuarial accrued liability (or excess assets) is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at June 30, 2014, was 21 years.

Year Ended June 30,	Pension Cost (APC)	Percentage of APC Contributed	Pension Obligation
2012	\$ 5,402,864	100%	\$ -
2013	4,793,228	100%	-
2014	4,267,872	100%	-

Required Supplementary Information – Funded Status of Plan
Latest Information Available

Valuation Date	Entry Age Normal Accrued Liability	Actuarial Value of Assets	Unfunded Liability	Funded Ratio	Annual Covered Payroll	UAAL as Percent of Payroll
06/30/11	\$ 132,322,141	\$ 92,912,456	\$ 39,409,685	70.2%	\$ 24,148,281	163.2%
06/30/12	140,092,781	99,774,860	40,317,921	71.2%	22,103,213	182.4%
06/30/13	150,104,023	97,111,799	52,992,224	64.7%	22,600,050	234.5%

The Funded Status of Plan schedule above shows the recent history of the actuarial value of assets, actuarial accrued liability, their relationship, and the relationship of the unfunded actuarial accrued liability to payroll. The Funded Status of Plan schedule, presented above, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Note 9: Other Post Employment Benefits (OPEB)

Plan Description

The City's defined benefit postemployment healthcare plan provides a portion of certain health care for retired employees. In accordance with City policy, employees hired prior to September 30, 2011, who retire directly from the City under CalPERS (age 50 and 5 years of CalPERS service or disability) and are not temporary employees, are eligible for these benefits. In June 2009, the City established an irrevocable trust fund to begin funding the City's unfunded liability through the California Employers' Retiree Benefit Trust (CERBT), an agent multiple-employer plan administered by California Public Employees' Retirement System (CalPERS), which acts as a common investment and

City of Moreno Valley

Notes to Financial Statements
Year Ended June 30, 2014 (Continued)

Note 9: Other Post Employment Benefits (OPEB) (Continued)

administrative agent for participating public employers within the State of California. A menu of benefit provisions, as well as other requirements, are established by state statutes within the Public Employees' Retirement Law. The City selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through local ordinance. CalPERS issues a separate comprehensive annual financial report. Copies of the CalPERS annual financial report may be obtained from the CalPERS Headquarters, 400 Q Street, Sacramento, California 95811.

Funding Policy

The contribution requirements of plan members and the City are established and may be amended by City Council. The City is required to contribute the Annual Required Contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The current ARC rate is 5.00% of the annual covered payroll.

Annual OPEB Cost

For fiscal year 2013-2014, the City's annual OPEB cost was \$1,066,000. The required contribution for the fiscal year was determined as part of the June 30, 2013 actuarial valuation using the entry age normal cost method. The actuarial assumptions included: a) 6.00% investment rate of return (net of administrative expenses), b) projected salary increases for employees of 3.25%, and c) an annual healthcare cost increase of 4.5%. Both a) and b) include an inflation component of 3.00%. The amortization method is the level percent of payroll. The amortization period is a 30 year fixed (closed) period for the initial unfunded accrued actuarial liability with 24 years remaining as of June 30, 2014.

The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation for these benefits:

Annual required contribution	\$ 1,069,000
Interest on OPEB obligation	54,000
Adjustment to annual required contribution	<u>(57,000)</u>
Annual OPEB cost (expense)	1,066,000
Contribution made	<u>619,000</u>
Increase in OPEB Obligation	447,000
Net OPEB obligation - beginning of year	<u>900,000</u>
Net OPEB obligation - end of the year	<u>\$ 1,347,000</u>

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information on the next page, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for the benefits.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 9: Other Post Employment Benefits (OPEB) (Continued)

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing the benefit costs between employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial assets, consistent with the long-term perspective of the calculations.

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for last three fiscal years were as follows:

Fiscal Year Ending	Annual OPEB Cost (AOC)	Percentage of OPEB Cost Contributed	Net OPEB Obligation
06/30/12	\$ 1,615,000	72%	\$ 450,000
06/30/13	1,018,000	56%	900,000
06/30/14	1,066,000	58%	1,347,000

Required Supplementary Information – Funded Status of Plan
Latest Information Available

Valuation Date	Actuarial Accrued Liability	Actuarial Value of Assets	Unfunded Liability	Funded Ratio	Annual Covered Payroll	UAAL as Percent of Payroll
01/01/10	\$ 13,600,000	\$ 2,386,000	\$ 11,214,000	17.5%	\$ 22,465,000	49.9%
06/30/11	11,670,000	4,428,000	7,242,000	37.9%	23,195,000	31.2%
06/30/13	12,531,000	6,186,000	6,345,000	49.4%	21,589,000	29.4%

Note 10: Fund Deficits

The following funds contained a deficit fund balance as of June 30, 2014:

<u>Major Governmental Funds:</u>	
Special Revenue Funds:	
Neighborhood Stabilization Grant	\$ 87,778
<u>Nonmajor Governmental Funds:</u>	
Special Revenue Funds:	
Stormwater Maintenance	148,151
Capital Projects Funds:	
TUMF Capital Projects	213,350

These deficit fund balances are the result of reimbursement monies not yet received and will be funded through future revenues.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 11: Commitments and Contingencies

a. Community Facilities District No. 3 Agreement

In conjunction with the issue of the Moreno Valley Auto Mall Special Tax Bonds Series 2000 (Auto Mall Refinancing), the Successor Agency of the former RDA and the City are parties to an owner-participation agreement which provides that the Agency will transmit to the Community Facilities District No. 3 (District) the available property tax increment it receives on parcels within the District as a credit against the special parcel taxes that otherwise would be payable by the owners. This agreement replaces a previous arrangement involving these parcels when they were included in Community Facilities District No. 2.

b. Community Facilities District No. 87-1 Agreement

In connection with the issuance of the Community Facilities District No. 87-1 (CFD) Towngate 2007 Special Tax Refunding Bonds, the former Community Redevelopment Agency entered into an owner participation agreement whereby the Agency has committed tax increment for the payment of debt service requirements for these Bonds.

c. Other Agreements

On May 10, 2005, the former Community Redevelopment Agency and the Community Services District entered into a lease agreement for the Conference and Recreation Center. The Community Services District occupied the building during June 2005 although construction was still in progress. Upon completion of construction during fiscal year 2005-2006, the lease agreement became effective for a base rent of \$1.00 per month. The Community Services District has responsibility for facility maintenance and provides programming that serves the residents of the Project Area.

d. Construction Commitments

The following material construction commitments existed at June 30, 2014:

<u>Project Name</u>	<u>Contract Amount</u>	<u>Expenditures to date as of June 30, 2014</u>	<u>Remaining Commitments</u>
<u>Governmental Activities</u>			
Annual Pavement Resurfacing Program	\$ 4,058,320	\$ -	\$ 4,058,320
Alessandro Blvd Median/Indian St. to Perris Blvd	1,300,461	291,136	1,009,325
Perris Blvd/Ironwood-Manzanita	5,400,582	-	5,400,582
Nason St./Cactus Ave to Fir Ave.	8,769,997	-	8,769,997
SR-60/Nason Overcrossing Bridge	13,101,324	11,497,408	1,603,916
<u>Electric Utility</u>			
MVU-0023 Moval 33KV S Industrial	1,136,304	407,653	728,651

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 11: Commitments and Contingencies (Continued)

e. Litigation

There are several lawsuits pending against the City. The outcome and eventual liability of the City, if any, in these cases is not known at this time. Management estimates that the potential claims against the City, not covered by insurance or self-insurance reserves, resulting from such litigation would not materially affect the financial statements of the City.

Note 12: Self-Insurance

The City is a member of CSAC Excess Insurance Authority. The Authority is a member directed joint powers insurance pool, which has been operational since October of 1979. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group-purchased insurance for property and other coverage.

The City participates in the excess workers' compensation and employer's liability programs of the Authority. For workers' compensation, the City has a self-insured retention of \$300,000 per occurrence. For employer's liability, the City has a self-insured retention of \$250,000 per occurrence. The City has a pooled retention of \$5,000,000 each occurrence, a \$45,000,000 reinsurance layer in excess of the \$5,000,000 pooled retention per occurrence for workers' compensation claims, and a \$5,000,000 employer's liability reinsurance layer per occurrence in excess of the \$5,000,000 pooled retention.

During the past three fiscal years, none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There has been no significant reduction in pooled or insured liability coverage from coverage in the prior year.

Self-Insurance Payable

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and injuries to employees. The City established two self-insurance funds (Internal Service Funds) to account for and finance its uninsured risks of loss. Under this program, the self-insurance funds provide coverage for up to a maximum of \$300,000 for each workers' compensation claim and \$250,000 for each general liability claim. The City purchases commercial insurance for claims in excess of coverage provided by the funds and for all other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three years. All funds of the City participate in the program and make payments to the self-insurance funds based on actuarial estimates of the amounts needed to pay prior and current year claims.

The fund establishes claims liabilities based on estimates of the ultimate cost of claims (including future claim adjustment expenses) that have been reported but not settled, and of claims that have been incurred but not reported. The City has accrued for its anticipated liability with respect to claims filed and claims incurred but not reported to the City as of year-end. The accruals are in the amounts of \$1,423,000 and \$671,000 for the workers' compensation claims and general liability claims, respectively, for a total of \$2,094,000. Of these amounts, the current year's adjustment is a decrease of \$14,000.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 12: Self-Insurance (Continued)

A reconciliation of changes in aggregate liabilities for claims for the current fiscal year and the prior fiscal year is as follows:

	<u>General Liability</u>	<u>Workers' Compensation</u>	<u>Total</u>
Amount of accrued claims at June 30, 2012	\$ 1,130,000	\$ 1,766,000	\$ 2,896,000
Incurred claims, representing the total of a provision for events for the current fiscal year and any changes (increase or decrease) in the provision for events of prior fiscal years and adjustments to estimates.	312,000	372,000	684,000
Payments on claims attributable to events of both the current fiscal year and prior fiscal years.	<u>(879,000)</u>	<u>(593,000)</u>	<u>(1,472,000)</u>
Amount of accrued claims at June 30, 2013	<u>563,000</u>	<u>1,545,000</u>	<u>2,108,000</u>
Incurred claims, representing the total of a provision for events for the current fiscal year and any changes (increase or decrease) in the provision for events of prior fiscal years and adjustments to estimates.	321,000	387,000	708,000
Payments on claims attributable to events of both the current fiscal year and prior fiscal years.	<u>(213,000)</u>	<u>(509,000)</u>	<u>(722,000)</u>
Amount of accrued claims at June 30, 2014	<u>\$ 671,000</u>	<u>\$ 1,423,000</u>	<u>\$ 2,094,000</u>

Note 13: Successor Agency Trust for Assets of the Former Redevelopment Agency

On December 29, 2011, the California Supreme Court upheld Assembly Bill X1 26 (“the Bill”) that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Moreno Valley that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the city or another unit of local government will agree to serve as the “successor agency” to hold the assets until they are distributed to other units of state and local government. On January 10, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of City resolution number 2012-04.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

City of Moreno Valley

Notes to Financial Statements
Year Ended June 30, 2014 (Continued)

Note 13: Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)

In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

The Bill directed the State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill.

Management believes, in consultation with legal counsel, that the obligations of the former redevelopment agency due to the City are valid enforceable obligations payable by the successor agency trust under the requirements of the Bill. The City's position on this issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date by an appropriate judicial authority that would resolve this issue unfavorably to the City.

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012. After the date of dissolution, the assets and activities of the dissolved redevelopment agency are reported in a fiduciary fund (private purpose trust fund) in the financial statements of the City.

On March 6, 2014, the Department of Finance approved the Long-Range Property Management Plan submitted by the City and all capital assets have been moved from the Successor Agency to the City as of June 30, 2014, which will result in an extraordinary gain/(loss) on dissolution of the redevelopment agency in the amount of \$26,364,076.

a. Cash and Investments

Cash and investments reported in the accompanying financial statements consisted of the following:

Cash and investments	\$ 3,527,892
Cash and investments with fiscal agent	<u>2</u>
	<u>\$ 3,527,894</u>

The Successor Agency's cash and investments are pooled with the City's cash and investment in order to generate optimum interest income. The share of the pooled cash account is separately accounted for, and investment income is allocated to all participating funds based on the relationship of their average daily cash balances to the total of the pooled cash and investments. Information regarding the authorized types of deposits and investments, the type of risks (i.e. credit, interest rate, custodial, etc.) and other disclosures associated with the City's pooled cash and investments is reported in Note 3.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 13: Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)

b. Capital Assets

Capital assets as of June 30, 2014, are as follows:

	Balance July 1, 2013	Additions	Deletions	Transfers To City*	Balance June 30, 2014
Non-Depreciable Assets:					
Land	\$ 9,435,936	\$ -	\$ -	\$ (9,435,936)	\$ -
Total Non-Depreciable Assets	9,435,936	-	-	(9,435,936)	-
Depreciable Assets:					
Buildings and improvements	12,191,837	-	-	(12,191,837)	-
Furniture and Equipment	352,837	-	-	(352,837)	-
Infrastructure	9,933,800	-	-	(9,933,800)	-
Total Depreciable Assets	22,478,474	-	-	(22,478,474)	-
Less Accumulated Depreciation:					
Buildings and improvements	(3,643,781)	(474,892)	-	4,118,673	-
Furniture and Equipment	(352,837)	-	-	352,837	-
Infrastructure	(562,520)	(516,304)	-	1,078,824	-
Total Accumulated Depreciation	(4,559,138)	(991,196)	-	5,550,334	-
Total Depreciable Assets Net of Accumulated Depreciation	17,919,336	(991,196)	-	(16,928,140)	-
Total Net Capital Assets	\$ 27,355,272	\$ (991,196)	\$ -	\$ (26,364,076)	\$ -

* As a result of the dissolution of the former Redevelopment Agency, capital assets of the Successor Agency were transferred to the City after review by the Oversight Board and approval of the California Department of Finance.

c. Long-Term Debt

A description of long-term debt outstanding of the Successor Agency as of June 30, 2014, follows:

	Balance July 1, 2013	Additions	Repayments	Balance June 30, 2014	Due Within One Year
Fiduciary Activities					
City Loans - Principal	\$ 13,652,248	\$ -	\$ -	\$ 13,652,248	\$ -
City Loans - Interest	3,071,326	365,987	(91,058)	3,346,255	-
Notes Payable, Price Company	1,096,434	-	(437,801)	658,633	-
2007 TABs, Series A	42,045,000	-	(230,000)	41,815,000	230,000
Totals	\$ 59,865,008	\$ 365,987	\$ (758,859)	\$ 59,472,136	\$ 230,000

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 13: Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)

Loans Payable to the City of Moreno Valley

The Towngate Regional Mall notes (Sears Note), totaling \$13,000,000, originated from a participation agreement (as amended) whereby the Agency acquired certain parcels within the mall for subsequent transfer to major tenants. The notes bear interest of 7.25% and are payable solely from available site-generated property tax increment and up to 50% of site-generated sales tax. Furthermore, the Agency had covenanted to use reasonable best efforts to refinance these notes with Tax Allocation Bonds, provided such financing is determined to be fiscally feasible. During 2003-2004, the City purchased the rights to the notes from the holder. In a letter dated May 26, 2012, the California Department of Finance approved this loan as an enforceable obligation. At June 30, 2014, the outstanding principal and accrued interest balances are \$13,000,000 and \$3,331,838 respectively.

The Successor Agency owes the City a total of \$652,248 for funds borrowed to finance redevelopment activities. \$518,520 represents monies borrowed during 2006-2007 by the Agency. \$133,728 represents monies borrowed during 2007-2008 by the Agency. The interest rate on the borrowings is 12% and repayment of the long-term payable is made when funds become available. In a letter dated May 16, 2014, the California Department of Finance recalculated the accumulated interest to the LAIF rate. At June 30, 2014, the outstanding principal and accrued interest balances are \$652,248 and \$14,417.

Note Payable - Price Company

The former Redevelopment Agency had recorded a long-term payable in the original amount of \$2,433,744 under a development and disposition agreement and promissory note with Price Company for the reimbursement of costs of construction of a 130,000-square-foot retail store. The note bears interest at 8% per annum and is payable from property tax equal to 50% of site-generated sales tax. Any remainder payable after May 2015 will be forgiven. The amount outstanding as of June 30, 2014, was \$658,633.

2007 Tax Allocation Bonds Series A

The former Redevelopment Agency 2007 Tax Allocation Bonds, Series A, in the original issue amount of \$43,495,000 were issued in November 2007 for the purpose of financing various redevelopment activities and other undertakings permitted under the Redevelopment Law, to fund a reserve for the bonds and to pay issuance costs. The bonds mature in serial and term fashion through August 1, 2038 and bear interest ranging from 3.5% to 5.0%. The bonds are subject to both optional and mandatory redemption prior to maturity beginning on August 1, 2017. The bonds are payable solely from Tax Increment Revenues and other funds and amounts pledged therefore pursuant to the Indenture. This issue is fully insured in the event of nonpayment by the Agency.

City of Moreno Valley

**Notes to Financial Statements
Year Ended June 30, 2014 (Continued)**

Note 13: Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)

The annual debt service requirements for the 2007 Tax Allocation Bonds Series A payable outstanding at June 30, 2014, are as follows:

Year Ending June 30,	2007 Tax Allocation Bonds Series A	
	Principal	Interest
2015	\$ 230,000	\$ 2,017,259
2016	235,000	2,009,121
2017	245,000	2,000,109
2018	250,000	1,990,209
2019	260,000	1,980,009
2020-2024	3,510,000	9,641,116
2025-2029	9,185,000	8,101,816
2030-2034	12,085,000	5,547,125
2035-2049	15,815,000	2,054,375
Totals	<u>\$41,815,000</u>	<u>\$35,341,139</u>

Pledged Revenue

The former Redevelopment Agency pledged, as security for bonds issued, either directly or through the Financing Authority, a portion of tax increment revenue (including Low and Moderate Income Housing set-aside and pass through allocations) that it receives. The bonds issued were to provide financing for various capital projects, accomplish Low and Moderate Income Housing projects and to defease previously issued bonds. Assembly Bill X1 26 provided that upon dissolution of the Redevelopment Agency, property taxes allocated to redevelopment agencies no longer are deemed tax increment but rather property tax revenues and will be allocated first to successor agencies to make payments on the indebtedness incurred by the dissolved redevelopment agency. Total principal and interest remaining on the debt is \$77,156,139 with annual debt service requirements as indicated above. For the current year, the total property tax revenue recognized by the Successor Agency for the payment of indebtedness incurred by the dissolved redevelopment agency was \$6,305,087 and the debt service obligation on the bonds was \$2,255,884.

d. Insurance

The Successor Agency is covered under the City of Moreno Valley's insurance policies. Therefore, the limitation and self-insured retentions applicable to the City also apply to the Successor Agency. Additional information as to coverage and self-insured retentions can be found in Note 12.

City of Moreno Valley

Notes to Financial Statements
Year Ended June 30, 2014 (Continued)

Note 13: Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)

e. Commitments and Contingencies

Litigation

At June 30, 2014, the Successor Agency was involved as a defendant in several lawsuits arising out of the ordinary conduct of its affairs. It is the opinion of management that settlements of these lawsuits, including losses for claims that are incurred but not reported, if any, will not have a material effect on the financial position of the Successor Agency.

Borrowings from the City of Moreno Valley

In accordance with AB X1 26 which dissolves redevelopment agencies, Section 34171(d)(2) states, in relation to borrowings between the City and the Agency, that "for purposes of this part, enforceable obligation does not include any agreements, contracts, or arrangements between the city, county, or city and county that created the redevelopment agency. However, written agreements entered into (A) at the time of issuance, but in no event later than December 31, 2010, of indebtedness obligations, and (B) solely for the purpose of securing or repaying those indebtedness obligations may be deemed enforceable obligations for the purposes of this part. Notwithstanding this paragraph, loan agreements entered into between the redevelopment agency and the city, county, or city and county that created it, within two years of the date of creation of the redevelopment agency, may be deemed to be enforceable obligations". As a result of the dissolution of the former redevelopment agency, loans between the City and former redevelopment agency totaling \$18,759,570 have been removed from these statements. The City and Agency believe these are to be upheld as viable enforceable obligations and have been included on the Recognized Obligation Payment Schedule (ROPS) from the Successor Agency, however they have been denied by the Department of Finance at this time. Upon receiving a Finding of Completion from the Department of Finance, Health and Safety Code Section 34191.4(b) may cause these items to be enforceable in future periods; however the result is not determinable at this time.

Note 14: Fund Balances and Net Position Restatements

Beginning fund balances in Measure A fund and Public Work Capital Projects fund were restated by \$577,977 and \$2,424,819 respectively to recognize prior year grants revenue. As a result, net position was restated by \$3,002,796.



Non-Major Governmental Funds

COMPREHENSIVE ANNUAL FINANCIAL REPORT



Fiscal Year
Ended June 30, 2014

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS:

State Gas Tax Fund

This fund is used to account for the City's share of state gas tax revenue restricted for street improvement and maintenance. The revenue is apportioned under the Streets and Highway Code of the State of California.

Article 3 Transportation Fund

This fund is used to account for the City's share of Article 3 revenue restricted for construction of pedestrian and bikeway projects.

Measure A Fund

This fund is used to account for the City's share of the Riverside County half-cent sales tax restricted for transportation projects.

Law Enforcement Grants Fund

This fund is used to account for revenue from several grants restricted for law enforcement. The grants include the Supplemental Law Enforcement Services Fund (SLESF), Office of Traffic Safety Grant (OTS), Edward Byrne Memorial Justice Assistance Grant (JAG).

Other Grants Fund

This fund is used to account for revenues and expenditures received from various governmental agencies and other sources for multiple purposes including energy efficiency, and public safety.

Public Education Government Access Fund

This fund is used to account for revenues and expenditures received in support of the City's cable television channel, MVTV-3. This fund also includes activity related to public education and government programming and equipment.

Air Quality Management Fund

This fund is used to account for the City's share of the State AB 2766 funds. The revenue is apportioned to cities by the South Coast Air Quality Management District and is restricted for programs to reduce air pollution from mobile sources pursuant to the California Clean Air Act of 1988.

Community Development Block Grant Fund

This fund is used to account for federal funds received from the U.S. Department of Housing and Urban Development – Community Development Block Grant Program to be used for the development of suitable housing environment and expansion of economic opportunities for low and moderate income families.

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

SPECIAL REVENUE FUNDS (CONTINUED):

Special Districts Administration Fund

This fund is used to account for the coordination and administration of all special assessments districts formed within the City for infrastructure improvements.

Storm Water Management Fund

This fund is used to account for the city-wide storm water and non-storm water pollution prevention compliance work conducted and programs prepared to comply with regulations set forth by the current National Pollutant Discharge Elimination System (NPDES).

HOME Fund

This fund is used to account for federal funds received from the U.S. Department of Housing and Urban Development to be used to develop and implement programs that expand the supply of affordable housing for low and very low income families.

Child Care Grant Fund

This fund is used to account for the Child Care grant program which provides after-school day care for the City's residents.

Used Oil Recycling Grant Fund

This fund is used to account for the California Integrated Waste Management Board Used Oil Block Grant. The program provides public education and convenient used oil collection sites.

Storm Water Maintenance Fund

This fund is used to ensure the safety and cleanliness of our City streets and the City's maintained storm drain system by cleaning all catch basins, connector pipes and culverts on an annual basis and by providing emergency services, as needed.

ASES Program Grants Fund

This fund is used to account for the ASES program grants which provide after school education, after school safety and a food program that helps providers serve nutritious and safely prepared meals and snacks to children and adults in a day care setting.

CFD #4M Fund

This fund is used to account for the maintenance and administration costs of the detention basin within Centerpointe Business Park.

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

SPECIAL REVENUE FUNDS (CONTINUED):

Prop 42 Replacement Fund

This fund is used to account for the City's share of Prop 42 revenue restricted for transportation programs.

Civil Penalties Fund

This fund is used to account for all financial transactions involving civil penalties received by the City in accordance with the provisions of SB 1137, which requires legal owners of vacant properties to maintain and care for them.

Emergency Services Agency Fines Fund

This fund is used to account for the financial transactions involving AMR fines received by the City, which are to be used only to fund the purchase of various equipment needed by the Fire Department.

Energy Efficiency Revolving Fund

This fund is used to account for cost-effective energy efficiency programs and projects with the use of utility rebates and incentives.

CAPITAL PROJECTS FUNDS:

Facility Construction Fund

This fund is used to account for City facility related capital projects.

Public Works Capital Projects Fund

This fund is used to account for general City capital projects.

Traffic Signal Mitigation Fund

This fund is used to account for traffic signal projects funded by revenues received from traffic mitigation fees.

Fire Services Capital Projects Fund

This fund is used to account for capital projects specific to Fire Services, including construction of new fire stations.

Towngate Capital/Administration Fund

This fund is used to account for the acquisition and construction of capital facilities in the Towngate area financed through special tax bonds.

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

CAPITAL PROJECTS FUNDS (CONTINUED):

Warner Ranch Capital/Development Fund

This fund is used to account for the acquisition or construction of capital facilities in the Warner Ranch area financed through special assessments.

Auto Mall Capital/Administration Fund

This fund is used to account for the acquisition or construction of capital facilities in the Auto Mall area financed through special tax bonds.

Parks and Community Services Development and Projects Fund

This fund is used to account for parks acquisition and development projects funded by revenues received from developers on a dwelling unit basis in accordance with the Quimby Act, a 1965 provision in the State Subdivision Map Act for the dedication of park land. This fund is used to account for general parks and recreation capital projects, the development of new parks and recreation facilities, community parks, neighborhood parks and sports facilities and for the major renovation of existing parks and facilities.

TUMF Capital Projects Fund

This fund is used to account for transportation capital projects funded by the City's share of the Transportation Uniform Mitigation Fee (TUMF) which is a mandatory development impact fee program in Western Riverside County. This program, enacted by a two-thirds majority of voters in 2002, was designed to pay for major roads and interchange projects that are needed to serve communities as a result of new development. The Western Riverside Council of Governments (WRCOG) administers the program.

DIF Capital Projects Fund

This group of funds is used to account for construction of major capital improvements funded by the development impact fee (DIF) revenues charged to developers.

Lease Revenue Bonds 2005 Capital Projects Fund

This fund is used to account for the construction of capital improvements funded by the 2005 Lease Revenue Bonds issued in July 2005.

2007 Tax Allocation Bonds Capital Projects Fund

This fund is used to account for the construction of capital improvements funded by the 2007 Tax Allocation Bonds issued in November 2007.

TRIP Capital Projects Fund

This fund is used to account for the construction of capital improvements funded by the 2013 TRIP Certificates of Participation issued in August 2013.

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

DEBT SERVICE FUNDS:

Auto Mall Special Tax Bonds Debt Service Fund

This fund is used to account for the accumulation of resources and for the payment of principal, interest, and trustee and administrative costs related to the Auto Mall Special Tax Bonds Series 2000 (Auto Mall Refinancing).

Lease Revenue Bonds 2005 Debt Service Fund

This fund is used to account for the accumulation of resources and for the payment of principal, interest, and trustee and administrative costs related to the 2005 Lease Revenue Bonds issued in July 2005 to finance various City capital improvements.

2007 Towngate Improvement Refunding Debt Service Fund

This fund is used to account for the accumulation of resources and for the payment of principal, interest, and trustee and administrative costs related to the Improvement Area No. 1 Special Tax Refunding Bonds issued November 29, 2007.

2007 Towngate Refunding Debt Service Fund

This fund is used to account for the accumulation of resources and for the payment of principal, interest, and trustee and administrative costs related to the Special Tax Refunding Bonds issued November 29, 2007.

2011 Priv Place Ref 97 Lease Rev Bonds

This fund is used to account for the accumulation of resources and for the payment of the refinancing of the 1997 Lease Revenue Bonds.

2011 Priv Place Ref 97 Various COPs

This fund is used to account for the accumulation of resources and for the payment of the refinancing of the 1997 Certificates of Participation.

TRIP COP 13A Debt Service Fund

This fund is used to account for the accumulation of resources and for the payment of the 2013 TRIP Certificates of Participation issued in August 2013.

2013 Refunding 2005 Lease Revenue Bonds

This fund is used to account for the accumulation of resources and for the payment of the refinancing of the 2005 Lease Revenue Bonds.

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

PERMANENT FUNDS:

Celebration Park Endowment Fund

This fund is used to account for the endowment program for Celebration Park. The principal endowment amount was provided by a developer. The Parks and Community Services Department will use 85% of the interest earned each year to sponsor a community event at Celebration Park for the surrounding community to enhance community pride and involvement.

Equestrian Trail Endowment Fund

This fund is used to account for the endowment program for the Equestrian Trail. The principal endowment amount was provided by a developer. The interest earned will be used for the benefit of citywide trail use, maintenance, education and other trail-related costs.

Rockridge Park Endowment Fund

This fund is used to account for the endowment program provided for Rockridge Park. The principal endowment was provided by a developer. The interest earned will be used for the benefit of the facilities at Rockridge Park.

NPDES Endowment Fund

This fund is used to account for the endowment program provided for by National Pollutant Discharge Elimination System (NPDES). The principal endowment was provided by a property owner. The interest earned will be used for the benefit of the NPDES program.

Cultural Preservation Fund

This fund is used to account for funds held and managed for the purposes of securing a museum location or renovating a building for use as a museum. The interest earned will be used for the benefit of museum facility acquisition.



City of Moreno Valley

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014

	<u>Special Revenue Funds</u>			
	<u>State</u>	<u>Article 3</u>	<u>Measure A</u>	<u>Law</u>
	<u>Gasoline Tax</u>	<u>Transportation</u>	<u>Measure A</u>	<u>Enforcement</u>
Assets:				
Pooled cash and investments	\$ 389,396	\$ -	\$ 7,364,695	\$ 189
Receivables:				
Accounts	39,767	-	959,618	-
Notes and loans	-	-	-	-
Interest	-	-	-	-
Due from other governments	575,588	145,333	1,013,575	260,599
Advances to other funds	-	-	360,000	-
Restricted assets:				
Cash with fiscal agents	-	-	-	-
Total Assets	<u>\$ 1,004,751</u>	<u>\$ 145,333</u>	<u>\$ 9,697,888</u>	<u>\$ 260,788</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 34,197	\$ 6,913	\$ 413,247	\$ 57,334
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	138,420	-	203,454
Total Liabilities	<u>34,197</u>	<u>145,333</u>	<u>413,247</u>	<u>260,788</u>
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Nonspendable:				
Notes and loans	-	-	-	-
Advances to other funds	-	-	360,000	-
Permanent fund principal	-	-	-	-
Restricted for:				
Community development projects	-	-	-	-
Public safety	-	-	-	-
Public works	970,554	-	8,924,641	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Endowment	-	-	-	-
Water quality	-	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>970,554</u>	<u>-</u>	<u>9,284,641</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,004,751</u>	<u>\$ 145,333</u>	<u>\$ 9,697,888</u>	<u>\$ 260,788</u>

(Continued)

Special Revenue Funds				
Other Grants	Public Education Government Access	Air Quality Management	Community Development Block Grant	
\$ -	\$ 1,673,665	\$ 79,385	\$ 98,714	Assets:
				Pooled cash and investments
55,339	148,568	-	-	Receivables:
-	-	-	-	Accounts
-	-	-	-	Notes and loans
98,383	-	63,980	294,241	Interest
-	-	-	-	Due from other governments
-	-	-	-	Advances to other funds
-	-	-	-	Restricted assets:
-	-	-	-	Cash with fiscal agents
\$ 153,722	\$ 1,822,233	\$ 143,365	\$ 392,955	Total Assets
				Liabilities, Deferred Inflows of Resources, and Fund Balances:
\$ 80,186	\$ -	\$ 27,413	\$ 257,119	Liabilities:
-	-	-	-	Accounts payable
38,842	-	-	-	Accrued liabilities
-	-	-	-	Unearned revenues
34,694	-	-	-	Due to other governments
-	-	-	-	Due to other funds
153,722	-	27,413	257,119	Total Liabilities
				Deferred Inflows of Resources:
-	-	-	-	Unavailable revenues
-	-	-	-	Total Deferred Inflows of Resources
				Fund Balances:
-	-	-	-	Nonspendable:
-	-	-	-	Notes and loans
-	-	-	-	Advances to other funds
-	-	-	-	Permanent fund principal
-	1,822,233	-	135,836	Restricted for:
-	-	-	-	Community development projects
-	-	115,952	-	Public safety
-	-	-	-	Public works
-	-	-	-	Capital projects
-	-	-	-	Debt service
-	-	-	-	Endowment
-	-	-	-	Water quality
-	-	-	-	Unassigned
-	1,822,233	115,952	135,836	Total Fund Balances
\$ 153,722	\$ 1,822,233	\$ 143,365	\$ 392,955	Total Liabilities, Deferred Inflows of Resources, and Fund Balances

City of Moreno Valley

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014

	<u>Special Revenue Funds</u>			
	<u>Special Districts Administration</u>	<u>Storm Water Management</u>	<u>HOME</u>	<u>Child Care Grant</u>
Assets:				
Pooled cash and investments	\$ 394,640	\$ 537,608	\$ 780,710	\$ 13,955
Receivables:				
Accounts	-	5,329	-	-
Notes and loans	-	-	5,619,328	-
Interest	-	-	397,001	-
Due from other governments	-	3,949	2,891	19,273
Advances to other funds	580,657	-	-	-
Restricted assets:				
Cash with fiscal agents	-	-	-	-
Total Assets	<u>\$ 975,297</u>	<u>\$ 546,886</u>	<u>\$ 6,799,930</u>	<u>\$ 33,228</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 3,521	\$ 8,785	\$ 1,179	\$ 2,602
Accrued liabilities	-	-	-	27,441
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	3,185
Due to other funds	-	-	-	-
Total Liabilities	<u>3,521</u>	<u>8,785</u>	<u>1,179</u>	<u>33,228</u>
Deferred Inflows of Resources:				
Unavailable revenues	-	-	397,001	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>397,001</u>	<u>-</u>
Fund Balances:				
Nonspendable:				
Notes and loans	-	-	5,619,328	-
Advances to other funds	580,657	-	-	-
Permanent fund principal	-	-	-	-
Restricted for:				
Community development projects	-	-	782,422	-
Public safety	-	-	-	-
Public works	391,119	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Endowment	-	-	-	-
Water quality	-	538,101	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>971,776</u>	<u>538,101</u>	<u>6,401,750</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 975,297</u>	<u>\$ 546,886</u>	<u>\$ 6,799,930</u>	<u>\$ 33,228</u>

(Continued)

Special Revenue Funds

Used Oil Recycling	Storm Water Maintenance	ASES Program Grants	CFD #4M	
\$ 48,069	\$ -	\$ -	\$ 83,039	Assets:
-	46,091	-	-	Pooled cash and investments
-	-	-	-	Receivables:
-	-	-	-	Accounts
-	-	-	-	Notes and loans
-	-	507,990	-	Interest
-	-	-	-	Due from other governments
-	-	-	-	Advances to other funds
-	-	-	-	Restricted assets:
-	-	-	-	Cash with fiscal agents
<u>\$ 48,069</u>	<u>\$ 46,091</u>	<u>\$ 507,990</u>	<u>\$ 83,039</u>	Total Assets
				Liabilities, Deferred Inflows of Resources, and Fund Balances:
\$ 20	\$ 5,031	\$ 24,004	\$ 11,944	Liabilities:
-	-	-	-	Accounts payable
48,049	-	-	-	Accrued liabilities
-	-	-	-	Unearned revenues
-	-	-	-	Due to other governments
-	189,211	481,357	-	Due to other funds
<u>48,069</u>	<u>194,242</u>	<u>505,361</u>	<u>11,944</u>	Total Liabilities
				Deferred Inflows of Resources:
-	-	-	-	Unavailable revenues
-	-	-	-	Total Deferred Inflows of Resources
				Fund Balances:
				Nonspendable:
-	-	-	-	Notes and loans
-	-	-	-	Advances to other funds
-	-	-	-	Permanent fund principal
		2,629		Restricted for:
		-	-	Community development projects
		-	-	Public safety
		-	71,095	Public works
		-	-	Capital projects
		-	-	Debt service
		-	-	Endowment
		-	-	Water quality
-	(148,151)	-	-	Unassigned
<u>-</u>	<u>(148,151)</u>	<u>2,629</u>	<u>71,095</u>	Total Fund Balances
<u>\$ 48,069</u>	<u>\$ 46,091</u>	<u>\$ 507,990</u>	<u>\$ 83,039</u>	Total Liabilities, Deferred Inflows of Resources, and Fund Balances

City of Moreno Valley

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014

	<u>Special Revenue Funds</u>			
	<u>Prop 42 Replacement</u>	<u>Civil Penalties</u>	<u>Emergency Services Agency Fines</u>	<u>Energy Efficiency Revolving</u>
Assets:				
Pooled cash and investments	\$ -	\$ 246,741	\$ 328,236	\$ 105,944
Receivables:				
Accounts	-	-	-	-
Notes and loans	-	-	-	-
Interest	-	-	-	-
Due from other governments	-	-	-	-
Advances to other funds	-	-	-	-
Restricted assets:				
Cash with fiscal agents	-	-	-	-
Total Assets	\$ -	\$ 246,741	\$ 328,236	\$ 105,944
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ 1,473	\$ -	\$ -
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	-	1,473	-	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable:				
Notes and loans	-	-	-	-
Advances to other funds	-	-	-	-
Permanent fund principal	-	-	-	-
Restricted for:				
Community development projects	-	245,268	-	-
Public safety	-	-	328,236	-
Public works	-	-	-	105,944
Capital projects	-	-	-	-
Debt service	-	-	-	-
Endowment	-	-	-	-
Water quality	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	-	245,268	328,236	105,944
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ -	\$ 246,741	\$ 328,236	\$ 105,944

(Continued)

Capital Projects Funds

Facility Construction	Public Works Capital Projects	Traffic Signal Mitigation	Fire Services Capital Projects	
\$ 5,556,347	\$ 2,464,386	\$ 137,578	\$ 641,200	Assets:
-	352,000	-	-	Pooled cash and investments
-	-	-	-	Receivables:
-	-	-	-	Accounts
-	-	-	-	Notes and loans
-	-	-	-	Interest
-	-	-	-	Due from other governments
-	-	-	-	Advances to other funds
-	-	-	-	Restricted assets:
-	-	-	-	Cash with fiscal agents
<u>\$ 5,556,347</u>	<u>\$ 2,816,386</u>	<u>\$ 137,578</u>	<u>\$ 641,200</u>	Total Assets
				Liabilities, Deferred Inflows of Resources, and Fund Balances:
\$ 94,398	\$ 487,773	\$ -	\$ 34,159	Liabilities:
-	-	-	-	Accounts payable
-	-	-	-	Accrued liabilities
-	-	-	-	Unearned revenues
-	-	-	-	Due to other governments
-	-	-	-	Due to other funds
<u>94,398</u>	<u>487,773</u>	<u>-</u>	<u>34,159</u>	Total Liabilities
				Deferred Inflows of Resources:
-	-	-	-	Unavailable revenues
-	-	-	-	Total Deferred Inflows of Resources
				Fund Balances:
				Nonspendable:
-	-	-	-	Notes and loans
-	-	-	-	Advances to other funds
-	-	-	-	Permanent fund principal
				Restricted for:
-	-	-	-	Community development projects
-	-	-	-	Public safety
-	-	-	-	Public works
5,461,949	2,328,613	137,578	607,041	Capital projects
-	-	-	-	Debt service
-	-	-	-	Endowment
-	-	-	-	Water quality
-	-	-	-	Unassigned
<u>5,461,949</u>	<u>2,328,613</u>	<u>137,578</u>	<u>607,041</u>	Total Fund Balances
<u>\$ 5,556,347</u>	<u>\$ 2,816,386</u>	<u>\$ 137,578</u>	<u>\$ 641,200</u>	Total Liabilities, Deferred Inflows of Resources, and Fund Balances

City of Moreno Valley

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014

	Capital Projects Funds			
	Towngate Capital / Administration	Warner Ranch Capital / Development	Auto Mall Capital / Administration	Parks and Community Services Capital Projects
Assets:				
Pooled cash and investments	\$ -	\$ 13,673	\$ -	\$ 4,379,089
Receivables:				
Accounts	-	-	-	-
Notes and loans	-	-	-	-
Interest	-	-	-	-
Due from other governments	-	-	-	-
Advances to other funds	-	-	-	-
Restricted assets:				
Cash with fiscal agents	-	-	-	-
Total Assets	\$ -	\$ 13,673	\$ -	\$ 4,379,089
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 18,975
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	-	-	-	18,975
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable:				
Notes and loans	-	-	-	-
Advances to other funds	-	-	-	-
Permanent fund principal	-	-	-	-
Restricted for:				
Community development projects	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Capital projects	-	13,673	-	4,360,114
Debt service	-	-	-	-
Endowment	-	-	-	-
Water quality	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	-	13,673	-	4,360,114
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ -	\$ 13,673	\$ -	\$ 4,379,089

(Continued)

Capital Projects Funds				
TUMF Capital Projects	DIF Capital Projects	Lease Revenue Bonds 2005 Capital Projects	2007 Tax Allocation Bonds Capital Projects	
\$ -	\$ 2,619,502	\$ 258,105	\$ -	Assets:
				Pooled cash and investments
43,026	529,246	-	-	Receivables:
-	-	-	-	Accounts
-	-	-	-	Notes and loans
-	-	-	-	Interest
-	-	-	-	Due from other governments
-	-	-	-	Advances to other funds
-	-	-	-	Restricted assets:
-	-	-	-	Cash with fiscal agents
\$ 43,026	\$ 3,148,748	\$ 258,105	\$ -	Total Assets
				Liabilities, Deferred Inflows of Resources, and Fund Balances:
				Liabilities:
\$ 223,369	\$ 152,927	\$ 64,019	\$ -	Accounts payable
-	-	-	-	Accrued liabilities
-	-	-	-	Unearned revenues
-	-	-	-	Due to other governments
33,007	-	-	-	Due to other funds
256,376	152,927	64,019	-	Total Liabilities
				Deferred Inflows of Resources:
-	-	-	-	Unavailable revenues
-	-	-	-	Total Deferred Inflows of Resources
				Fund Balances:
				Nonspendable:
-	-	-	-	Notes and loans
-	-	-	-	Advances to other funds
-	-	-	-	Permanent fund principal
				Restricted for:
-	-	-	-	Community development projects
-	-	-	-	Public safety
-	-	-	-	Public works
-	2,995,821	194,086	-	Capital projects
-	-	-	-	Debt service
-	-	-	-	Endowment
-	-	-	-	Water quality
(213,350)	-	-	-	Unassigned
(213,350)	2,995,821	194,086	-	Total Fund Balances
\$ 43,026	\$ 3,148,748	\$ 258,105	\$ -	Total Liabilities, Deferred Inflows of Resources, and Fund Balances

City of Moreno Valley

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014

	Capital Projects Funds	Debt Service Funds		
	TRIP Capital Projects	Auto Mall Special Tax Bonds	Lease Revenue Bonds 2005 Debt Service	2007 Towngate Improvement Refunding
Assets:				
Pooled cash and investments	\$ -	\$ -	\$ 5,705,649	\$ 86,308
Receivables:				
Accounts	-	-	-	-
Notes and loans	-	-	-	-
Interest	-	-	-	-
Due from other governments	-	-	-	429
Advances to other funds	-	-	-	-
Restricted assets:				
Cash with fiscal agents	17,951,690	-	2,649,358	760,740
Total Assets	\$ 17,951,690	\$ -	\$ 8,355,007	\$ 847,477
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 30,012	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	1,280,654	-	-	-
Total Liabilities	1,310,666	-	-	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable:				
Notes and loans	-	-	-	-
Advances to other funds	-	-	-	-
Permanent fund principal	-	-	-	-
Restricted for:				
Community development projects	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Capital projects	16,641,024	-	-	-
Debt service	-	-	8,355,007	847,477
Endowment	-	-	-	-
Water quality	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	16,641,024	-	8,355,007	847,477
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 17,951,690	\$ -	\$ 8,355,007	\$ 847,477

(Continued)

Debt Service Funds				
2007 Towngate Refunding	2011 Priv Placement Ref 97 Lease Rev Bonds	2011 Priv Placement Ref 97 COPs	TRIP COP 13A Debt Service	
\$ 167,532	\$ -	\$ -	\$ -	Assets:
-	-	-	-	Pooled cash and investments
-	-	-	-	Receivables:
-	-	-	-	Accounts
-	-	-	-	Notes and loans
-	-	-	-	Interest
-	-	-	-	Due from other governments
-	-	-	-	Advances to other funds
2,626,624	-	-	7,236	Restricted assets:
				Cash with fiscal agents
\$ 2,794,156	\$ -	\$ -	\$ 7,236	Total Assets
				Liabilities, Deferred Inflows of Resources, and Fund Balances:
\$ -	\$ -	\$ -	\$ -	Liabilities:
-	-	-	-	Accounts payable
-	-	-	-	Accrued liabilities
-	-	-	-	Unearned revenues
-	-	-	-	Due to other governments
-	-	-	7,236	Due to other funds
			7,236	Total Liabilities
				Deferred Inflows of Resources:
-	-	-	-	Unavailable revenues
				Total Deferred Inflows of Resources
				Fund Balances:
				Nonspendable:
-	-	-	-	Notes and loans
-	-	-	-	Advances to other funds
-	-	-	-	Permanent fund principal
				Restricted for:
-	-	-	-	Community development projects
-	-	-	-	Public safety
-	-	-	-	Public works
-	-	-	-	Capital projects
2,794,156	-	-	-	Debt service
-	-	-	-	Endowment
-	-	-	-	Water quality
				Unassigned
2,794,156	-	-	-	Total Fund Balances
\$ 2,794,156	\$ -	\$ -	\$ 7,236	Total Liabilities, Deferred Inflows of Resources, and Fund Balances

City of Moreno Valley

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2014

	Debt Service			
	Funds	Permanent Funds		
	2013 Refunding 2005 Lease Revenue Bonds	Celebration Park Endowment	Equestrian Trail Endowment	Rockridge Park Endowment
Assets:				
Pooled cash and investments	\$ -	\$ 61,344	\$ 11,979	\$ 106,342
Receivables:				
Accounts	-	-	-	-
Notes and loans	-	-	-	-
Interest	-	-	-	-
Due from other governments	-	-	-	-
Advances to other funds	-	-	-	-
Restricted assets:				
Cash with fiscal agents	-	-	-	-
Total Assets	\$ -	\$ 61,344	\$ 11,979	\$ 106,342
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	-	-	-	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Nonspendable:				
Notes and loans	-	-	-	-
Advances to other funds	-	-	-	-
Permanent fund principal	-	49,050	10,000	100,000
Restricted for:				
Community development projects	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Endowment	-	12,294	1,979	6,342
Water quality	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	-	61,344	11,979	106,342
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ -	\$ 61,344	\$ 11,979	\$ 106,342

Permanent Funds

<u>NPDES Endowment</u>	<u>Cultural Preservation</u>	<u>Total Nonmajor Governmental Funds</u>	
\$ 32,161	\$ 116,997	\$ 34,503,178	Assets:
-	-	2,178,984	Pooled cash and investments
-	-	5,619,328	Receivables:
-	-	397,001	Accounts
-	-	2,986,231	Notes and loans
-	-	940,657	Interest
-	-	23,995,648	Due from other governments
-	-		Advances to other funds
-	-		Restricted assets:
-	-		Cash with fiscal agents
\$ 32,161	\$ 116,997	\$ 70,621,027	Total Assets
			Liabilities, Deferred Inflows of Resources, and Fund Balances:
\$ -	\$ -	\$ 2,040,600	Liabilities:
-	-	27,441	Accounts payable
-	-	86,891	Accrued liabilities
-	-	3,185	Unearned revenues
-	-	2,368,033	Due to other governments
-	-		Due to other funds
-	-	4,526,150	Total Liabilities
-	-	397,001	Deferred Inflows of Resources:
-	-		Unavailable revenues
-	-	397,001	Total Deferred Inflows of Resources
-	-	5,619,328	Fund Balances:
-	-	940,657	Nonspendable:
14,506	114,542	288,098	Notes and loans
-	-		Advances to other funds
-	-		Permanent fund principal
-	-	2,988,388	Restricted for:
-	-	328,236	Community development projects
-	-	10,579,305	Public safety
-	-	32,739,899	Public works
-	-	11,996,640	Capital projects
-	-	40,725	Debt service
17,655	2,455	538,101	Endowment
-	-	(361,501)	Water quality
-	-		Unassigned
32,161	116,997	65,697,876	Total Fund Balances
\$ 32,161	\$ 116,997	\$ 70,621,027	Total Liabilities, Deferred Inflows of Resources, and Fund Balances

City of Moreno Valley

Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2014

	<u>Special Revenue Funds</u>			
	<u>State Gasoline</u>	<u>Article 3</u>	<u>Measure A</u>	<u>Law</u>
	<u>Tax</u>	<u>Transportation</u>	<u>Measure A</u>	<u>Enforcement</u>
Revenues:				
Taxes				
Other taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	6,146,513	216,285	5,099,438	595,620
Charges for services	-	-	-	-
Use of money and property	(47,519)	-	158,954	-
Contributions	-	-	-	-
Contributions from Successor Agency	-	-	-	-
Miscellaneous	19,729	-	6,192	-
Total Revenues	6,118,723	216,285	5,264,584	595,620
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	597,620
Community development	-	-	-	-
Community and cultural	-	-	-	-
Public works	5,885,902	-	545,957	-
Capital outlay	113,882	216,285	3,408,130	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	11,653	-
Bond issuance costs	-	-	-	-
Total Expenditures	5,999,784	216,285	3,965,740	597,620
Excess (Deficiency) of Revenues Over (Under) Expenditures	118,939	-	1,298,844	(2,000)
Other Financing Sources (Uses):				
Transfers in	1,294,211	-	15,274	-
Transfers out	(50,000)	-	(3,401,255)	-
Refunding bonds issued	-	-	-	-
Other debt issued	-	-	-	-
Bond premium/(discount)	-	-	-	-
Total Other Financing Sources (Uses)	1,244,211	-	(3,385,981)	-
Net Change in Fund Balances	<u>\$ 1,363,150</u>	<u>\$ -</u>	<u>\$ (2,087,137)</u>	<u>\$ (2,000)</u>
Fund Balances:				
Beginning of year, as originally reported	\$ (392,596)	\$ -	\$ 10,793,801	\$ 2,000
Restatements	-	-	577,977	-
Beginning of year, as restated	(392,596)	-	11,371,778	2,000
Net change in fund balances	1,363,150	-	(2,087,137)	(2,000)
End of Year	\$ 970,554	\$ -	\$ 9,284,641	\$ -

(Continued)

Special Revenue Funds				
Other Grants	Public Education Government Access	Air Quality Management	Community Development Block Grant	
\$ -	\$ -	\$ -	\$ -	Revenues:
370,967	-	244,155	2,003,634	Taxes
-	-	-	-	Other taxes
-	-	1,607	-	Intergovernmental
-	-	-	-	Charges for services
-	-	-	-	Use of money and property
-	-	-	-	Contributions
-	-	-	-	Contributions from Successor Agency
-	565,358	-	6,215	Miscellaneous
370,967	565,358	245,762	2,009,849	Total Revenues
				Expenditures:
				Current:
368	767,510	-	-	General government
263,840	-	-	-	Public safety
70,252	-	-	1,194,417	Community development
-	-	-	-	Community and cultural
36,507	865	236,985	-	Public works
-	500,343	108,663	809,365	Capital outlay
-	-	-	-	Debt service:
-	-	-	-	Principal retirement
-	-	-	-	Interest and fiscal charges
-	-	-	-	Bond issuance costs
370,967	1,268,718	345,648	2,003,782	Total Expenditures
-	(703,360)	(99,886)	6,067	Excess (Deficiency) of Revenues Over (Under) Expenditures
				Other Financing Sources (Uses):
-	-	-	-	Transfers in
-	-	-	-	Transfers out
-	-	-	-	Refunding bonds issued
-	-	-	-	Other debt issued
-	-	-	-	Bond premium/(discount)
-	-	-	-	Total Other Financing Sources (Uses)
\$ -	\$ (703,360)	\$ (99,886)	\$ 6,067	Net Change in Fund Balances
				Fund Balances:
\$ -	\$ 2,525,593	\$ 215,838	\$ 129,769	Beginning of year, as originally reported
-	-	-	-	Restatements
-	2,525,593	215,838	129,769	Beginning of year, as restated
-	(703,360)	(99,886)	6,067	Net change in fund balances
\$ -	\$ 1,822,233	\$ 115,952	\$ 135,836	End of Year

City of Moreno Valley

Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2014

	<u>Special Revenue Funds</u>			
	<u>Special Districts Administration</u>	<u>Storm Water Management</u>	<u>HOME</u>	<u>Child Care Grant</u>
Revenues:				
Taxes				
Other taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	1,517,033	531,580
Charges for services	908,738	680,172	-	19,938
Use of money and property	4,630	-	500	-
Contributions	-	-	-	-
Contributions from Successor Agency	-	-	-	-
Miscellaneous	-	92	296,491	-
Total Revenues	913,368	680,264	1,814,024	551,518
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	-	-	33,023	-
Community and cultural	-	-	-	551,518
Public works	659,810	454,518	-	-
Capital outlay	-	-	175,674	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total Expenditures	659,810	454,518	208,697	551,518
Excess (Deficiency) of Revenues Over (Under) Expenditures	253,558	225,746	1,605,327	-
Other Financing Sources (Uses):				
Transfers in	-	653	-	-
Transfers out	-	-	-	-
Refunding bonds issued	-	-	-	-
Other debt issued	-	-	-	-
Bond premium/(discount)	-	-	-	-
Total Other Financing Sources (Uses)	-	653	-	-
Net Change in Fund Balances	\$ 253,558	\$ 226,399	\$ 1,605,327	\$ -
Fund Balances:				
Beginning of year, as originally reported	\$ 718,218	\$ 311,702	\$ 4,796,423	\$ -
Restatements	-	-	-	-
Beginning of year, as restated	718,218	311,702	4,796,423	-
Net change in fund balances	253,558	226,399	1,605,327	-
End of Year	\$ 971,776	\$ 538,101	\$ 6,401,750	\$ -

(Continued)

Special Revenue Funds

Used Oil Recycling	Storm Water Maintenance	ASES Program Grants	CFD #4M
\$ -	\$ -	\$ -	\$ -
54,974	-	6,772,900	-
-	382,518	-	43,190
-	-	3,126	1,081
-	-	-	-
-	-	-	-
-	-	-	-
54,974	382,518	6,776,026	44,271
-	-	-	-
-	-	-	-
-	-	-	-
-	-	6,792,303	-
54,974	445,409	-	30,747
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
54,974	445,409	6,792,303	30,747
-	(62,891)	(16,277)	13,524
-	50,000	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	50,000	-	-
\$ -	\$ (12,891)	\$ (16,277)	\$ 13,524
\$ -	\$ (135,260)	\$ 18,906	\$ 57,571
-	-	-	-
-	(135,260)	18,906	57,571
-	(12,891)	(16,277)	13,524
\$ -	\$ (148,151)	\$ 2,629	\$ 71,095

Revenues:

Taxes
Other taxes
Intergovernmental
Charges for services
Use of money and property
Contributions
Contributions from Successor Agency
Miscellaneous

Total Revenues

Expenditures:

Current:
General government
Public safety
Community development
Community and cultural
Public works
Capital outlay
Debt service:
Principal retirement
Interest and fiscal charges
Bond issuance costs

Total Expenditures

Excess (Deficiency) of Revenues
Over (Under) Expenditures

Other Financing Sources (Uses):

Transfers in
Transfers out
Refunding bonds issued
Other debt issued
Bond premium/(discount)

Total Other Financing Sources
(Uses)

Net Change in Fund Balances

Fund Balances:

Beginning of year, as originally reported
Restatements
Beginning of year, as restated
Net change in fund balances

End of Year

City of Moreno Valley

Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2014

	<u>Special Revenue Funds</u>			
	<u>Prop 42 Replacement</u>	<u>Civil Penalties</u>	<u>Emergency Services Agency Fines</u>	<u>Energy Efficiency Revolving</u>
Revenues:				
Taxes				
Other taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	61,441	-
Charges for services	-	-	-	-
Use of money and property	-	4,270	5,799	-
Contributions	-	-	-	-
Contributions from Successor Agency	-	-	-	-
Miscellaneous	-	12,958	-	46,188
Total Revenues	-	17,228	67,240	46,188
Expenditures:				
Current:				
General government	-	68	-	-
Public safety	-	-	65,565	-
Community development	-	14,075	-	-
Community and cultural	-	-	-	-
Public works	-	-	-	-
Capital outlay	843,310	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total Expenditures	843,310	14,143	65,565	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(843,310)	3,085	1,675	46,188
Other Financing Sources (Uses):				
Transfers in	-	-	-	59,756
Transfers out	-	-	-	-
Refunding bonds issued	-	-	-	-
Other debt issued	-	-	-	-
Bond premium/(discount)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	59,756
Net Change in Fund Balances	\$ (843,310)	\$ 3,085	\$ 1,675	\$ 105,944
Fund Balances:				
Beginning of year, as originally reported	\$ 843,310	\$ 242,183	\$ 326,561	\$ -
Restatements	-	-	-	-
Beginning of year, as restated	843,310	242,183	326,561	-
Net change in fund balances	(843,310)	3,085	1,675	105,944
End of Year	\$ -	\$ 245,268	\$ 328,236	\$ 105,944

(Continued)

Capital Projects Funds

Facility Construction	Public Works Capital Projects	Traffic Signal Mitigation	Fire Services Capital Projects	
\$ -	\$ -	\$ -	\$ -	Revenues:
-	2,885,308	-	-	Taxes
-	-	-	-	Other taxes
-	-	-	-	Intergovernmental
-	-	-	-	Charges for services
-	-	-	-	Use of money and property
-	-	-	-	Contributions
-	-	-	-	Contributions from Successor Agency
674	189,558	-	142	Miscellaneous
674	3,074,866	-	142	Total Revenues
				Expenditures:
				Current:
-	-	-	-	General government
-	-	-	-	Public safety
-	-	-	-	Community development
-	-	-	-	Community and cultural
-	-	-	-	Public works
766,825	5,132,338	-	287,873	Capital outlay
-	-	-	-	Debt service:
-	-	-	-	Principal retirement
-	-	-	-	Interest and fiscal charges
-	-	-	-	Bond issuance costs
766,825	5,132,338	-	287,873	Total Expenditures
(766,151)	(2,057,472)	-	(287,731)	Excess (Deficiency) of Revenues Over (Under) Expenditures
6,500,000	-	-	900,000	Other Financing Sources (Uses):
-	(4,754,032)	-	(383,000)	Transfers in
-	-	-	-	Transfers out
-	-	-	-	Refunding bonds issued
-	-	-	-	Other debt issued
-	-	-	-	Bond premium/(discount)
6,500,000	(4,754,032)	-	517,000	Total Other Financing Sources (Uses)
\$ 5,733,849	\$ (6,811,504)	\$ -	\$ 229,269	Net Change in Fund Balances
\$ (271,900)	\$ 6,715,298	\$ 137,578	\$ 377,772	Fund Balances:
-	2,424,819	-	-	Beginning of year, as originally reported
(271,900)	9,140,117	137,578	377,772	Restatements
5,733,849	(6,811,504)	-	229,269	Beginning of year, as restated
				Net change in fund balances
\$ 5,461,949	\$ 2,328,613	\$ 137,578	\$ 607,041	End of Year

City of Moreno Valley

Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2014

	Capital Projects Funds			
	Towngate Capital / Administration	Warner Ranch Capital / Development	Auto Mall Capital / Administration	Parks and Community Services Capital Projects
Revenues:				
Taxes				
Other taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	-	-	-	-
Contributions	-	-	-	-
Contributions from Successor Agency	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	-	-	-	-
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	-	-	-	-
Community and cultural	-	-	-	-
Public works	177,536	-	6,391	-
Capital outlay	-	-	-	481,413
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Bond issuance costs	-	-	-	-
Total Expenditures	177,536	-	6,391	481,413
Excess (Deficiency) of Revenues Over (Under) Expenditures	(177,536)	-	(6,391)	(481,413)
Other Financing Sources (Uses):				
Transfers in	177,536	-	6,391	1,308,000
Transfers out	-	-	-	(881,426)
Refunding bonds issued	-	-	-	-
Other debt issued	-	-	-	-
Bond premium/(discount)	-	-	-	-
Total Other Financing Sources (Uses)	177,536	-	6,391	426,574
Net Change in Fund Balances	\$ -	\$ -	\$ -	\$ (54,839)
Fund Balances:				
Beginning of year, as originally reported	\$ -	\$ 13,673	\$ -	\$ 4,414,953
Restatements	-	-	-	-
Beginning of year, as restated	-	13,673	-	4,414,953
Net change in fund balances	-	-	-	(54,839)
End of Year	\$ -	\$ 13,673	\$ -	\$ 4,360,114

(Continued)

Capital Projects Funds				
TUMF Capital Projects	DIF Capital Projects	Lease Revenue Bonds 2005 Capital Projects	2007 Tax Allocation Bonds Capital Projects	
\$ -	\$ -	\$ -	\$ -	Revenues:
364,929	532,437	-	-	Taxes
-	-	-	-	Other taxes
-	-	-	-	Intergovernmental
-	-	-	35,822	Charges for services
-	-	-	-	Use of money and property
-	-	-	-	Contributions
-	-	-	-	Contributions from Successor Agency
-	1,567	-	-	Miscellaneous
364,929	534,004	-	35,822	Total Revenues
-	-	-	-	Expenditures:
-	-	-	-	Current:
-	-	-	-	General government
-	-	-	-	Public safety
-	-	-	-	Community development
-	-	-	-	Community and cultural
-	-	-	-	Public works
378,328	2,503,409	222,342	9,333,926	Capital outlay
-	-	-	-	Debt service:
-	-	-	-	Principal retirement
-	-	-	-	Interest and fiscal charges
-	-	-	-	Bond issuance costs
378,328	2,503,409	222,342	9,333,926	Total Expenditures
(13,399)	(1,969,405)	(222,342)	(9,298,104)	Excess (Deficiency) of Revenues Over (Under) Expenditures
-	357,000	-	-	Other Financing Sources (Uses):
-	(220,000)	-	-	Transfers in
-	-	-	-	Transfers out
-	-	-	-	Refunding bonds issued
-	-	-	-	Other debt issued
-	-	-	-	Bond premium/(discount)
-	137,000	-	-	Total Other Financing Sources (Uses)
\$ (13,399)	\$ (1,832,405)	\$ (222,342)	\$ (9,298,104)	Net Change in Fund Balances
\$ (199,951)	\$ 4,828,226	\$ 416,428	\$ 9,298,104	Fund Balances:
-	-	-	-	Beginning of year, as originally reported
-	-	-	-	Restatements
(199,951)	4,828,226	416,428	9,298,104	Beginning of year, as restated
(13,399)	(1,832,405)	(222,342)	(9,298,104)	Net change in fund balances
\$ (213,350)	\$ 2,995,821	\$ 194,086	\$ -	End of Year

City of Moreno Valley

Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2014

	Capital Projects	Debt Service Funds		
	Funds			
	TRIP Capital	Auto Mall	Lease	2007
	Projects	Special Tax	Revenue	Towngate
		Bonds	Bonds 2005	Improvement
			Debt Service	Refunding
Revenues:				
Taxes				
Other taxes	\$ -	\$ -	\$ -	\$ 117,164
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	5,706	2	313	59
Contributions	-	-	-	-
Contributions from Successor Agency	-	-	-	277,181
Miscellaneous	917	-	-	-
Total Revenues	6,623	2	313	394,404
Expenditures:				
Current:				
General government	-	-	2,525	-
Public safety	-	-	-	-
Community development	-	-	-	-
Community and cultural	-	-	-	-
Public works	-	-	-	-
Capital outlay	1,439,489	-	-	-
Debt service:				
Principal retirement	-	105,000	11,915,000	220,000
Interest and fiscal charges	-	3,938	1,724,040	135,009
Bond issuance costs	-	-	-	-
Total Expenditures	1,439,489	108,938	13,641,565	355,009
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,432,866)	(108,936)	(13,641,252)	39,395
Other Financing Sources (Uses):				
Transfers in	-	190,176	13,191,230	-
Transfers out	(1,926,110)	(6,391)	-	(30,972)
Refunding bonds issued	-	-	-	-
Other debt issued	20,000,000	-	-	-
Bond premium/(discount)	-	-	-	-
Total Other Financing Sources (Uses)	18,073,890	183,785	13,191,230	(30,972)
Net Change in Fund Balances	\$ 16,641,024	\$ 74,849	\$ (450,022)	\$ 8,423
Fund Balances:				
Beginning of year, as originally reported	\$ -	\$ (74,849)	\$ 8,805,029	\$ 839,054
Restatements	-	-	-	-
Beginning of year, as restated	-	(74,849)	8,805,029	839,054
Net change in fund balances	16,641,024	74,849	(450,022)	8,423
End of Year	\$ 16,641,024	\$ -	\$ 8,355,007	\$ 847,477

(Continued)

Debt Service Funds				
2007 Towngate Refunding	2011 Priv Placement Ref 97 Lease Rev Bonds	2011 Priv Placement Ref 97 COPs	TRIP COP 13A Debt Service	
\$ -	\$ -	\$ -	\$ -	Revenues:
-	-	-	-	Taxes
-	-	-	-	Other taxes
231	-	-	5	Intergovernmental
-	-	-	-	Charges for services
1,182,347	150,000	-	-	Use of money and property
-	-	-	-	Contributions
-	-	-	-	Contributions from Successor Agency
-	-	-	-	Miscellaneous
1,182,578	150,000	-	5	Total Revenues
				Expenditures:
				Current:
-	-	-	-	General government
-	-	-	-	Public safety
-	-	-	-	Community development
-	-	-	-	Community and cultural
-	-	-	2,268	Public works
-	-	-	-	Capital outlay
700,000	234,000	710,500	-	Debt service:
310,906	106,346	76,409	748,992	Principal retirement
-	-	-	656,950	Interest and fiscal charges
-	-	-	-	Bond issuance costs
1,010,906	340,346	786,909	1,408,210	Total Expenditures
				Excess (Deficiency) of Revenues Over (Under) Expenditures
171,672	(190,346)	(786,909)	(1,408,205)	
				Other Financing Sources (Uses):
-	190,346	786,909	1,543,154	Transfers in
(146,564)	-	-	-	Transfers out
-	-	-	-	Refunding bonds issued
-	-	-	-	Other debt issued
-	-	-	(134,949)	Bond premium/(discount)
(146,564)	190,346	786,909	1,408,205	Total Other Financing Sources (Uses)
\$ 25,108	\$ -	\$ -	\$ -	Net Change in Fund Balances
				Fund Balances:
\$ 2,769,048	\$ -	\$ -	\$ -	Beginning of year, as originally reported
-	-	-	-	Restatements
2,769,048	-	-	-	Beginning of year, as restated
25,108	-	-	-	Net change in fund balances
\$ 2,794,156	\$ -	\$ -	\$ -	End of Year

City of Moreno Valley

Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2014

	Debt Service	Permanent Funds		
	Funds			
	2013			
	Refunding	Celebration	Equestrian	Rockridge
	2005 Lease	Park	Trail	Park
	Revenue	Endowment	Endowment	Endowment
	Bonds			
Revenues:				
Taxes				
Other taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	-	1,092	217	2,008
Contributions	-	-	-	-
Contributions from Successor Agency	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	-	1,092	217	2,008
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	-	-	-	-
Community and cultural	-	-	429	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	167,665	-	-	-
Bond issuance costs	239,010	-	-	-
Total Expenditures	406,675	-	429	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(406,675)	1,092	(212)	2,008
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(11,087,670)	-	-	-
Refunding bonds issued	10,454,230	-	-	-
Other debt issued	-	-	-	-
Bond premium/(discount)	1,040,115	-	-	-
Total Other Financing Sources (Uses)	406,675	-	-	-
Net Change in Fund Balances	\$ -	\$ 1,092	\$ (212)	\$ 2,008
Fund Balances:				
Beginning of year, as originally reported	\$ -	\$ 60,252	\$ 12,191	\$ 104,334
Restatements	-	-	-	-
Beginning of year, as restated	-	60,252	12,191	104,334
Net change in fund balances	-	1,092	(212)	2,008
End of Year	\$ -	\$ 61,344	\$ 11,979	\$ 106,342

Permanent Funds		
NPDES Endowment	Cultural Preservation	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ 117,164
-	-	27,397,214
-	-	2,034,556
369	2,455	180,727
17,576	-	17,576
-	-	1,609,528
-	114,542	1,260,623
17,945	116,997	32,617,388
-	-	770,471
-	-	927,025
-	-	1,311,767
-	-	7,344,250
-	-	8,537,869
-	-	26,721,595
-	-	13,884,500
-	-	3,284,958
-	-	895,960
-	-	63,678,395
17,945	116,997	(31,061,007)
-	-	26,570,636
(653)	-	(22,888,073)
-	-	10,454,230
-	-	20,000,000
-	-	905,166
(653)	-	35,041,959
\$ 17,292	\$ 116,997	\$ 3,980,952
\$ 14,869	\$ -	\$ 58,714,128
-	-	3,002,796
14,869	-	61,716,924
17,292	116,997	3,980,952
\$ 32,161	\$ 116,997	\$ 65,697,876

Revenues:

Taxes
Other taxes
Intergovernmental
Charges for services
Use of money and property
Contributions
Contributions from Successor Agency
Miscellaneous

Total Revenues

Expenditures:

Current:
General government
Public safety
Community development
Community and cultural
Public works
Capital outlay
Debt service:
Principal retirement
Interest and fiscal charges
Bond issuance costs

Total Expenditures

Excess (Deficiency) of Revenues
Over (Under) Expenditures

Other Financing Sources (Uses):

Transfers in
Transfers out
Refunding bonds issued
Other debt issued
Bond premium/(discount)

**Total Other Financing Sources
(Uses)**

Net Change in Fund Balances

Fund Balances:

Beginning of year, as originally reported
Restatements
Beginning of year, as restated
Net change in fund balances

End of Year

City of Moreno Valley

Budgetary Comparison Schedule
State Gasoline Tax
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 5,042,755	\$ 5,042,755	\$ 6,146,513	\$ 1,103,758
Use of money and property	1,000	1,000	(47,519)	(48,519)
Miscellaneous	21,000	21,000	19,729	(1,271)
Total Revenues	5,064,755	5,064,755	6,118,723	1,053,968
Expenditures:				
Current:				
Public works	5,332,697	5,710,352	5,885,902	(175,550)
Capital outlay	4,500,000	128,702	113,882	14,820
Total Expenditures	9,832,697	5,839,054	5,999,784	(160,730)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,767,942)	(774,299)	118,939	893,238
Other Financing Sources (Uses):				
Transfers in	160,000	1,294,211	1,294,211	-
Transfers out	-	(50,000)	(50,000)	-
Total Other Financing Sources (Uses)	160,000	1,244,211	1,244,211	-
Net Change in Fund Balances	(4,607,942)	469,912	1,363,150	893,238
Fund Balance, Beginning of Year	(392,596)	(392,596)	(392,596)	-
Fund Balance, End of Year	\$ (5,000,538)	\$ 77,316	\$ 970,554	\$ 893,238

City of Moreno Valley

Budgetary Comparison Schedule
 Article 3 Transportation
 Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 150,000	\$ 470,385	\$ 216,285	\$ (254,100)
Total Revenues	150,000	470,385	216,285	(254,100)
Expenditures:				
Capital outlay	-	470,385	216,285	254,100
Total Expenditures	-	470,385	216,285	254,100
Excess (Deficiency) of Revenues Over (Under) Expenditures	150,000	-	-	-
Net Change in Fund Balances	150,000	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	\$ 150,000	\$ -	\$ -	\$ -

City of Moreno Valley

Budgetary Comparison Schedule
Measure A
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 9,032,955	\$ 9,649,857	\$ 5,099,438	\$ (4,550,419)
Use of money and property	102,500	102,500	158,954	56,454
Miscellaneous	1,000	74,000	6,192	(67,808)
Total Revenues	9,136,455	9,826,357	5,264,584	(4,561,773)
Expenditures:				
Current:				
Public works	1,361,795	1,426,025	545,957	880,068
Capital outlay	3,808,000	14,545,044	3,408,130	11,136,914
Debt service:				
Interest and fiscal charges	-	13,950	11,653	2,297
Total Expenditures	5,169,795	15,985,019	3,965,740	12,019,279
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,966,660	(6,158,662)	1,298,844	7,457,506
Other Financing Sources (Uses):				
Transfers in	424,939	424,939	15,274	(409,665)
Transfers out	-	(3,398,992)	(3,401,255)	(2,263)
Total Other Financing Sources (Uses)	424,939	(2,974,053)	(3,385,981)	(411,928)
Net Change in Fund Balances	4,391,599	(9,132,715)	(2,087,137)	7,045,578
Fund Balance, Beginning of Year as Restated	11,371,778	11,371,778	11,371,778	-
Fund Balance, End of Year	\$ 15,763,377	\$ 2,239,063	\$ 9,284,641	\$ 7,045,578

City of Moreno Valley

Budgetary Comparison Schedule
Law Enforcement
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 102,200	\$ 675,014	\$ 595,620	\$ (79,394)
Total Revenues	102,200	675,014	595,620	(79,394)
Expenditures:				
Current:				
Public safety	165,805	675,713	597,620	78,093
Total Expenditures	165,805	675,713	597,620	78,093
Excess (Deficiency) of Revenues Over (Under) Expenditures	(63,605)	(699)	(2,000)	(1,301)
Net Change in Fund Balances	(63,605)	(699)	(2,000)	(1,301)
Fund Balance, Beginning of Year	2,000	2,000	2,000	-
Fund Balance, End of Year	\$ (61,605)	\$ 1,301	\$ -	\$ (1,301)

City of Moreno Valley

Budgetary Comparison Schedule
Other Grants
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 159,000	\$ 532,138	\$ 370,967	\$ (161,171)
Total Revenues	159,000	532,138	370,967	(161,171)
Expenditures:				
Current:				
General government	-	30,000	368	29,632
Public safety	74,506	346,218	263,840	82,378
Community development	29,415	100,920	70,252	30,668
Public works	55,300	55,000	36,507	18,493
Total Expenditures	159,221	532,138	370,967	161,171
Excess (Deficiency) of Revenues Over (Under) Expenditures	(221)	-	-	-
Net Change in Fund Balances	(221)	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	\$ (221)	\$ -	\$ -	\$ -

City of Moreno Valley

Budgetary Comparison Schedule
Public Education Government Access
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Miscellaneous	\$ 550,000	\$ 550,000	\$ 565,358	\$ 15,358
Total Revenues	550,000	550,000	565,358	15,358
Expenditures:				
Current:				
General government	845,570	914,998	767,510	147,488
Public works	-	-	865	(865)
Capital outlay	-	499,889	500,343	(454)
Total Expenditures	845,570	1,414,887	1,268,718	146,169
Excess (Deficiency) of Revenues Over (Under) Expenditures	(295,570)	(864,887)	(703,360)	161,527
Net Change in Fund Balances	(295,570)	(864,887)	(703,360)	161,527
Fund Balance, Beginning of Year	2,525,593	2,525,593	2,525,593	-
Fund Balance, End of Year	\$ 2,230,023	\$ 1,660,706	\$ 1,822,233	\$ 161,527

City of Moreno Valley

Budgetary Comparison Schedule
Air Quality Management
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 200,000	\$ 200,000	\$ 244,155	\$ 44,155
Use of money and property	7,000	7,000	1,607	(5,393)
Total Revenues	207,000	207,000	245,762	38,762
Expenditures:				
Current:				
Public works	221,448	230,164	236,985	(6,821)
Capital outlay	30,000	153,521	108,663	44,858
Total Expenditures	251,448	383,685	345,648	38,037
Excess (Deficiency) of Revenues Over (Under) Expenditures	(44,448)	(176,685)	(99,886)	76,799
Net Change in Fund Balances	(44,448)	(176,685)	(99,886)	76,799
Fund Balance, Beginning of Year	215,838	215,838	215,838	-
Fund Balance, End of Year	\$ 171,390	\$ 39,153	\$ 115,952	\$ 76,799

City of Moreno Valley

Budgetary Comparison Schedule
Community Development Block Grant
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 2,575,197	\$ 3,359,929	\$ 2,003,634	\$ (1,356,295)
Miscellaneous	-	-	6,215	6,215
Total Revenues	2,575,197	3,359,929	2,009,849	(1,350,080)
Expenditures:				
Current:				
Community development	2,575,197	1,573,363	1,194,417	378,946
Capital outlay	800,000	2,238,013	809,365	1,428,648
Total Expenditures	3,375,197	3,811,376	2,003,782	1,807,594
Excess (Deficiency) of Revenues Over (Under) Expenditures	(800,000)	(451,447)	6,067	457,514
Net Change in Fund Balances	(800,000)	(451,447)	6,067	457,514
Fund Balance, Beginning of Year	129,769	129,769	129,769	-
Fund Balance, End of Year	\$ (670,231)	\$ (321,678)	\$ 135,836	\$ 457,514

City of Moreno Valley

Budgetary Comparison Schedule
 Special Districts Administration
 Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 852,400	\$ 797,600	\$ 908,738	\$ 111,138
Use of money and property	-	-	4,630	4,630
Total Revenues	852,400	797,600	913,368	115,768
Expenditures:				
Current:				
Public works	814,116	872,911	659,810	213,101
Total Expenditures	814,116	872,911	659,810	213,101
Excess (Deficiency) of Revenues Over (Under) Expenditures	38,284	(75,311)	253,558	328,869
Net Change in Fund Balances	38,284	(75,311)	253,558	328,869
Fund Balance, Beginning of Year	718,218	718,218	718,218	-
Fund Balance, End of Year	\$ 756,502	\$ 642,907	\$ 971,776	\$ 328,869

City of Moreno Valley

Budgetary Comparison Schedule
Storm Water Management
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 736,902	\$ 703,802	\$ 680,172	\$ (23,630)
Miscellaneous	-	-	92	92
Total Revenues	736,902	703,802	680,264	(23,538)
Expenditures:				
Current:				
Public works	1,074,370	697,873	454,518	243,355
Total Expenditures	1,074,370	697,873	454,518	243,355
Excess (Deficiency) of Revenues Over (Under) Expenditures	(337,468)	5,929	225,746	219,817
Other Financing Sources (Uses):				
Transfers in	266,995	653	653	-
Total Other Financing Sources (Uses)	266,995	653	653	-
Net Change in Fund Balances	(70,473)	6,582	226,399	219,817
Fund Balance, Beginning of Year	311,702	311,702	311,702	-
Fund Balance, End of Year	\$ 241,229	\$ 318,284	\$ 538,101	\$ 219,817

City of Moreno Valley
Budgetary Comparison Schedule
HOME
Year Ended June 30, 2014

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ 902,077	\$ 2,487,202	\$ 1,517,033	\$ (970,169)
Use of money and property	-	-	500	500
Miscellaneous	-	-	296,491	296,491
Total Revenues	<u>902,077</u>	<u>2,487,202</u>	<u>1,814,024</u>	<u>(673,178)</u>
Expenditures:				
Current:				
Community development	902,077	964,010	33,023	930,987
Capital outlay	-	1,500,000	175,674	1,324,326
Total Expenditures	<u>902,077</u>	<u>2,464,010</u>	<u>208,697</u>	<u>2,255,313</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>23,192</u>	<u>1,605,327</u>	<u>1,582,135</u>
Net Change in Fund Balances	-	23,192	1,605,327	1,582,135
Fund Balance, Beginning of Year	<u>4,796,423</u>	<u>4,796,423</u>	<u>4,796,423</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 4,796,423</u></u>	<u><u>\$ 4,819,615</u></u>	<u><u>\$ 6,401,750</u></u>	<u><u>\$ 1,582,135</u></u>

City of Moreno Valley

Budgetary Comparison Schedule
 Child Care Grant
 Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 581,461	\$ 595,056	\$ 531,580	\$ (63,476)
Charges for services	25,000	25,000	19,938	(5,062)
Total Revenues	606,461	620,056	551,518	(68,538)
Expenditures:				
Current:				
Community and cultural	612,761	620,056	551,518	68,538
Total Expenditures	612,761	620,056	551,518	68,538
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,300)	-	-	-
Net Change in Fund Balances	(6,300)	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	\$ (6,300)	\$ -	\$ -	\$ -

City of Moreno Valley

Budgetary Comparison Schedule
Used Oil Recycling
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 56,630	\$ 103,023	\$ 54,974	\$ (48,049)
Total Revenues	56,630	103,023	54,974	(48,049)
Expenditures:				
Current:				
Public works	56,630	103,023	54,974	48,049
Total Expenditures	56,630	103,023	54,974	48,049
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Net Change in Fund Balances	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -

City of Moreno Valley

Budgetary Comparison Schedule
Storm Water Maintenance
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 414,000	\$ 414,000	\$ 382,518	\$ (31,482)
Total Revenues	414,000	414,000	382,518	(31,482)
Expenditures:				
Current:				
Public works	450,748	462,789	445,409	17,380
Total Expenditures	450,748	462,789	445,409	17,380
Excess (Deficiency) of Revenues Over (Under) Expenditures	(36,748)	(48,789)	(62,891)	(14,102)
Other Financing Sources (Uses):				
Transfers in	-	50,000	50,000	-
Total Other Financing Sources (Uses)	-	50,000	50,000	-
Net Change in Fund Balances	(36,748)	1,211	(12,891)	(14,102)
Fund Balance, Beginning of Year	(135,260)	(135,260)	(135,260)	-
Fund Balance, End of Year	\$ (172,008)	\$ (134,049)	\$ (148,151)	\$ (14,102)

City of Moreno Valley

Budgetary Comparison Schedule
 ASES Program Grants
 Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 6,079,800	\$ 6,773,200	\$ 6,772,900	\$ (300)
Use of money and property	25,000	25,000	3,126	(21,874)
Total Revenues	6,104,800	6,798,200	6,776,026	(22,174)
Expenditures:				
Current:				
Community and cultural	6,080,840	6,798,200	6,792,303	5,897
Total Expenditures	6,080,840	6,798,200	6,792,303	5,897
Excess (Deficiency) of Revenues Over (Under) Expenditures	23,960	-	(16,277)	(16,277)
Net Change in Fund Balances	23,960	-	(16,277)	(16,277)
Fund Balance, Beginning of Year	18,906	18,906	18,906	-
Fund Balance, End of Year	\$ 42,866	\$ 18,906	\$ 2,629	\$ (16,277)

City of Moreno Valley

Budgetary Comparison Schedule
CFD #4M
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 41,000	\$ 41,000	\$ 43,190	\$ 2,190
Use of money and property	74	74	1,081	1,007
Total Revenues	41,074	41,074	44,271	3,197
Expenditures:				
Current:				
Public works	35,300	35,300	30,747	4,553
Total Expenditures	35,300	35,300	30,747	4,553
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,774	5,774	13,524	7,750
Net Change in Fund Balances	5,774	5,774	13,524	7,750
Fund Balance, Beginning of Year	57,571	57,571	57,571	-
Fund Balance, End of Year	\$ 63,345	\$ 63,345	\$ 71,095	\$ 7,750

City of Moreno Valley

Budgetary Comparison Schedule
 Prop 42 Replacement
 Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Capital outlay	\$ -	\$ 842,161	\$ 843,310	\$ (1,149)
Total Expenditures	-	842,161	843,310	(1,149)
Excess (Deficiency) of Revenues				
Net Change in Fund Balances	-	(842,161)	(843,310)	(1,149)
Fund Balance, Beginning of Year	843,310	843,310	843,310	-
Fund Balance, End of Year	\$ 843,310	\$ 1,149	\$ -	\$ (1,149)

City of Moreno Valley

Budgetary Comparison Schedule
Civil Penalties
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ 4,000	\$ 4,000	\$ 4,270	\$ 270
Miscellaneous	60,000	60,000	12,958	(47,042)
Total Revenues	64,000	64,000	17,228	(46,772)
Expenditures:				
Current:				
General government	39,415	40,273	68	40,205
Community development	-	-	14,075	(14,075)
Total Expenditures	39,415	40,273	14,143	26,130
Excess (Deficiency) of Revenues Over (Under) Expenditures	24,585	23,727	3,085	(20,642)
Net Change in Fund Balances	24,585	23,727	3,085	(20,642)
Fund Balance, Beginning of Year	242,183	242,183	242,183	-
Fund Balance, End of Year	\$ 266,768	\$ 265,910	\$ 245,268	\$ (20,642)

City of Moreno Valley

Budgetary Comparison Schedule
Emergency Services Agency Fines
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 38,000	\$ 38,000	\$ 61,441	\$ 23,441
Use of money and property	4,000	4,000	5,799	1,799
Total Revenues	42,000	42,000	67,240	25,240
Expenditures:				
Current:				
Public safety	110,000	110,000	65,565	44,435
Total Expenditures	110,000	110,000	65,565	44,435
Excess (Deficiency) of Revenues Over (Under) Expenditures	(68,000)	(68,000)	1,675	69,675
Net Change in Fund Balances	(68,000)	(68,000)	1,675	69,675
Fund Balance, Beginning of Year	326,561	326,561	326,561	-
Fund Balance, End of Year	\$ 258,561	\$ 258,561	\$ 328,236	\$ 69,675

City of Moreno Valley

Budgetary Comparison Schedule
 Energy Efficiency Revolving
 Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Miscellaneous	\$ -	\$ -	\$ 46,188	\$ 46,188
Total Revenues	<u>-</u>	<u>-</u>	<u>46,188</u>	<u>46,188</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>46,188</u>	<u>46,188</u>
Other Financing Sources (Uses):				
Transfers in	-	59,756	59,756	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>59,756</u>	<u>59,756</u>	<u>-</u>
Net Change in Fund Balances	<u>-</u>	<u>59,756</u>	<u>105,944</u>	<u>46,188</u>
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ 59,756</u>	<u>\$ 105,944</u>	<u>\$ 46,188</u>

City of Moreno Valley

Budgetary Comparison Schedule
 Facility Construction
 Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Miscellaneous	\$ -	\$ -	\$ 674	\$ 674
Total Revenues	-	-	674	674
Expenditures				
Capital outlay	2,500,000	4,238,653	766,825	3,471,828
Total Expenditures	2,500,000	4,238,653	766,825	3,471,828
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,500,000)	(4,238,653)	(766,151)	3,472,502
Other Financing Sources (Uses):				
Transfers in	-	6,500,000	6,500,000	-
Total Other Financing Sources (Uses)	-	6,500,000	6,500,000	-
Net Change in Fund Balances	(2,500,000)	2,261,347	5,733,849	3,472,502
Fund Balance, Beginning of Year	(271,900)	(271,900)	(271,900)	-
Fund Balance, End of Year	\$ (2,771,900)	\$ 1,989,447	\$ 5,461,949	\$ 3,472,502

City of Moreno Valley

Budgetary Comparison Schedule
Public Works Capital Projects
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ 8,834,706	\$ 2,885,308	\$ (5,949,398)
Charges for services	-	500,000	-	(500,000)
Miscellaneous	-	-	189,558	189,558
Total Revenues	-	9,334,706	3,074,866	(6,259,840)
Expenditures				
Capital outlay	2,010,000	21,920,608	5,132,338	16,788,270
Total Expenditures	2,010,000	21,920,608	5,132,338	16,788,270
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,010,000)	(12,585,902)	(2,057,472)	10,528,430
Other Financing Sources (Uses):				
Transfers out	-	(4,754,032)	(4,754,032)	-
Total Other Financing Sources (Uses)	-	(4,754,032)	(4,754,032)	-
Net Change in Fund Balances	(2,010,000)	(17,339,934)	(6,811,504)	10,528,430
Fund Balance, Beginning of Year as Restated	9,140,117	9,140,117	9,140,117	-
Fund Balance, End of Year	\$ 7,130,117	\$ (8,199,817)	\$ 2,328,613	\$ 10,528,430

City of Moreno Valley

Budgetary Comparison Schedule
 Fire Services Capital Projects
 Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Miscellaneous	\$ -	\$ -	\$ 142	\$ 142
Total Revenues	-	-	142	142
Expenditures				
Capital outlay	800,000	964,770	287,873	676,897
Total Expenditures	800,000	964,770	287,873	676,897
Excess (Deficiency) of Revenues Over (Under) Expenditures	(800,000)	(964,770)	(287,731)	677,039
Other Financing Sources (Uses):				
Transfers in	800,000	900,000	900,000	-
Transfers out	(383,000)	(383,000)	(383,000)	-
Total Other Financing Sources (Uses)	417,000	517,000	517,000	-
Net Change in Fund Balances	(383,000)	(447,770)	229,269	677,039
Fund Balance, Beginning of Year	377,772	377,772	377,772	-
Fund Balance, End of Year	\$ (5,228)	\$ (69,998)	\$ 607,041	\$ 677,039

City of Moreno Valley

Budgetary Comparison Schedule
 Towngate Capital / Administration
 Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures				
Current:				
Public works	\$ 188,400	\$ 188,400	\$ 177,536	\$ 10,864
Total Expenditures	188,400	188,400	177,536	10,864
Excess (Deficiency) of Revenues Over (Under) Expenditures	(188,400)	(188,400)	(177,536)	10,864
Other Financing Sources (Uses):				
Transfers in	188,400	188,400	177,536	(10,864)
Total Other Financing Sources (Uses)	188,400	188,400	177,536	(10,864)
Net Change in Fund Balances	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -

City of Moreno Valley

Budgetary Comparison Schedule
 Auto Mall Capital / Administration
 Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures				
Current:				
Public works	\$ 63,900	\$ 10,000	\$ 6,391	\$ 3,609
Total Expenditures	63,900	10,000	6,391	3,609
Excess (Deficiency) of Revenues Over (Under) Expenditures	(63,900)	(10,000)	(6,391)	3,609
Other Financing Sources (Uses):				
Transfers in	63,900	10,000	6,391	(3,609)
Total Other Financing Sources (Uses)	63,900	10,000	6,391	(3,609)
Net Change in Fund Balances	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -

City of Moreno Valley

Budgetary Comparison Schedule
Parks and Community Services Capital Projects
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures				
Capital outlay	\$ 1,308,000	\$ 3,069,389	\$ 481,413	\$ 2,587,976
Total Expenditures	1,308,000	3,069,389	481,413	2,587,976
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,308,000)	(3,069,389)	(481,413)	2,587,976
Other Financing Sources (Uses):				
Transfers in	1,308,000	1,308,000	1,308,000	-
Transfers out	(881,426)	(881,426)	(881,426)	-
Total Other Financing Sources (Uses)	426,574	426,574	426,574	-
Net Change in Fund Balances	(881,426)	(2,642,815)	(54,839)	2,587,976
Fund Balance, Beginning of Year	4,414,953	4,414,953	4,414,953	-
Fund Balance, End of Year	\$ 3,533,527	\$ 1,772,138	\$ 4,360,114	\$ 2,587,976

City of Moreno Valley

Budgetary Comparison Schedule
TUMF Capital Projects
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 5,300,000	\$ 6,929,676	\$ 364,929	\$ (6,564,747)
Total Revenues	5,300,000	6,929,676	364,929	(6,564,747)
Expenditures				
Capital outlay	3,500,000	7,180,031	378,328	6,801,703
Total Expenditures	3,500,000	7,180,031	378,328	6,801,703
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,800,000	(250,355)	(13,399)	236,956
Net Change in Fund Balances	1,800,000	(250,355)	(13,399)	236,956
Fund Balance, Beginning of Year	(199,951)	(199,951)	(199,951)	-
Fund Balance, End of Year	\$ 1,600,049	\$ (450,306)	\$ (213,350)	\$ 236,956

City of Moreno Valley

Budgetary Comparison Schedule
DIF Capital Projects
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 895,000	\$ 1,335,300	\$ 532,437	\$ (802,863)
Miscellaneous	1,000	1,000	1,567	567
Total Revenues	896,000	1,336,300	534,004	(802,296)
Expenditures				
Capital outlay	130,000	4,740,978	2,503,409	2,237,569
Total Expenditures	130,000	4,740,978	2,503,409	2,237,569
Excess (Deficiency) of Revenues Over (Under) Expenditures	766,000	(3,404,678)	(1,969,405)	1,435,273
Other Financing Sources (Uses):				
Transfers in	130,000	357,000	357,000	-
Transfers out	(220,000)	(220,000)	(220,000)	-
Total Other Financing Sources (Uses)	(90,000)	137,000	137,000	-
Net Change in Fund Balances	676,000	(3,267,678)	(1,832,405)	1,435,273
Fund Balance, Beginning of Year	4,828,226	4,828,226	4,828,226	-
Fund Balance, End of Year	\$ 5,504,226	\$ 1,560,548	\$ 2,995,821	\$ 1,435,273

City of Moreno Valley

Budgetary Comparison Schedule
 Lease Revenue Bonds 2005 Capital Projects
 Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures				
Capital outlay	\$ -	\$ 285,116	\$ 222,342	\$ 62,774
Total Expenditures	-	285,116	222,342	62,774
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(285,116)	(222,342)	62,774
Net Change in Fund Balances	-	(285,116)	(222,342)	62,774
Fund Balance, Beginning of Year	416,428	416,428	416,428	-
Fund Balance, End of Year	\$ 416,428	\$ 131,312	\$ 194,086	\$ 62,774

City of Moreno Valley

Budgetary Comparison Schedule
2007 Tax Allocation Bonds Capital Projects
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ -	\$ -	\$ 35,822	\$ 35,822
Total Revenues	-	-	35,822	35,822
Expenditures				
Current:				
Capital outlay	-	9,335,102	9,333,926	1,176
Total Expenditures	-	9,335,102	9,333,926	1,176
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(9,335,102)	(9,298,104)	36,998
Net Change in Fund Balances	-	(9,335,102)	(9,298,104)	36,998
Fund Balance, Beginning of Year	9,298,104	9,298,104	9,298,104	-
Fund Balance, End of Year	\$ 9,298,104	\$ (36,998)	\$ -	\$ 36,998

City of Moreno Valley

Budgetary Comparison Schedule
TRIP Capital Projects
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ -	\$ -	\$ 5,706	\$ 5,706
Miscellaneous	-	-	917	917
Total Revenues	-	-	6,623	6,623
Expenditures				
Capital outlay	-	18,067,390	1,439,489	16,627,901
Total Expenditures	-	18,067,390	1,439,489	16,627,901
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(18,067,390)	(1,432,866)	16,634,524
Other Financing Sources (Uses):				
Transfers out	-	(1,932,610)	(1,926,110)	6,500
Other debt issued	-	20,000,000	20,000,000	-
Total Other Financing Sources (Uses)	-	18,067,390	18,073,890	6,500
Net Change in Fund Balances	-	-	16,641,024	16,641,024
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ 16,641,024	\$ 16,641,024

City of Moreno Valley

Budgetary Comparison Schedule
Auto Mall Special Tax Bonds
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Other taxes	\$ 54,400	\$ -	\$ -	\$ -
Use of money and property	200	3	2	(1)
Contributions from Successor Agency	109,451	-	-	-
Total Revenues	164,051	3	2	(1)
Expenditures:				
Debt service:				
Principal retirement	15,000	105,000	105,000	-
Interest and fiscal charges	7,400	3,938	3,938	-
Total Expenditures	22,400	108,938	108,938	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	141,651	(108,935)	(108,936)	(1)
Other Financing Sources (Uses):				
Transfers in	-	190,176	190,176	-
Transfers out	(63,900)	(10,000)	(6,391)	3,609
Total Other Financing Sources (Uses)	(63,900)	180,176	183,785	3,609
Net Change in Fund Balances	77,751	71,241	74,849	3,608
Fund Balance, Beginning of Year	(74,849)	(74,849)	(74,849)	-
Fund Balance, End of Year	\$ 2,902	\$ (3,608)	\$ -	\$ 3,608

City of Moreno Valley

Budgetary Comparison Schedule
 Lease Revenue Bonds 2005 Debt Service
 Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ -	\$ -	\$ 313	\$ 313
Contributions from Successor Agency	594,773	-	-	-
Total Revenues	594,773	-	313	313
Expenditures:				
Current:				
General government	2,100	2,100	2,525	(425)
Debt service:				
Principal retirement	970,000	13,340,236	11,915,000	1,425,236
Interest and fiscal charges	1,670,800	1,748,634	1,724,040	24,594
Total Expenditures	2,642,900	15,090,970	13,641,565	1,449,405
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,048,127)	(15,090,970)	(13,641,252)	1,449,718
Other Financing Sources (Uses):				
Transfers in	2,053,200	14,719,296	13,191,230	(1,528,066)
Total Other Financing Sources (Uses)	2,053,200	14,719,296	13,191,230	(1,528,066)
Net Change in Fund Balances	5,073	(371,674)	(450,022)	(78,348)
Fund Balance, Beginning of Year	8,805,029	8,805,029	8,805,029	-
Fund Balance, End of Year	\$ 8,810,102	\$ 8,433,355	\$ 8,355,007	\$ (78,348)

City of Moreno Valley

Budgetary Comparison Schedule
2007 Towngate Improvement Refunding
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Other taxes	\$ 115,500	\$ 115,500	\$ 117,164	\$ 1,664
Use of money and property	100	100	59	(41)
Contributions from Successor Agency	277,181	277,181	277,181	-
Total Revenues	392,781	392,781	394,404	1,623
Expenditures:				
Debt service:				
Principal retirement	220,000	220,000	220,000	-
Interest and fiscal charges	135,100	135,100	135,009	91
Total Expenditures	355,100	355,100	355,009	91
Excess (Deficiency) of Revenues Over (Under) Expenditures	37,681	37,681	39,395	1,714
Other Financing Sources (Uses):				
Transfers out	(33,800)	(33,800)	(30,972)	2,828
Total Other Financing Sources (Uses)	(33,800)	(33,800)	(30,972)	2,828
Net Change in Fund Balances	3,881	3,881	8,423	4,542
Fund Balance, Beginning of Year	839,054	839,054	839,054	-
Fund Balance, End of Year	\$ 842,935	\$ 842,935	\$ 847,477	\$ 4,542

City of Moreno Valley

Budgetary Comparison Schedule
2007 Towngate Refunding
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ 300	\$ 300	\$ 231	\$ (69)
Contributions from Successor Agency	1,182,347	1,182,347	1,182,347	-
Total Revenues	1,182,647	1,182,647	1,182,578	(69)
Expenditures:				
Debt service:				
Principal retirement	700,000	700,000	700,000	-
Interest and fiscal charges	311,000	311,000	310,906	94
Total Expenditures	1,011,000	1,011,000	1,010,906	94
Excess (Deficiency) of Revenues Over (Under) Expenditures	171,647	171,647	171,672	25
Other Financing Sources (Uses):				
Transfers out	(154,600)	(154,600)	(146,564)	8,036
Total Other Financing Sources (Uses)	(154,600)	(154,600)	(146,564)	8,036
Net Change in Fund Balances	17,047	17,047	25,108	8,061
Fund Balance, Beginning of Year	2,769,048	2,769,048	2,769,048	-
Fund Balance, End of Year	\$ 2,786,095	\$ 2,786,095	\$ 2,794,156	\$ 8,061

City of Moreno Valley

Budgetary Comparison Schedule
 2011 Priv Placement Ref 97 Lease Rev Bonds
 Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Contributions from Successor Agency	\$ 150,000	\$ 150,000	\$ 150,000	\$ -
Total Revenues	150,000	150,000	150,000	-
Expenditures:				
Debt service:				
Principal retirement	234,000	234,000	234,000	-
Interest and fiscal charges	106,400	106,400	106,346	54
Total Expenditures	340,400	340,400	340,346	54
Excess (Deficiency) of Revenues Over (Under) Expenditures	(190,400)	(190,400)	(190,346)	54
Other Financing Sources (Uses):				
Transfers in	190,400	190,400	190,346	(54)
Total Other Financing Sources (Uses)	190,400	190,400	190,346	(54)
Net Change in Fund Balances	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -

City of Moreno Valley

Budgetary Comparison Schedule
 2011 Priv Placement Ref 97 COPs
 Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Debt service:				
Principal retirement	\$ 710,500	\$ 710,500	\$ 710,500	\$ -
Interest and fiscal charges	76,500	76,500	76,409	91
Total Expenditures	787,000	787,000	786,909	91
Excess (Deficiency) of Revenues Over (Under) Expenditures	(787,000)	(787,000)	(786,909)	91
Other Financing Sources (Uses):				
Transfers in	787,000	787,000	786,909	(91)
Total Other Financing Sources (Uses)	787,000	787,000	786,909	(91)
Net Change in Fund Balances	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -

City of Moreno Valley

Budgetary Comparison Schedule
 TRIP COP 13A Debt Service
 Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ -	\$ -	\$ 5	\$ 5
Total Revenues	<u>-</u>	<u>-</u>	<u>5</u>	<u>5</u>
Expenditures:				
Current:				
Public works	-	-	2,268	(2,268)
Debt service:				
Interest and fiscal charges	-	748,992	748,992	-
Bond issuance costs	-	798,399	656,950	141,449
Total Expenditures	<u>-</u>	<u>1,547,391</u>	<u>1,408,210</u>	<u>139,181</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(1,547,391)</u>	<u>(1,408,205)</u>	<u>139,186</u>
Other Financing Sources (Uses):				
Transfers in	-	1,547,391	1,543,154	(4,237)
Bond premium/(discount)	-	-	(134,949)	(134,949)
Total Other Financing Sources (Uses)	<u>-</u>	<u>1,547,391</u>	<u>1,408,205</u>	<u>(139,186)</u>
Net Change in Fund Balances	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Moreno Valley

Budgetary Comparison Schedule
 2013 Refunding 2005 Lease Revenue Bonds
 Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Debt service:				
Interest and fiscal charges	\$ -	\$ 167,666	\$ 167,665	\$ 1
Bond issuance costs	-	245,442	239,010	6,432
Total Expenditures	-	413,108	406,675	6,433
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(413,108)	(406,675)	6,433
Other Financing Sources (Uses):				
Transfers out	-	(12,615,736)	(11,087,670)	1,528,066
Refunding bonds issued	-	12,861,178	10,454,230	(2,406,948)
Bond premium/(discount)	-	-	1,040,115	1,040,115
Total Other Financing Sources (Uses)	-	245,442	406,675	161,233
Net Change in Fund Balances	-	(167,666)	-	167,666
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	\$ -	\$ (167,666)	\$ -	\$ 167,666

City of Moreno Valley

Budgetary Comparison Schedule
 Celebration Park Endowment
 Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ 1,000	\$ 1,000	\$ 1,092	\$ 92
Total Revenues	1,000	1,000	1,092	92
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,000	1,000	1,092	92
Net Change in Fund Balances	1,000	1,000	1,092	92
Fund Balance, Beginning of Year	60,252	60,252	60,252	-
Fund Balance, End of Year	\$ 61,252	\$ 61,252	\$ 61,344	\$ 92

City of Moreno Valley

Budgetary Comparison Schedule
Equestrian Trail Endowment
Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ 200	\$ 200	\$ 217	\$ 17
Total Revenues	200	200	217	17
Expenditures:				
Current:				
Community and cultural	-	-	429	(429)
Total Expenditures	-	-	429	(429)
Excess (Deficiency) of Revenues Over (Under) Expenditures	200	200	(212)	(412)
Net Change in Fund Balances	200	200	(212)	(412)
Fund Balance, Beginning of Year	12,191	12,191	12,191	-
Fund Balance, End of Year	\$ 12,391	\$ 12,391	\$ 11,979	\$ (412)

City of Moreno Valley

Budgetary Comparison Schedule
 Rockridge Endowment
 Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ 1,800	\$ 1,800	\$ 2,008	\$ 208
Total Revenues	1,800	1,800	2,008	208
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,800	1,800	2,008	208
Net Change in Fund Balances	1,800	1,800	2,008	208
Fund Balance, Beginning of Year	104,334	104,334	104,334	-
Fund Balance, End of Year	\$ 106,134	\$ 106,134	\$ 106,342	\$ 208

City of Moreno Valley

Budgetary Comparison Schedule
 NPDES Endowment
 Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ -	\$ -	\$ 369	\$ 369
Contributions	-	-	17,576	17,576
Total Revenues	-	-	17,945	17,945
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	17,945	17,945
Other Financing Sources (Uses):				
Transfers out	-	(653)	(653)	-
Total Other Financing Sources (Uses)	-	(653)	(653)	-
Net Change in Fund Balances	-	(653)	17,292	17,945
Fund Balance, Beginning of Year	14,869	14,869	14,869	-
Fund Balance, End of Year	\$ 14,869	\$ 14,216	\$ 32,161	\$ 17,945

City of Moreno Valley

Budgetary Comparison Schedule
 Cultural Preservation Fund
 Year Ended June 30, 2014

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ -	\$ -	\$ 2,455	\$ 2,455
Miscellaneous	-	114,542	114,542	-
Total Revenues	-	114,542	116,997	2,455
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	114,542	116,997	2,455
Net Change in Fund Balances	-	114,542	116,997	2,455
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	\$ -	\$ 114,542	\$ 116,997	\$ 2,455



COMPREHENSIVE ANNUAL FINANCIAL REPORT



Fiscal Year
Ended June 30, 2014

Item No. A.7



INTERNAL SERVICE FUNDS

General Liability Insurance Fund

This fund is used to account for the costs of maintaining the City's general liability insurance program, on a reimbursement basis through charges to benefiting funds; and maintaining responsible reserves based on current actuarial assumptions.

Worker's Compensation Insurance Fund

This fund is used to account for the costs of maintaining the City worker's compensation insurance program, on a reimbursement basis through charges to benefiting funds; and maintaining responsible reserves based on current actuarial assumptions.

Technology Service Fund

This fund is used to account for the costs of maintaining and replacing the City's information systems including major software, hardware, radios, telephones, and the City's backbone telecommunications infrastructure. The fund recovers costs through charges to benefiting funds.

Facilities Maintenance Fund

This fund is used to account for the costs of maintaining all City-owned and leased buildings. Its user charges include the recovery of both depreciation on the City Hall building and debt service on the 1997 variable rate Certificates of Participation originally issued in 1995 to finance the acquisition of the building.

Equipment Maintenance Fund

This fund is used to account for the maintenance costs of the City's inventory of vehicles and equipment, on a cost reimbursement basis through user charges to benefiting funds.

Equipment Replacement Reserve Fund

This fund is used to account for the accumulation of cash reserves to replace City vehicles and capital equipment, based on replacement cost and useful life. The reserve receives cash through user charges for each fund's share of annual depreciation; and provides cash as a funding source to participating funds for capital replacement.

City of Moreno Valley

Combining Statement of Net Position
Internal Service Funds
June 30, 2014

	General Liability Insurance	Workers' Compensation Insurance	Technology Services	Facilities Maintenance
Assets:				
Current:				
Pooled cash and investments	\$ 1,630,611	\$ 4,531,183	\$ 9,352,389	\$ 5,371,019
Receivables:				
Accounts	-	-	-	162
Prepaid costs	-	-	-	1,922
Inventories	-	-	-	28,371
Total Current Assets	1,630,611	4,531,183	9,352,389	5,401,474
Noncurrent:				
Capital assets - net of accumulated depreciation	-	-	3,559,000	10,657,597
Total Noncurrent Assets	-	-	3,559,000	10,657,597
Total Assets	\$ 1,630,611	\$ 4,531,183	\$ 12,911,389	\$ 16,059,071
Liabilities and Net Position:				
Liabilities:				
Current:				
Accounts payable	\$ 6,462	\$ 6,268	\$ 99,414	\$ 176,816
Compensated absences	4,674	1,390	349,970	92,851
Self-insurance payable	321,000	387,000	-	-
Total Current Liabilities	332,136	394,658	449,384	269,667
Noncurrent:				
Compensated absences	3,116	927	233,313	61,901
Self-insurance payable	350,000	1,036,000	-	-
Total Noncurrent Liabilities	353,116	1,036,927	233,313	61,901
Total Liabilities	685,252	1,431,585	682,697	331,568
Net Position:				
Investment in capital assets	-	-	3,559,000	10,657,597
Unrestricted	945,359	3,099,598	8,669,692	5,069,906
Total Net Position	945,359	3,099,598	12,228,692	15,727,503
Total Liabilities and Net Position	\$ 1,630,611	\$ 4,531,183	\$ 12,911,389	\$ 16,059,071

Equipment Maintenance	Equipment Replacement Reserve	Totals
\$ 176,219	\$ 20,278,917	\$ 41,340,338
-	-	162
-	-	1,922
11,369	-	39,740
187,588	20,278,917	41,382,162
11,791	37,381	14,265,769
11,791	37,381	14,265,769
\$ 199,379	\$ 20,316,298	\$ 55,647,931
\$ 39,505	\$ -	\$ 328,465
11,819	-	460,704
-	-	708,000
51,324	-	1,497,169
7,879	-	307,136
-	-	1,386,000
7,879	-	1,693,136
59,203	-	3,190,305
11,791	37,381	14,265,769
128,385	20,278,917	38,191,857
140,176	20,316,298	52,457,626
\$ 199,379	\$ 20,316,298	\$ 55,647,931

Assets:

Current:

Pooled cash and investments

Receivables:

Accounts

Prepaid costs

Inventories

Total Current Assets

Noncurrent:

Capital assets - net of accumulated depreciation

Total Noncurrent Assets

Total Assets

Liabilities and Net Position:

Liabilities:

Current:

Accounts payable

Compensated absences

Self-insurance payable

Total Current Liabilities

Noncurrent:

Compensated absences

Self-insurance payable

Total Noncurrent Liabilities

Total Liabilities

Net Position:

Net investment in capital assets

Unrestricted

Total Net Position

Total Liabilities and Net Position

City of Moreno Valley

Combining Statement of Revenues, Expenses
and Changes in Fund Net Position
Internal Service Funds
Year Ended June 30, 2014

	<u>General Liability Insurance</u>	<u>Workers' Compensation Insurance</u>	<u>Technology Services</u>	<u>Facilities Maintenance</u>
Operating Revenues:				
Sales and service charges	\$ 793,154	\$ 785,600	\$ 3,762,700	\$ 4,342,550
Miscellaneous	11,922	-	14,602	8,268
Total Operating Revenues	805,076	785,600	3,777,302	4,350,818
Operating Expenses:				
Cost of services	435,459	135,264	3,820,194	3,190,736
Depreciation expense	-	-	569,090	298,535
Self-insurance claims and charges	668,901	180,857	-	-
Total Operating Expenses	1,104,360	316,121	4,389,284	3,489,271
Operating Income (Loss)	(299,284)	469,479	(611,982)	861,547
Nonoperating Revenues (Expenses):				
Gain (loss) on disposal of capital assets	-	-	(5,336)	(404)
Total Nonoperating Revenues (Expenses)	-	-	(5,336)	(404)
Income (Loss) Before Transfers and Contributions	(299,284)	469,479	(617,318)	861,143
Transfers in	-	-	1,834,813	490,815
Transfers out	(43,950)	(4,500)	-	(915,972)
Changes in Net Position	(343,234)	464,979	1,217,495	435,986
Net Position:				
Beginning of Year	1,288,593	2,634,619	11,011,197	15,291,517
End of Year	\$ 945,359	\$ 3,099,598	\$ 12,228,692	\$ 15,727,503

<u>Equipment Maintenance</u>	<u>Equipment Replacement Reserve</u>	<u>Totals</u>	
\$ 724,414	\$ 2,762,666	\$ 13,171,084	Operating Revenues:
659	-	35,451	Sales and service charges
725,073	2,762,666	13,206,535	Miscellaneous
			Total Operating Revenues
754,545	-	8,336,198	Operating Expenses:
2,948	45,030	915,603	Cost of services
-	-	849,758	Depreciation expense
757,493	45,030	10,101,559	Self-insurance claims and charges
			Total Operating Expenses
(32,420)	2,717,636	3,104,976	Operating Income (Loss)
			Nonoperating Revenues (Expenses):
-	(31,375)	(37,115)	Gain (loss) on disposal of capital assets
-	(31,375)	(37,115)	Total Nonoperating Revenues (Expenses)
(32,420)	2,686,261	3,067,861	Income (Loss) Before Transfers and Contributions
-	-	2,325,628	Transfers in
-	(3,147,088)	(4,111,510)	Transfers out
(32,420)	(460,827)	1,281,979	Changes in Net Position
172,596	20,777,125	51,175,647	Net Position:
			Beginning of Year
\$ 140,176	\$ 20,316,298	\$ 52,457,626	End of Year

City of Moreno Valley

Combining Statement of Cash Flows
Internal Service Funds
Year Ended June 30, 2014

	General Liability Insurance	Workers' Compensation Insurance	Technology Services	Facilities Maintenance
Cash Flows from Operating Activities:				
Cash received from customers	\$ 805,076	\$ 785,600	\$ 3,777,302	\$ 4,350,868
Cash paid to suppliers for goods and services	(267,674)	(84,451)	(2,245,971)	(2,544,945)
Cash paid for claims	(560,901)	(302,857)	-	-
Cash paid to employees for services	(186,779)	(43,195)	(2,046,562)	(803,511)
Net Cash Provided (Used) by Operating Activities	(210,278)	355,097	(515,231)	1,002,412
Cash Flows from Non-Capital Financing Activities:				
Cash transfers in	-	-	1,834,813	490,815
Cash transfers out	(43,950)	(4,500)	-	(915,972)
Net Cash Provided (Used) by Non-Capital Financing Activities	(43,950)	(4,500)	1,834,813	(425,157)
Cash Flows from Capital and Related Financing Activities:				
Acquisition and construction of capital assets	-	-	(721,424)	(586,112)
Net Cash Provided (Used) by Capital and Related Financing Activities	-	-	(721,424)	(586,112)
Net Increase (Decrease) in Cash and Cash Equivalents	(254,228)	350,597	598,158	(8,857)
Cash and Cash Equivalents at Beginning of Year	1,884,839	4,180,586	8,754,231	5,379,876
Cash and Cash Equivalents at End of Year	\$ 1,630,611	\$ 4,531,183	\$ 9,352,389	\$ 5,371,019
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	\$ (299,284)	\$ 469,479	\$ (611,982)	\$ 861,547
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:				
Depreciation	-	-	569,090	298,535
(Increase) decrease in accounts receivable	-	-	-	50
(Increase) decrease in prepaid costs	-	-	-	3,877
(Increase) decrease in inventories	-	-	-	871
Increase (decrease) in accounts payable	(24,688)	6,107	(474,922)	(207,686)
Increase (decrease) in accrued liabilities	(2,096)	(806)	(38,132)	(14,701)
Increase (decrease) in self-insurance payable	108,000	(122,000)	-	-
Increase (decrease) in compensated absences	7,790	2,317	40,715	59,919
Total Adjustments	89,006	(114,382)	96,751	140,865
Net Cash Provided (Used) by Operating Activities	\$ (210,278)	\$ 355,097	\$ (515,231)	\$ 1,002,412

Non-Cash Investing, Capital, and Financing Activities:

There was no noncash investing, capital or noncapital financing activities for the year ended June 30, 2014.

Equipment Maintenance	Equipment Replacement Reserve	Totals
\$ 725,073	\$ 2,762,666	\$ 13,206,585
(549,672)	-	(5,692,713)
-	-	(863,758)
(214,855)	-	(3,294,902)
(39,454)	2,762,666	3,355,212
-	-	2,325,628
-	(3,147,088)	(4,111,510)
-	(3,147,088)	(1,785,882)
-	-	(1,307,536)
-	-	(1,307,536)
(39,454)	(384,422)	261,794
215,673	20,663,339	41,078,544
\$ 176,219	\$ 20,278,917	\$ 41,340,338
\$ (32,420)	\$ 2,717,636	\$ 3,104,976
2,948	45,030	915,603
-	-	50
-	-	3,877
2,025	-	2,896
(10,760)	-	(711,949)
(4,564)	-	(60,299)
-	-	(14,000)
3,317	-	114,058
(7,034)	45,030	250,236
\$ (39,454)	\$ 2,762,666	\$ 3,355,212

Cash Flows from Operating Activities:

Cash received from customers
Cash paid to suppliers for goods and services
Cash paid for claims
Cash paid to employees for services

Net Cash Provided (Used) by Operating Activities

Cash Flows from Non-Capital Financing Activities:

Cash transfers in
Cash transfers out

Net Cash Provided (Used) by Non-Capital Financing Activities

Cash Flows from Capital and Related Financing Activities:

Acquisition and construction of capital assets

Net Cash Provided (Used) by Capital and Related Financing Activities

Net Increase (Decrease) in Cash and Cash Equivalents

Cash and Cash Equivalents at Beginning of Year

Cash and Cash Equivalents at End of Year

Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:

Operating income (loss)
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:

Depreciation
(Increase) decrease in accounts receivable
(Increase) decrease in prepaid costs
(Increase) decrease in inventories
Increase (decrease) in accounts payable
Increase (decrease) in accrued liabilities
Increase (decrease) in self-insurance payable
Increase (decrease) in compensated absences

**Total Adjustments
Net Cash Provided (Used) by Operating Activities**



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AGENCY FUNDS

Deposit Liability Fund

This fund is used to account for miscellaneous deposits collected by the City.

Assessment District 87-4 Fund

This fund is used to account for the receipt and remittance of special assessments for the Assessment District 87-4 Limited Obligation Improvement Bonds. The bonds are not secured by the general taxing power of the City, the State of California or any other political subdivision thereof, and neither the City nor the State, nor any potential subdivision thereof, has pledged its full faith and credit for the payment thereof.

Assessment District 98-1 Fund

This fund is used to account for the receipt and remittance of special assessments for the Assessment District 98-1 Limited Obligation Improvement Bonds. The bonds are not secured by the general taxing power of the City, the State of California or any other political subdivision thereof, and neither the City nor the State, nor any potential subdivision thereof, has pledged its full faith and credit for the payment thereof.

TUMF Trust Fund

This fund is used to account for the receipt of the Transportation Uniform Mitigation Fees (TUMF) and their remittance to the Western Riverside Council of Governments (WRCOG).

MSHCP Trust Fund

This fund is used to account for the receipt of the Multi-Species Habitat Conservation Plan (MSHCP) fees and their remittance to the Western Riverside County Regional Authority (WRCRCA).

Moreno Valley Foundation Donations Fund

This fund is being used on a temporary basis to account for the receipts and disbursements of the Moreno Valley Community Foundation until such time that the Foundation is officially cleared by the Internal Revenue Service to become operational as a tax-exempt 501(c)3 organization.

CFD #5 Stoneridge Fund

This fund is used to account for the receipt and remittance of special taxes for the CFD #5 Stoneridge Special Tax Bonds. The bonds are not secured by the general taxing power of the City, the State of California or any other political subdivision thereof, and neither the City nor the State, nor any potential subdivision thereof, has pledged its full faith and credit for the payment thereof.

Riverside County Flood Control and Water Conservation District Fund

This fund is used to account for receipt and disbursements of the District's tax increment for flood control improvement projects.

Arts Commission Fund

This fund is used to account for funds received to encourage, stimulate, promote and foster programs for the cultural enrichment of the City, thereby contributing to the quality of life of its residents. This fund also accounts for funding received to develop an awareness of the value of arts in Moreno Valley's business community, local government and the general public.

City of Moreno Valley

Combining Balance Sheet
All Agency Funds
June 30, 2014

	<u>Deposit Liability</u>	<u>Assessment District 87-4</u>	<u>Assessment District 98-1</u>	<u>TUMF Trust</u>	<u>MSHCP Trust</u>
Assets:					
Pooled cash and investments	\$ 4,023,826	\$ -	\$ 2,704	\$ 141,968	\$ 11,628
Restricted assets:					
Cash with fiscal agents	-	-	-	-	-
Total Assets	<u>\$ 4,023,826</u>	<u>\$ -</u>	<u>\$ 2,704</u>	<u>\$ 141,968</u>	<u>\$ 11,628</u>
Liabilities:					
Accounts payable	\$ 30,766	\$ -	\$ 2,704	\$ 141,968	\$ 11,628
Deposits payable	3,993,060	-	-	-	-
Payable to trustee	-	-	-	-	-
Total Liabilities	<u>\$ 4,023,826</u>	<u>\$ -</u>	<u>\$ 2,704</u>	<u>\$ 141,968</u>	<u>\$ 11,628</u>

Moreno Valley Foundation Donations	CFD # 5 Stoneridge	Riverside County Flood Control and Water Conservation District	Arts Commission	Totals	
\$ 221,650	\$ 22,500	\$ 447,054	\$ 2,597	\$ 4,873,927	Assets:
-	749,308	-	-	749,308	Pooled cash and investments
\$ 221,650	\$ 771,808	\$ 447,054	\$ 2,597	\$ 5,623,235	Restricted assets: Cash with fiscal agents
					Total Assets
\$ -	\$ -	\$ -	\$ 27	\$ 187,093	Liabilities:
-	-	-	-	3,993,060	Accounts payable
221,650	771,808	447,054	2,570	1,443,082	Deposits payable
\$ 221,650	\$ 771,808	\$ 447,054	\$ 2,597	\$ 5,623,235	Payable to trustee
					Total Liabilities

City of Moreno Valley

Combining Statement of Changes in Assets and Liabilities
All Agency Funds
Year Ended June 30, 2014

	<u>Balance 7/1/2013</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 6/30/2014</u>
<u>Deposit Liability</u>				
Assets:				
Pooled cash and investments	\$ 4,119,614	\$ 2,178,470	\$ 2,274,258	\$ 4,023,826
Total Assets	<u>\$ 4,119,614</u>	<u>\$ 2,178,470</u>	<u>\$ 2,274,258</u>	<u>\$ 4,023,826</u>
Liabilities:				
Accounts payable	\$ 12,747	\$ 960,805	\$ 942,786	\$ 30,766
Deposits payable	4,106,867	2,178,470	2,292,277	3,993,060
Total Liabilities	<u>\$ 4,119,614</u>	<u>\$ 3,139,275</u>	<u>\$ 3,235,063</u>	<u>\$ 4,023,826</u>
<u>Assessment District 87-4</u>				
Assets:				
Pooled cash and investments	\$ 105,577	\$ 93	\$ 105,670	\$ -
Due from other governments	93	-	93	-
Total Assets	<u>\$ 105,670</u>	<u>\$ 93</u>	<u>\$ 105,763</u>	<u>\$ -</u>
Liabilities:				
Payable to trustee	\$ 105,670	\$ -	\$ 105,670	\$ -
Total Liabilities	<u>\$ 105,670</u>	<u>\$ -</u>	<u>\$ 105,670</u>	<u>\$ -</u>
<u>Assessment District 98-1</u>				
Assets:				
Pooled cash and investments	\$ 2,649	\$ 55	\$ -	\$ 2,704
Total Assets	<u>\$ 2,649</u>	<u>\$ 55</u>	<u>\$ -</u>	<u>\$ 2,704</u>
Liabilities:				
Accounts payable	\$ -	\$ 2,704	\$ -	\$ 2,704
Payable to trustee	2,649	55	2,704	-
Total Liabilities	<u>\$ 2,649</u>	<u>\$ 2,759</u>	<u>\$ 2,704</u>	<u>\$ 2,704</u>
<u>TUMF Trust</u>				
Assets:				
Pooled cash and investments	\$ -	\$ 2,455,556	\$ 2,313,588	\$ 141,968
Total Assets	<u>\$ -</u>	<u>\$ 2,455,556</u>	<u>\$ 2,313,588</u>	<u>\$ 141,968</u>
Liabilities:				
Accounts payable	\$ -	\$ 2,455,556	\$ 2,313,588	\$ 141,968
Total Liabilities	<u>\$ -</u>	<u>\$ 2,455,556</u>	<u>\$ 2,313,588</u>	<u>\$ 141,968</u>
<u>MSHCP Trust</u>				
Assets:				
Pooled cash and investments	\$ 23,256	\$ 2,275,137	\$ 2,286,765	\$ 11,628
Total Assets	<u>\$ 23,256</u>	<u>\$ 2,275,137</u>	<u>\$ 2,286,765</u>	<u>\$ 11,628</u>
Liabilities:				
Accounts payable	\$ 23,256	\$ 2,275,137	\$ 2,286,765	\$ 11,628
Total Liabilities	<u>\$ 23,256</u>	<u>\$ 2,275,137</u>	<u>\$ 2,286,765</u>	<u>\$ 11,628</u>

City of Moreno Valley

Combining Statement of Changes in Assets and Liabilities
All Agency Funds
Year Ended June 30, 2014

	Balance 7/1/2013	Additions	Deductions	Balance 6/30/2014
<u>Moreno Valley Foundation Donations</u>				
Assets:				
Pooled cash and investments	\$ 221,650	\$ -	\$ -	\$ 221,650
Total Assets	\$ 221,650	\$ -	\$ -	\$ 221,650
Liabilities:				
Payable to trustee	\$ 221,650	\$ -	\$ -	\$ 221,650
Total Liabilities	\$ 221,650	\$ -	\$ -	\$ 221,650
<u>CFD # 5 Stoneridge</u>				
Assets:				
Pooled cash and investments	\$ -	\$ 473,068	\$ 450,568	\$ 22,500
Restricted assets:				
Cash and investments with fiscal agents	763,813	423,041	437,546	749,308
Total Assets	\$ 763,813	\$ 896,109	\$ 888,114	\$ 771,808
Liabilities:				
Due to other governments	\$ 4,116	\$ -	\$ 4,116	\$ -
Payable to trustee	759,697	396,624	384,513	771,808
Total Liabilities	\$ 763,813	\$ 396,624	\$ 388,629	\$ 771,808
<u>Riverside County Flood Control and Water Conservation District</u>				
Assets:				
Pooled cash and investments	\$ 455,446	\$ -	\$ 8,392	\$ 447,054
Total Assets	\$ 455,446	\$ -	\$ 8,392	\$ 447,054
Liabilities:				
Payable to trustee	\$ 455,446	\$ -	\$ 8,392	\$ 447,054
Total Liabilities	\$ 455,446	\$ -	\$ 8,392	\$ 447,054
<u>Arts Commission</u>				
Assets:				
Pooled cash and investments	\$ 4,968	\$ 310	\$ 2,681	\$ 2,597
Total Assets	\$ 4,968	\$ 310	\$ 2,681	\$ 2,597
Liabilities:				
Accounts payable	\$ -	\$ 1,210	\$ 1,183	\$ 27
Payable to trustee	4,968	-	2,398	2,570
Total Liabilities	\$ 4,968	\$ 1,210	\$ 3,581	\$ 2,597
<u>Totals - All Agency Funds</u>				
Assets:				
Pooled cash and investments	\$ 4,933,160	\$ 7,382,689	\$ 7,441,922	\$ 4,873,927
Due from other governments	93	-	93	-
Restricted assets:				
Cash and investments with fiscal agents	763,813	423,041	437,546	749,308
Total Assets	\$ 5,697,066	\$ 7,805,730	\$ 7,879,561	\$ 5,623,235
Liabilities:				
Accounts payable	\$ 36,003	\$ 5,695,412	\$ 5,544,322	\$ 187,093
Deposits payable	4,106,867	2,178,470	2,292,277	3,993,060
Due to other governments	4,116	-	4,116	-
Payable to trustee	1,550,080	396,679	503,677	1,443,082
Total Liabilities	\$ 5,697,066	\$ 8,270,561	\$ 8,344,392	\$ 5,623,235



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**City of Moreno Valley
Schedule of General Capital Assets
By Function and Activity
June 30, 2014**

Function and Activity:	<u>Land</u>	<u>CIP</u>	<u>Buildings and Improvements</u>	<u>Furniture and Equipment</u>
General Government				
City Manager	\$ -	\$ -	\$ -	\$ 773,300
City Clerk	-	-	-	319,048
Administrative Services	590,127	-	-	89,705
Finance	55,204,836	-	18,996,277	1,328,099
Total General Government	<u>55,794,963</u>	<u>-</u>	<u>18,996,277</u>	<u>2,510,152</u>
Public Safety				
Police	1,030,444	-	11,787,424	1,341,853
Fire	1,457,861	-	28,205,362	541,768
Total Public Safety	<u>2,488,305</u>	<u>-</u>	<u>39,992,786</u>	<u>1,883,621</u>
Public Works	251,134,384	24,499,898	-	1,169,056
Community & Economic Development	-	-	5,965,157	132,501
Community Services District	779,584	1,054,137	50,514,544	2,599,873
Internal Service Funds	-	186,937	14,613,180	9,281,165
Grand Total	<u>\$ 310,197,236</u>	<u>\$ 25,740,972</u>	<u>\$ 130,081,944</u>	<u>\$ 17,576,368</u>

<u>Vehicles</u>	<u>Infrastructure</u>	<u>Total</u>	Function and Activity:
\$ 99,428	\$ -	\$ 872,728	General Government
-	-	319,048	City Manager
82,896	-	762,728	City Clerk
760,379	9,933,571	86,223,162	Administrative Services
<u>942,703</u>	<u>9,933,571</u>	<u>88,177,666</u>	Finance
			Total General Government
1,151,752	-	15,311,473	Public Safety
2,182,501	-	32,387,492	Police
<u>3,334,253</u>	<u>-</u>	<u>47,698,965</u>	Fire
			Total Public Safety
3,023,173	771,869,229	1,051,695,740	Public Works
446,156	-	6,543,814	Community & Economic Development
864,722	101,457	55,914,317	Community Services District
666,542	253,113	25,000,937	Internal Service Funds
<u>\$ 9,277,549</u>	<u>\$ 782,157,370</u>	<u>\$ 1,275,031,439</u>	Grand Total



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This part of the City of Moreno Valley's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<u>Contents</u>	<u>Page #</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	179
Revenue Capacity These schedules contain information to help the reader assess the factors affecting the City's ability to generate its key revenues.	184
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	190
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and help make comparisons over time and with other governments.	195
Operating Information These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	197

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented Statement 34 in 2003.



City of Moreno Valley
Net Position by Component,
Last ten fiscal years
(accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities										
Net investment in capital assets	\$ 475,642,146	\$ 523,083,597	\$ 594,870,636	\$ 622,102,140	\$704,987,685	\$ 768,345,954	\$ 784,881,452	\$ 757,856,437	\$ 812,637,341	\$ 841,259,763
Restricted for:										
Community development projects	6,404,249	10,076,376	-	41,908,201	19,960,752	36,341,964	7,079,640	37,716,605	38,269,946	47,104,275
Community and cultural	-	-	-	8,259,181	-	8,368,534	8,968,479	10,880,981	12,219,506	13,201,156
Public safety	2,649,176	1,655,374	973,667	663,854	280,107	2,103,241	644,786	626,545	328,561	328,236
Public works/capital projects	47,442,301	60,687,985	66,493,508	79,745,801	71,335,816	61,365,635	109,095,517	27,654,589	40,264,691	56,388,219
Debt service	21,673,132	12,985,998	12,538,629	7,291,425	17,373,369	15,818,072	12,867,643	11,956,354	12,413,131	11,996,640
Other Programs	-	-	14,863,573	3,598,110	11,731,764	2,545,781	301,868	170,051	311,702	538,101
Permanent funds-nonexpendable	-	59,359	62,537	64,692	66,436	169,287	170,162	188,335	191,646	328,823
Unrestricted	46,215,255	73,846,697	101,941,651	104,545,617	69,630,581	46,594,052	24,461,651	95,014,503	91,359,292	70,552,111
Total Governmental activities net position	<u>\$ 600,026,259</u>	<u>\$ 682,395,386</u>	<u>\$ 791,744,201</u>	<u>\$ 868,179,021</u>	<u>\$ 895,366,510</u>	<u>\$ 941,652,520</u>	<u>\$ 948,471,198</u>	<u>\$ 942,064,400</u>	<u>\$ 1,007,995,816</u>	<u>\$ 1,041,697,324</u>
Business-type activities										
Net investment in capital assets	\$ 1,815,311	\$ 18,151,135	\$ 14,130,659	\$ 14,110,399	\$ 10,083,679	\$ 12,201,754	\$ 13,942,981	\$ 8,396,845	\$ 9,052,878	\$ 9,569,296
Restricted										
Regulatory contingencies	-	-	1,604,444	948,207	1,767,402	1,158,200	1,702,037	2,520,912	3,444,969	3,903,663
Unrestricted	(799,941)	(3,713,053)	(634,406)	(2,252,565)	(4,023,374)	(4,520,034)	(5,623,674)	(413,445)	(652,825)	260,457
Total Business-type activities net position	<u>\$ 1,015,370</u>	<u>\$ 14,438,082</u>	<u>\$ 15,100,697</u>	<u>\$ 12,806,041</u>	<u>\$ 7,827,707</u>	<u>\$ 8,839,920</u>	<u>\$ 10,021,344</u>	<u>\$ 10,504,312</u>	<u>\$ 11,845,022</u>	<u>\$ 13,733,416</u>
Primary government										
Net investment in capital assets	\$ 477,457,457	\$ 541,234,732	\$ 609,001,295	\$ 636,212,539	\$ 715,071,364	\$ 780,547,708	\$ 798,824,433	\$ 766,253,282	\$ 821,690,219	\$ 850,829,059
Restricted for:										
Community development projects	6,404,249	10,076,376	-	41,908,201	19,960,752	36,341,964	7,079,640	37,716,605	38,269,946	47,104,275
Community and cultural	-	-	-	8,259,181	-	8,368,534	8,968,479	10,880,981	12,219,506	13,201,156
Public safety	2,649,176	1,655,374	973,667	663,854	280,107	2,103,241	644,786	626,545	328,561	328,236
Public works/capital projects	47,442,301	60,687,985	66,493,508	79,745,801	71,335,816	61,365,635	109,095,517	27,654,589	40,264,691	56,388,219
Debt service	21,673,132	12,985,998	12,538,629	7,291,425	17,373,369	15,818,072	12,867,643	11,956,354	12,413,131	11,996,640
Other Programs	-	-	14,863,573	3,598,110	11,731,764	2,545,781	301,868	170,051	311,702	538,101
Permanent funds-nonexpendable	-	59,359	62,537	64,692	66,436	169,287	170,162	188,335	191,646	328,823
Regulatory contingencies	-	-	1,604,444	948,207	1,767,402	1,158,200	1,702,037	2,520,912	3,444,969	3,903,663
Unrestricted	45,415,314	70,133,644	101,307,245	102,293,052	65,607,207	42,074,018	18,837,977	94,601,058	90,706,467	70,812,568
Total primary government net position	<u>\$ 601,041,629</u>	<u>\$ 696,833,468</u>	<u>\$ 806,844,898</u>	<u>\$ 880,985,062</u>	<u>\$ 903,194,217</u>	<u>\$ 950,492,440</u>	<u>\$ 958,492,542</u>	<u>\$ 952,568,712</u>	<u>\$ 1,019,840,838</u>	<u>\$ 1,055,430,740</u>

City of Moreno Valley
Change in Net Position,
Last ten fiscal years
(accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses										
Governmental activities:										
General government	\$ 18,583,987	\$ 12,817,483	\$ 10,796,963	\$ 14,416,941	\$ 14,948,628	\$ 12,093,157	\$ 13,001,340	\$ 11,326,363	\$ 11,758,206	\$ 12,081,325
Public safety	42,797,971	47,282,305	43,415,662	54,412,284	50,856,439	58,165,412	59,640,431	56,037,192	56,896,151	53,578,915
Community development	10,041,715	13,666,378	9,643,084	10,964,507	12,036,237	29,663,451	10,003,780	11,317,359	11,886,089	7,755,380
Community and cultural	14,132,146	15,999,800	21,181,096	33,717,135	27,904,884	22,700,681	25,046,848	19,245,060	18,400,148	20,615,807
Public works	11,352,870	10,273,707	30,750,411	29,247,892	36,095,949	14,990,867	34,432,579	36,159,171	39,467,695	43,540,207
Interest on long-term debt	5,514,358	8,079,935	8,724,134	12,081,884	10,334,932	9,126,054	8,333,540	6,415,304	2,552,119	4,031,673
Total Governmental activities expenses	<u>102,423,047</u>	<u>108,119,608</u>	<u>124,511,350</u>	<u>154,840,643</u>	<u>152,177,069</u>	<u>146,739,622</u>	<u>150,458,518</u>	<u>140,500,449</u>	<u>140,960,408</u>	<u>141,603,307</u>
Business-type activities:										
Electric	1,080,589	3,673,509	8,298,955	12,282,161	14,067,086	13,812,966	14,807,788	16,549,224	18,139,446	19,796,146
Total business-type activities expenses	<u>1,080,589</u>	<u>3,673,509</u>	<u>8,298,955</u>	<u>12,282,161</u>	<u>14,067,086</u>	<u>13,812,966</u>	<u>14,807,788</u>	<u>16,549,224</u>	<u>18,139,446</u>	<u>19,796,146</u>
Total primary government expenses	<u>\$ 103,503,636</u>	<u>\$ 111,793,117</u>	<u>\$ 132,810,305</u>	<u>\$ 167,122,804</u>	<u>\$ 166,244,155</u>	<u>\$ 160,552,588</u>	<u>\$ 165,266,306</u>	<u>\$ 157,049,673</u>	<u>\$ 159,099,854</u>	<u>\$ 161,399,453</u>
Program revenues										
Governmental activities:										
Charges for services:										
General government	\$ 1,855,342	\$ 2,447,730	\$ 2,994,550	\$ 1,329,861	\$ 1,144,983	\$ 3,148,712	\$ 5,008,441	\$ 7,056,028	\$ 9,505,989	\$ 5,057,964
Public safety	1,158,745	2,040,725	1,212,229	4,948,923	6,559,817	4,371,535	2,787,962	2,738,303	2,951,403	3,077,843
Community development	10,814,238	12,576,280	12,947,546	6,962,389	7,607,316	4,071,460	4,911,984	5,973,104	4,821,911	7,620,631
Community and cultural	9,012,514	10,067,509	10,963,716	12,163,575	14,982,931	11,254,752	11,237,049	11,584,756	11,343,108	6,518,337
Public works	14,639,669	20,523,959	10,612,170	19,134,172	7,840,754	2,264,619	3,364,804	1,495,407	3,109,029	2,604,218
Operating contributions and grants:										
General government	2,121,229	422,310	622,513	-	92,319	66,861	940,799	1,094,413	2,974,751	121,564
Public safety	773,875	838,921	931,062	704,324	385,195	1,016,552	1,009,290	988,848	796,155	687,498
Community development	1,586,824	3,252,611	4,023,295	2,873,752	2,541,925	8,909,018	5,769,165	4,028,880	9,928,414	4,972,354
Community and cultural	68,396	133,325	100,777	6,911,186	5,936,040	5,174,090	6,635,271	6,284,823	7,166,971	7,515,185
Public works	887,750	2,985,031	460,787	631,830	3,901,583	6,345,620	6,353,159	15,499,751	15,250,978	12,279,173
Capital contributions and grants										
General government	-	-	-	-	-	31,307	-	5,056,545	-	17,576
Public safety	-	-	-	-	-	146,606	534,771	893,608	357,393	-
Community development	-	-	-	-	-	918,785	20,180	-	-	9,729,528
Community and cultural	-	-	-	-	239,746	-	-	-	-	-
Public works	2,160,498	24,442,306	74,752,980	74,004,139	31,573,778	70,826,175	29,208,716	(270,863)	37,847,697	6,544,892
Total governmental activities program revenues	<u>45,079,080</u>	<u>79,730,707</u>	<u>119,621,625</u>	<u>129,664,151</u>	<u>82,806,387</u>	<u>118,546,092</u>	<u>77,781,591</u>	<u>62,423,603</u>	<u>106,053,799</u>	<u>66,746,763</u>
Business-type activities:										
Charges for services										
Electric	1,356,555	11,445,287	8,712,097	10,311,654	12,430,482	13,326,364	15,671,939	16,778,766	19,098,088	20,213,736
Capital contributions and grants										
	-	-	1,604,577	-	-	-	-	-	-	-
Total business-type activities program revenues	<u>1,356,555</u>	<u>11,445,287</u>	<u>10,316,674</u>	<u>10,311,654</u>	<u>12,430,482</u>	<u>13,326,364</u>	<u>15,671,939</u>	<u>16,778,766</u>	<u>19,098,088</u>	<u>20,213,736</u>
Total primary government program revenues	<u>\$ 46,435,635</u>	<u>\$ 91,175,994</u>	<u>\$ 129,938,299</u>	<u>\$ 139,975,805</u>	<u>\$ 95,236,869</u>	<u>\$ 131,872,456</u>	<u>\$ 93,453,530</u>	<u>\$ 79,202,369</u>	<u>\$ 125,151,887</u>	<u>\$ 86,960,499</u>

(Continued)

City of Moreno Valley
Change in Net Position,
Last ten fiscal years
(accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Net (Expense)/Revenue										
Governmental activities	\$ (57,343,967)	\$ (28,388,901)	\$ (4,889,725)	\$ (25,176,492)	\$ (69,370,682)	\$ (28,193,530)	\$ (72,676,927)	\$ (78,076,846)	\$ (34,906,609)	\$ (74,856,544)
Business-type activities	275,966	7,771,778	2,017,719	(1,970,507)	(1,636,604)	(486,602)	864,151	229,542	958,642	417,590
Total primary government net (expense)/revenue	\$ (57,068,001)	\$ (20,617,123)	\$ (2,872,006)	\$ (27,146,999)	\$ (71,007,286)	\$ (28,680,132)	\$ (71,812,776)	\$ (77,847,304)	\$ (33,947,967)	\$ (74,438,954)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	\$ 19,678,253	\$ 18,001,808	\$ 23,379,735	\$ 30,351,211	\$ 28,316,208	\$ 16,836,699	\$ 22,699,683	\$ 18,342,475	\$ 13,088,911	\$ 14,281,943
Property taxes in lieu	8,644,834	12,068,070	14,150,000	16,728,600	16,791,078	13,703,197	13,055,796	13,170,964	13,414,446	13,871,754
Transient occupancy tax	519,193	582,307	586,383	593,009	497,936	535,775	692,586	747,100	831,881	991,431
Sales tax	18,054,078	12,275,626	15,701,460	13,623,654	12,163,719	10,982,811	12,277,450	14,003,993	14,043,560	15,887,129
Franchise taxes	3,791,547	4,099,859	4,349,870	4,381,882	4,876,055	4,607,594	4,888,143	5,008,507	5,147,342	5,361,531
Business license taxes	1,457,521	1,240,764	1,315,039	1,111,021	1,051,702	961,303	1,053,146	1,175,104	1,305,925	1,581,918
Utility users tax	12,527,514	13,811,740	15,463,291	15,186,616	15,081,286	15,358,341	15,317,439	15,591,386	15,683,931	15,595,141
Other taxes	4,497,323	5,448,829	6,320,978	2,620,059	2,683,193	2,278,529	1,204,064	1,155,334	1,325,025	6,467,203
Franchise in lieu taxes	9,699	42,788	78,573	96,816	120,969	132,548	150,456	168,267	189,577	194,943
Documentary transfer tax	1,391,199	1,548,205	972,995	575,003	598,084	479,208	424,931	434,554	350,413	447,103
Intergovernmental-motor vehicle in lieu, unrestricted	3,484,623	11,899,563	16,054,145	800,667	865,718	547,188	-	-	-	-
Use of property and money	5,295,415	6,959,412	13,467,580	16,380,462	9,381,199	10,850,116	5,298,098	8,708,429	2,236,328	4,718,739
Gain on sale of capital assets	-	-	-	2,575	-	-	605	-	-	-
Miscellaneous	5,435,103	1,820,976	405,679	885,602	1,787,772	1,238,641	2,784,308	469,671	1,728,104	696,377
Extraordinary items	-	-	-	-	-	-	-	(7,305,736)	31,492,582	26,364,076
Transfers	(16,857)	(1,257,370)	(75,851)	61,817	653,554	225,192	(107,841)	-	-	(904,032)
Total governmental activities	84,769,445	88,542,577	112,169,877	103,398,994	94,868,473	78,737,142	79,738,864	71,670,048	100,838,025	105,555,256
Business-type activities										
Use of property and money	-	-	-	-	-	61,428	29,540	89,183	8,848	35,249
Other	589,027	-	-	-	131,033	1,250,000	179,892	164,243	373,220	531,523
Transfers	16,857	1,257,370	75,851	(61,817)	(653,554)	(225,192)	107,841	-	-	904,032
Total business-type activities	605,884	1,257,370	75,851	(61,817)	(522,521)	1,086,236	317,273	253,426	382,068	1,470,804
Total primary government	\$ 85,375,329	\$ 89,799,947	\$ 112,245,728	\$ 103,337,177	\$ 94,345,952	\$ 79,823,378	\$ 80,056,137	\$ 71,923,474	\$ 101,220,093	\$ 107,026,060
Change in Net Position										
Government activities	\$ 27,425,478	\$ 60,153,676	\$ 107,280,152	\$ 78,222,502	\$ 25,497,791	\$ 50,543,612	\$ 7,061,937	\$ (6,406,798)	\$ 65,931,416	\$ 30,698,712
Business-type activities	881,850	9,029,148	2,093,570	(2,032,324)	(2,159,125)	599,634	1,181,424	482,968	1,340,710	1,888,394
Total primary government	\$ 28,307,328	\$ 69,182,824	\$ 109,373,722	\$ 76,190,178	\$ 23,338,666	\$ 51,143,246	\$ 8,243,361	\$ (5,923,830)	\$ 67,272,126	\$ 32,587,106

City of Moreno Valley
 Fund Balances, Governmental Funds
 Last ten fiscal years
 (modified accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Fund										
Reserved	\$ 6,052,320	\$ 11,808,994	\$ 13,580,492	\$ 35,752,164	\$ 34,787,698	\$ 33,788,960	\$ -	\$ -	\$ -	\$ -
Unreserved	24,992,976	25,920,111	39,494,188	21,937,845	17,066,883	17,500,579	-	-	-	-
Nonspendable	-	-	-	-	-	-	5,716,008	5,438,306	5,497,653	9,132,415
Restricted	-	-	-	-	-	-	-	1,000,000	-	-
Committed	-	-	-	-	-	-	2,600,000	2,600,000	2,701,000	2,729,722
Assigned	-	-	-	-	-	-	1,414,860	2,613,937	646,598	1,156,993
Unassigned	-	-	-	-	-	-	36,634,651	29,814,811	25,528,774	27,536,445
Total General Fund	<u>\$31,045,296</u>	<u>\$ 37,729,105</u>	<u>\$ 53,074,680</u>	<u>\$ 57,690,009</u>	<u>\$ 51,854,581</u>	<u>\$ 51,289,539</u>	<u>\$ 46,365,519</u>	<u>\$ 41,467,054</u>	<u>\$ 34,374,025</u>	<u>\$ 40,555,575</u>
All Other Funds										
Reserved	\$21,994,729	\$ 49,040,215	\$ 49,559,718	\$ 90,143,820	\$ 86,530,127	\$ 79,688,486	\$ -	\$ -	\$ -	\$ -
Unreserved reported in:										
Special revenue funds	44,049,195	47,464,569	48,534,518	50,516,963	42,222,678	30,378,947	-	-	-	-
Capital projects funds	(2,959,368)	27,383,018	36,453,807	29,300,262	27,359,094	27,373,151	-	-	-	-
Debt service funds	917,262	949,518	-	-	-	-	-	-	-	-
Permanent funds	-	59,359	-	-	66,436	169,287	-	-	-	-
Nonspendable	-	-	-	-	-	-	32,582,050	35,169,140	35,479,835	6,848,083
Restricted	-	-	-	-	-	-	106,735,045	54,025,315	68,502,016	123,037,367
Committed	-	-	-	-	-	-	13,321	17,332	17,332	-
Assigned	-	-	-	-	-	-	15,151,482	19,708,984	11,130,251	-
Unassigned	-	-	-	-	-	-	(33,954,694)	(692,943)	(1,074,556)	(449,279)
Total all other funds	<u>\$64,001,818</u>	<u>\$124,896,679</u>	<u>\$ 134,548,043</u>	<u>\$ 169,961,045</u>	<u>\$ 156,178,335</u>	<u>\$ 137,609,871</u>	<u>\$ 120,527,204</u>	<u>\$ 108,227,828</u>	<u>\$ 114,054,878</u>	<u>\$ 129,436,171</u>

Notes: The City implemented GASB Statement No. 54 in fiscal year 2011.

City of Moreno Valley
Changes in Fund Balances, Governmental Funds
Last ten fiscal years
(modified accrual basis of accounting)

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Revenue										
Taxes	\$ 54,463,821	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property tax	-	14,342,099	26,854,009	30,351,211	28,316,208	16,836,699	22,699,683	18,342,475	13,088,911	14,281,943
Property taxes in lieu	-	12,068,070	14,150,000	16,728,600	16,791,078	13,703,197	13,055,796	13,170,964	13,414,446	13,871,754
Utility taxes	-	13,811,740	15,463,291	15,186,616	15,081,286	15,358,341	15,317,439	15,591,386	15,683,931	15,595,141
Sales taxes	-	12,275,627	15,701,460	13,623,654	12,163,719	10,982,811	12,277,450	14,003,993	14,043,560	15,887,129
Other taxes	-	16,622,460	9,637,850	9,377,790	9,827,939	8,994,957	8,413,326	8,688,866	9,150,163	15,044,129
Licenses, fees and permits	12,159,692	13,041,187	13,552,983	2,650,530	1,930,905	1,354,188	1,532,514	1,523,800	1,585,312	2,164,753
Charges for services	25,755,085	18,574,210	25,046,576	24,745,073	21,876,389	20,182,147	21,497,689	25,480,671	27,718,832	20,229,634
Intergovernmental	27,037,053	33,213,048	16,703,254	31,497,898	32,642,154	39,049,424	27,591,342	28,993,998	38,624,704	28,810,219
Use of property and money	4,438,468	7,199,105	13,466,716	16,380,462	9,381,199	10,850,116	7,027,197	7,605,758	1,749,494	4,034,589
Fines and forfeitures	1,097,508	1,205,173	1,159,350	1,293,056	1,262,712	1,176,403	833,799	653,285	650,259	619,942
Contributions from successor agency	-	-	-	-	-	-	-	900,124	2,811,741	9,729,528
Miscellaneous/other	4,078,406	2,652,320	1,089,949	885,602	1,787,772	1,238,641	4,251,577	1,424,186	3,162,871	2,269,465
Total revenues	<u>129,030,033</u>	<u>145,005,039</u>	<u>152,825,438</u>	<u>162,720,492</u>	<u>151,061,361</u>	<u>139,726,924</u>	<u>134,497,812</u>	<u>136,379,506</u>	<u>141,684,224</u>	<u>142,538,226</u>
Expenditures										
General government	14,983,932	10,723,374	12,060,789	14,681,999	14,825,012	12,607,630	14,504,781	14,442,873	12,099,984	12,019,962
Public Safety	36,806,865	43,478,949	50,276,192	56,361,973	57,866,348	58,311,716	58,152,125	54,602,358	58,393,974	53,492,051
Community development	8,711,599	24,608,096	10,116,658	18,144,115	13,895,163	15,003,855	9,061,184	10,530,127	12,374,216	7,923,409
Community and cultural	12,331,683	14,889,677	19,286,807	32,683,219	27,331,726	21,982,074	23,006,061	17,348,779	18,021,610	19,232,689
Public works	9,999,497	21,262,923	31,391,248	34,616,617	45,328,685	13,796,314	15,018,071	15,588,709	15,673,611	18,273,006
Capital outlay	19,885,754	-	-	-	-	26,269,751	23,879,656	27,709,622	45,615,380	27,212,890
Debt service										
Principal retirement	2,723,847	2,896,585	3,095,000	18,538,387	4,154,660	3,690,094	11,724,021	3,965,407	3,017,500	13,884,500
Interest and fiscal charges	5,381,740	7,334,361	8,476,750	9,213,625	10,382,080	9,198,762	8,345,084	6,250,237	2,462,481	3,284,958
Bond issuance costs	-	664,638	326,385	2,413,464	-	-	-	-	-	895,960
Total expenditures	<u>110,824,917</u>	<u>125,858,603</u>	<u>135,029,829</u>	<u>186,653,399</u>	<u>173,783,674</u>	<u>160,860,196</u>	<u>163,690,983</u>	<u>150,438,112</u>	<u>167,658,756</u>	<u>156,219,425</u>
Excess of revenues over/ (under) expenditures	<u>18,205,116</u>	<u>19,146,436</u>	<u>17,795,609</u>	<u>(23,932,907)</u>	<u>(22,722,313)</u>	<u>(21,133,272)</u>	<u>(29,193,171)</u>	<u>(14,058,606)</u>	<u>(25,974,532)</u>	<u>(13,681,199)</u>
Other Financing Sources (Uses)										
Issuance of debt	-	48,205,000	5,870,000	58,412,429	-	-	7,447,764	-	-	-
Transfers in	24,871,852	37,201,043	33,422,242	38,016,856	27,284,397	29,322,934	18,994,235	25,245,873	16,689,425	30,993,218
Transfers out	(24,165,709)	(38,480,919)	(30,526,931)	(36,688,115)	(24,926,511)	(26,106,962)	(19,012,256)	(25,818,899)	(15,473,618)	(30,111,368)
Sale of capital assets	-	-	-	442,085	-	-	-	-	-	-
Premium on debt issued	-	570,840	-	-	-	-	-	-	-	905,166
Discount on debt issued	-	(385,640)	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agents	(5,006,586)	-	-	-	-	-	-	-	-	-
Other debts issued	250,767	-	-	-	-	-	-	-	-	20,000,000
Refunding bonds issued	-	-	-	-	-	-	-	-	-	10,454,230
Total other financing sources (uses)	<u>(4,049,676)</u>	<u>47,110,324</u>	<u>8,765,311</u>	<u>60,183,255</u>	<u>2,357,886</u>	<u>3,215,972</u>	<u>7,429,743</u>	<u>(573,026)</u>	<u>1,215,807</u>	<u>32,241,246</u>
Extraordinary Items	-	-	-	-	-	-	-	(2,566,209)	23,492,746	-
Net change in fund balances	<u>\$ 14,155,440</u>	<u>\$ 66,256,760</u>	<u>\$ 26,560,920</u>	<u>\$ 36,250,348</u>	<u>\$(20,364,427)</u>	<u>\$(17,917,300)</u>	<u>\$(21,763,428)</u>	<u>\$(17,197,841)</u>	<u>\$ (1,265,979)</u>	<u>\$ 18,560,047</u>
Debt service as a percentage of noncapital expenditures	8.91%	10.54%	10.56%	19.40%	10.65%	9.58%	14.35%	8.59%	4.39%	13.74%

City of Moreno Valley
 Tax Revenues by Source, General Fund
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

Fiscal Year	Property	Property Tax In-Lieu of Vehicle License Fees	Utility Users	Sales & Use	Transient Occupancy	Franchise	Motor Vehicle In-Lieu	Business License Gross Receipt	Documentary Transfer	Total
		(1)	(1)				(1)		(3)	
2005	\$ 7,230,082	\$ 8,644,834	\$ 12,527,514	\$ 11,753,794	\$ 519,193	\$ 3,791,546	\$ 3,478,877	\$ 1,059,009	\$ 1,391,200	\$ 50,396,049
2006	11,930,618	12,068,070	13,811,740	11,317,841	582,307	4,142,646	1,275,342	1,240,764	1,548,205	57,917,533
2007	14,022,135	14,150,000	15,463,291	13,116,271	586,383	4,349,870	943,313	1,315,039	972,995	64,919,297
2008	14,361,253	16,728,600	15,186,616	11,694,525	593,009	4,478,698	800,667	1,111,021	575,003	65,529,392
2009	12,790,196	16,791,078	15,081,286	10,202,384	497,936	4,997,024	865,718	1,051,701	598,084	62,875,407
2010	9,917,734	13,703,197	15,358,341	9,298,296	535,775	4,757,920	547,188	961,303	479,208	55,558,962
2011	9,430,846	13,055,796	15,317,439	11,283,435	692,586	5,038,600	887,331	1,053,145	424,931	57,184,109
2012	9,397,373	13,170,964	15,591,386	14,003,992	747,100	5,176,775	96,578	1,175,104	434,554	59,793,826
2013	9,765,007	13,414,446	15,683,931	14,043,560	831,881	5,336,919	100,727	1,305,924	350,413	60,832,808
2014	10,668,782	13,871,755	15,595,141	15,887,129	991,431	5,556,474	84,056	1,581,918	447,103	64,683,789
Change 2005 to 2014	48.00%	60.00%	24.00%	35.00%	91.00%	47.00%	-98.00%	49.00%	-68.00%	28.00%

(1) In 2005 the governor instituted the "triple-flip" which changed the funding source for Vehicle License Fees to the ERAF fund and changed the allocation of funds to cities from a per capita computation to the change in the assessed valuation of property. The foundation of the fee is not based on the tax rates established by the City and as such is not considered to be property tax. Because this revenue is under the control of the state it would be considered a "shared" revenue rather than an "own-source" revenue.

(2) The decline in sales tax reported in FY 2006 is related to the implementation of the "Triple-Flip" and a take-back of revenues related to a change in the formula that was used to allocate funds to the cities. The amount of the take-back was \$720,000.

(3) Documentary Transfer Tax has declined since FY 2006. This decline is due to the combination of a decrease in the number of properties that transferred ownership and the decline in the value of properties being transferred.

Source: City of Moreno Valley Financial and Management Services Department

City of Moreno Valley
Key Revenues, General Fund
Last Ten Fiscal Years

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Utility Users Tax	\$ 12,527,514	\$ 13,811,740	\$ 15,463,291	\$ 15,186,616	\$15,081,286	\$15,358,341	\$15,317,439	\$15,591,386	\$15,683,931	\$15,595,141
Property Tax	7,230,082	11,930,618	14,022,135	14,361,253	12,790,196	9,917,734	9,430,846	9,397,373	9,765,007	10,668,782
Property Tax In-Lieu of VLF	8,644,834	12,068,070	14,150,000	16,728,600	16,791,078	13,703,197	13,055,796	13,170,964	13,414,446	13,871,754
Vehicle License In-Lieu Fees	3,478,877	1,275,342	943,313	800,667	865,718	547,188	887,331	96,578	100,727	84,056
Sales Tax	8,696,776	8,623,390	9,472,304	7,942,982	7,135,246	6,952,123	8,113,635	10,848,031	10,523,544	11,478,971
Property Tax In-Lieu of Sales Tax	3,057,018	2,694,451	3,643,967	3,751,543	3,067,138	2,346,173	3,169,800	3,155,962	3,520,016	4,408,158
Development Services	10,968,374	12,592,569	12,473,161	8,706,327	5,510,492	2,631,820	2,675,770	3,928,365	3,586,632	5,832,468

Notes:

In late FY 2004 due to budget constraints the State of California discontinued the back-fill of the Vehicle In-Lieu fees which accounted for approximately two-thirds of the total amount paid to local government. In 2005 this "gap" amount was repaid to local agencies which for the City of Moreno Valley amounted to \$2,547,036.

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The FY 03/04 State of California budget withheld a portion of the Vehicle License Fee back-fill owed to cities. Under the terms of the borrowing the Vehicle License Fee gap loan, as it was known, was to be repaid in FY 06/07. The City of Moreno Valley, along with a number of other cities, sold the rights to the receivable to a third party, California Communities, in order to receive the cash on a more timely basis. The agreement resulted in the City receiving a discounted amount of \$2,347,317 of the original receivable amount of \$2,547,036 in FY 04/05.

In FY 2005 in order to provide collateral for the Budget Deficit Bonds the State of California began withholding twenty five percent of the City's sales tax and replaced it with a like amount from the ERAF fund. This switch was one of the components of the "Triple-flip" and unlike the switch of vehicle license fees, which is permanent, only lasts until the bonds are repaid or mature.

Source: City of Moreno Valley Financial and Management Services Department

City of Moreno Valley
 Assessed Value and Estimated Actual Value of Taxable Property
 Last Ten Fiscal Years
 (in thousands of dollars)

Fiscal Year Ended June 30,	City						Redevelopment Agency **						
	Secured Value	Unsecured Value	Total Assessed and Estimated Full Value	Less: Exemptions	Taxable Assessed Value	Direct Tax Rate	Secured Value	Unsecured Value	Total Assessed and Estimated Full Value	Less: Exemptions	Taxable Assessed Value	Direct Tax Rate	Total Direct Tax Rate
2005	\$ 9,182,553	\$ 154,604	\$ 9,337,157	\$ (109,759)	\$ 9,227,398	0.00116	\$ 1,643,835	\$ 82,341	\$ 1,726,176	\$ (34,169)	\$ 1,692,007	0.00572	0.00187
2006	11,327,235	165,133	11,492,368	(118,051)	11,374,317	0.00131	2,028,330	85,608	2,113,938	(35,633)	2,078,305	0.00643	0.00210
2007	13,419,168	198,776	13,617,944	(147,891)	13,470,053	0.00140	2,546,327	109,685	2,656,012	(47,345)	2,608,667	0.00672	0.00226
2008	13,491,161	232,774	13,723,935	(194,693)	13,529,242	0.00143	2,788,876	137,206	2,926,082	(75,251)	2,850,831	0.00838	0.00264
2009	13,132,444	243,521	13,375,965	(154,973)	13,220,992	0.00131	2,229,290	117,596	2,346,886	(72,232)	2,274,654	0.01045	0.00265
2010	10,625,910	236,904	10,862,814	(154,289)	10,708,525	0.00160	2,391,494	154,639	2,546,133	(81,595)	2,464,538	0.00675	0.00256
2011	10,516,338	238,786	10,755,124	(227,178)	10,527,946	0.00164	2,375,549	157,430	2,532,979	(81,830)	2,451,149	0.00575	0.00242
2012	10,561,585	271,336	10,832,921	(236,235)	10,596,686	0.00258	-	-	-	-	-	-	0.00258
2013	10,646,415	342,094	10,988,509	(249,331)	10,739,178	0.00183	-	-	-	-	-	-	0.00183
2014	11,042,637	352,337	11,394,974	(264,161)	11,130,813	0.00185	-	-	-	-	-	-	0.00185

Source: Riverside County Auditor/Controller

Note: In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of the property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only reassessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

**As of January 31, 2012 the Redevelopment Agency was dissolved due to the California Supreme Court passing two bills, AB X1 26 and AB X1 27.

Source: City of Moreno Valley Financial and Management Services Department
 County of Riverside Auditor-Controller

City of Moreno Valley
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years
(per \$100 of assessed value)

Fiscal Year	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
City Direct Rate:	\$0.00116	\$0.00131	\$0.00140	\$0.00143	\$0.00131	\$0.00160	\$0.00164	\$0.00258	\$0.00177	\$0.00185
Redevelopment Agency Direct Rate:	0.00572	0.00643	0.00672	0.00838	0.01045	0.00675	0.00575	0.00000	0.00000	0.00000
Total Direct Tax Rate:	0.00187	0.00210	0.00226	0.00264	0.00265	0.00256	0.00242	0.00258	0.00177	0.00185
Eastern Municipal Water Imp Dist	0.02900	0.02300	0.01500	0.01500	0.00700	0.03000	0.03000	0.03000	0.03000	0.03000
Metro Water Dist Original Area	0.00580	0.00520	0.00470	0.00450	0.00430	0.00430	0.00370	0.00370	0.00350	0.00350
Moreno Valley Unified School District	0.03395	0.03149	0.02271	0.03066	0.03081	0.02660	0.03357	0.04096	0.04060	0.04354
Nuvview School District	0.00000	0.00000	0.00000	0.02998	0.02996	0.02790	0.02987	0.02988	0.04043	0.07389
Perris Union High School District	0.01192	0.02350	0.03222	0.02110	0.02031	0.02686	0.03126	0.03429	0.03429	0.06970
Riverside City Community College District	0.01800	0.01800	0.01800	0.01259	0.01254	0.01242	0.01499	0.01700	0.01702	0.01768
San Jacinto Unified School District	0.02812	0.02451	0.01407	0.07202	0.09600	0.09052	0.11744	0.12875	0.12800	0.12746
Val Verde Unified District	0.00000	0.00000	0.00000	0.00000	0.03189	0.04089	0.03347	0.03160	0.08383	0.07235
Total Tax Rate	<u>\$0.13554</u>	<u>\$0.13554</u>	<u>\$0.11708</u>	<u>\$0.19830</u>	<u>\$0.24722</u>	<u>\$0.22708</u>	<u>\$0.30411</u>	<u>\$0.32134</u>	<u>\$0.38121</u>	<u>\$0.44182</u>

NOTE:
In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of the Metropolitan Water District bonds, the Eastern Municipal Water District bonds and the Riverside Community College bonds.

Source: City of Moreno Valley Finance Department
County of Riverside Auditor-Controller

City of Moreno Valley
Principal Property Tax Payers
Current Year and Nine Years Ago

Taxpayer	Fiscal Year 2013/2014			Fiscal Year 2004/2005		
	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value
HF Logistics SKX T1 (Sketchers)	\$ 202,007,054	1	1.81%	\$ -		0.00%
Ross Dress for Less, Inc.	134,148,489	2	1.21%	-		0.00%
Walgreen Company	117,221,041	3	1.05%	63,029,274	1	0.84%
Stonegate 552	82,614,238	4	0.74%	-		0.00%
IIT Inland Empire Logistics Center	76,952,001	5	0.69%	-		0.00%
Kaiser Foundation Hospitals	65,975,333	6	0.59%	-		0.00%
First Industrial LP	61,643,457	7	0.55%	-		0.00%
FR Cal Moreno Valley	49,509,039	8	0.44%	-		0.00%
CLPF 16850 Heacock Street	47,765,266	9	0.43%	-		0.00%
2250 Town Circle Holdings	47,165,814	10	0.42%	-		0.00%
Homart Newco Two, Inc.			0.00%	40,384,967	2	0.54%
Divi Divi Tree Limited Partnership	-		0.00%	28,290,136	3	0.38%
TSC	-		0.00%	27,168,541	4	0.36%
Moreno Valley Plaza Unlimited	-		0.00%	25,859,701	5	0.34%
Desert Pointe Properties	-		0.00%	19,351,881	6	0.26%
Lowes HIW, Inc.	-		0.00%	15,832,566	7	0.21%
May Company Department Stores	-		0.00%	15,086,961	8	0.20%
El Corte Ingles	-		0.00%	14,566,065	9	0.19%
Cardinal CG Company	-		0.00%	13,671,409	10	0.18%
	<u>\$ 885,001,732</u>		<u>7.93%</u>	<u>\$ 263,241,501</u>		<u>3.50%</u>

Source: Hdl Coren & Cone

City of Moreno Valley
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent years	Total Collections to Date	
		Amount	Percent of Levy (1)		Amount	Percent of Levy
2005	\$ 26,783,221	\$26,775,299	99.97%	\$ 7,922	\$26,783,221	100.00%
2006	32,385,248	32,347,436	99.88%	37,812	32,385,248	100.00%
2007	39,206,275	39,141,295	99.83%	64,980	39,206,275	100.00%
2008	43,561,908	43,457,010	99.76%	104,898	43,561,908	100.00%
2009	41,285,111	41,165,168	99.71%	119,943	41,285,111	100.00%
2010	35,573,656	35,492,693	99.77%	80,963	35,573,656	100.00%
2011	33,713,334	33,658,226	99.84%	55,108	33,713,334	100.00%
2012	33,226,437	33,172,713	99.84%	53,724	33,226,437	100.00%
2013	25,630,602	25,580,901	99.81% (2)	49,701	25,630,602	100.00%
2014	26,906,254	26,862,040	99.84%	44,214	26,906,254	100.00%

Notes: (1) The City began participating in the "Teeter Plan" in FY 1993-94. The Teeter Plan adopted by the County of Riverside guarantees each participating city payment equal to 100% of the total tax value. Any delinquencies and the associated penalties and interest are collected and maintained by the County.

Supplemental taxes for new construction put into service after the tax rolls are completed are collected in a county pool and then allocated to all cities based on a formula. Because these tax amounts are not included on the original tax roll these amounts are reported as collections but are not included in the amount levied.

(2) Beginning in 2013 the Redevelopment Tax Increment was no longer included in the calculation for the levy and the collections.

Source: County of Riverside Auditor-Controller

City of Moreno Valley Financial and Management Services Department

City of Moreno Valley
Direct and Overlapping Debt

Fiscal Year 2013/14 Assessed Valuation \$ 11,179,377,465

	Total Debt 6/30/2014	% Applicable(1)	City's Share of Debt 6/30/2014
OVERLAPPING TAX AND ASSESSMENT DEBT			
Metropolitan Water District	\$ 132,275,000	0.511%	\$ 675,925
Eastern Municipal Water District I.D. No U-22	3,126,000	100	3,126,000
Riverside Community College District	230,214,563	14.375	33,093,343
Moreno Valley Unified School District	36,708,521	84.134	30,884,347
San Jacinto Unified School District	43,516,722	0.461	200,612
Val Verde Unified School District	100,986,948	37.644	38,015,527
Moreno Valley Unified School District Community Facilities District No. 88-1	2,580,000	100	2,580,000
Moreno Valley Unified School District Community Facilities District No. 2002-1	7,790,000	100	7,790,000
Moreno Valley Unified School District Community Facilities District No. 2003-1&2	11,280,000	100	11,280,000
Moreno Valley Unified School District Community Facilities District No. 2004-1	3,000,000	100	3,000,000
Moreno Valley Unified School District Community Facilities District No. 2004-2	5,300,000	100	5,300,000
Moreno Valley Unified School District Community Facilities District No. 2004-3	3,860,000	100	3,860,000
Moreno Valley Unified School District Community Facilities District No. 2004-5	4,825,000	100	4,825,000
Moreno Valley Unified School District Community Facilities District No. 2004-6	26,715,000	100	26,715,000
Moreno Valley Unified School District Community Facilities District No. 2005-2, 3 & 5	23,775,000	100	23,775,000
Val Verde Unified School District Community Facilities District No. 98-1	19,600,000	100	19,600,000
Val Verde Unified School District Community Facilities District No. 2003-2	2,490,000	100	2,490,000
Eastern Municipal Water District Community Facilities District	12,975,000	100	12,975,000
City of Moreno Valley Community Facilities District No. 5	5,725,000	100	5,725,000
City of Moreno Valley Community Facilities District No. 87-1, I.A. No. 1	2,835,000	100	2,835,000
TOTAL GROSS OVERLAPPING TAX AND ASSESSMENT DEBT			\$ 238,745,753

DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
Riverside County General Fund Obligations	692,656,315	5.334%	\$ 36,946,288
Riverside County Pension Obligations	334,515,000	5.334%	17,843,030
Riverside County Board of Education Certificates of Participation	2,700,000	5.334%	144,018
Mt. San Jacinto Community College District General Fund Obligations	11,390,000	0.015%	1,709
Moreno Valley Unified School District Certificates of Participation	13,280,000	84.134%	11,172,995
San Jacinto Unified School District Certificates of Participation	41,080,000	0.461%	189,379
Val Verde Unified School District Certificates of Participation	79,365,000	37.644%	29,876,161
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT			96,173,580
Less: Riverside County self-supporting obligations			495,174
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT			95,678,406
City Direct Debt (City of Moreno Valley General Fund Obligations)			69,211,500
TOTAL DIRECT & OVERLAPPING DEBT			\$ 164,889,906

OVERLAPPING TAX INCREMENT DEBT: 81,610,000 33.477-100 \$ 59,402,468

TOTAL DIRECT DEBT	69,211,500
TOTAL GROSS OVERLAPPING DEBT	394,321,802
TOTAL NET OVERLAPPING DEBT	393,826,628
GROSS COMBINED TOTAL DEBT	463,533,302 (2)
NET COMBINED TOTAL DEBT	463,038,127

Notes:

(1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations

Ratios to FY 2013-14 Assessed Valuation:

Total Gross Overlapping Tax and Assessment Debt 2.14%

Ratios to Adjusted Assessed Valuation:

Total Direct Debt (\$69,211,500) 0.62%
Gross Combined Total Debt 4.15%
Net Combined Total Debt 4.14%

Ratios to Redevelopment Incremental Valuation (\$2,139,503,829): 2.78%

Total Overlapping Tax Increment Debt

KD: (\$475)

Source: California Municipal Statistics

City of Moreno Valley
 Legal Debt Margin
 Last Ten Fiscal Years
 (dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2014	
Assessed Value	\$ 12,199,659
Debt Limit (15% of assessed value)	1,829,949
Debt applicable to limit:	-
	-
Total net debt applicable to limit	<u>\$ -</u>

	Fiscal Year ⁽¹⁾									
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Assessed Valuation (in thousands)	\$ 7,227,360	\$ 9,075,495	\$ 11,220,188	\$ 13,374,229	\$ 13,375,965	\$ 10,862,814	\$ 10,366,869	\$ 10,462,566	\$ 10,590,832	\$ 12,199,659
Conversion percentage	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Adjusted assessed valuation (in thousands)	1,806,840	2,268,874	2,805,047	3,343,557	3,343,991	2,715,704	2,591,717	2,615,642	2,647,708	3,049,915
Debt limit percentage	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
Debt Limit (in thousands)	271,026	340,331	420,757	501,534	501,599	407,356	388,758	392,346	397,156	457,487
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin (in thousands)	271,026	340,331	420,757	501,534	501,599	407,356	388,758	392,346	397,156	457,487
Total net debt applicable to the limit as a percentage of the debt limit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

1) GASB 44 allowed for the implementation of historical reporting on a prospective basis. The City has elected to report historical data in this manner.

Source: City of Moreno Valley Financial and Management Services Department
 County of Riverside Auditor-Controller

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City of Moreno Valley
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30 ⁽²⁾	Governmental Activities						Business-type Activities	Total Primary Government	Percentage of Personal Income ¹	Debt per Capita
	Special Tax Bonds	Certificates of Participation	Lease Revenue Bonds	<u>RDA Tax</u> <u>Allocation Bonds</u>	Notes and Other	Governmental Activities	Lease Revenue Bonds			
2005	\$25,130,000	\$ 7,625,000	\$ 4,590,000	\$ -	\$ 4,660,558	\$ 42,005,558	\$ -	\$ 42,005,558	1.40%	254
2006	23,345,000	7,115,000	47,530,000	-	4,866,378	82,856,378	4,647,000	87,503,378	2.75%	501
2007	21,415,000	6,590,000	46,890,000	-	4,696,689	79,591,689	30,870,000	110,461,689	3.67%	612
2008	18,925,000	6,040,000	46,160,000	43,495,000	4,318,513	118,938,513	30,870,000	149,808,513	4.61%	815
2009	17,265,000	5,470,001	45,205,000	42,725,000	6,849,487	117,514,488	30,775,000	148,289,488	4.48%	796
2010	15,525,000	4,875,000	44,205,000	42,605,000	6,667,850	113,877,850	30,285,000	144,162,850	4.09%	765
2011	13,655,000	- ⁽³⁾	39,660,000 ⁽³⁾	42,475,000	12,301,668 ⁽³⁾	108,091,668	29,780,000	137,871,668	3.80%	706
2012	11,870,000	-	38,775,000	- ⁽⁴⁾	12,405,733	63,050,733	29,245,000	92,295,733	2.70%	470
2013	10,685,000	-	37,855,000	- ⁽⁴⁾	12,340,304	60,880,304	28,685,000	89,565,304	2.62%	452
2014	9,660,000	19,870,447	37,330,333	- ⁽⁴⁾	11,874,411	78,735,191	27,836,607	106,571,798	2.95%	535

Notes:

- 1) These ratios are calculated using personal income and population for the prior year.
- 2) GASB 44 allowed for the implementation of historical reporting on a prospective basis. The City has elected to report historical data in this manner.
- 3) In Fiscal Year 2011 the City defeased the 1997 Lease Revenue Bonds and the 1997 City Hall COPs with private placement financing.
- 4) No Longer considered general bonded debt as the result of the dissolution of the Redevelopment Agency.

Source: City of Moreno Valley Financial and Management Services Department
City of Moreno Valley Economic Development Department
Riverside County Economic Development Agency
State of California Department of Finance

City of Moreno Valley
Ratio of Bonded Debt
Last Nine Fiscal Years

Fiscal Year Ended June 30, ⁽²⁾	Special Tax Bonds	Certificates of Participation	Lease Revenue Bonds	Total Governmental Activities	Percent of Assessed Value ⁽¹⁾	Per Capita
2006	\$ 23,345,000	\$ 7,115,000	\$ 47,530,000	\$ 77,990,000	0.86%	447
2007	21,415,000	6,590,000	46,890,000	74,895,000	0.67%	415
2008	18,925,000	6,040,000	46,160,000	71,125,000	0.53%	387
2009	17,265,000	5,470,001	45,205,000	67,940,001	0.51%	365
2010	15,525,000	4,875,000	44,205,000	64,605,000	0.59%	343
2011	13,655,000	- ⁽³⁾	39,660,000 ⁽³⁾	53,315,000	0.50%	273
2012	11,870,000	-	38,775,000	50,645,000	0.47%	258
2013	10,685,000	-	37,855,000	48,540,000	0.45%	245
2014	9,660,000	19,870,447	37,330,333	66,860,780	0.60%	336

General bonded debt is debt payable with governmental fund resources and general obligation bonds recorded in enterprise funds (of which the City has none).

1) Assessed value has been used because the actual value of taxable property is not readily available in the State of California.

2) GASB 44 allowed for the implementation of historical reporting on a prospective basis. The City has elected to report historical data in this manner.

3) In Fiscal Year 2011 the City defeased the 1997 Lease Revenue Bonds and the 1997 City Hall COPs with private placement financing.

Data Source: City of Moreno Valley Financial and Management Services Department

City of Moreno Valley
Pledged Revenue Coverage
Last Ten Years

Fiscal Year Ended June 30,	Community Facilities District No. 3, AutoMall Refinancing						Community Facilities District No. 5 of the City of Moreno Valley (Stoneridge)				Towngate Community Facilities District No. 87-1, 2007 Special Tax Refunding Bonds				Towngate Community Facilities District No. 87-1, Improvement No. 1 Special Tax Refunding Bonds				
	Special Tax Levy	Property Tax Increment	Debt Service		Coverage	Special Tax Levy	Debt Service		Coverage	Property Tax Increment	Debt Service		Coverage	Special Tax Levy	Property Tax Increment	Debt Service		Coverage	
			Principal	Interest			Principal	Interest			Principal	Interest				Principal	Interest		
2005	\$ 1,121,094	\$ 116,871	\$ 575,000	\$ 469,150	1.19	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -		
2006	1,189,465	73,700	640,000	426,625	1.18	-	-	-		-	-	-		-	-	-	-		
2007	1,179,479	108,986	710,000	379,375	1.18	-	-	-		-	-	-		-	-	-	-		
2008	1,088,427	190,425	785,000	327,050	1.15	198,306	-	217,261	0.91	2,072,568	-	226,176	9.16	429,990	-	-	60,994	0.00	
2009	1,212,713	103,026	865,000	269,300	1.16	344,701	-	288,613	1.19	1,164,131	575,000	435,881	1.15	108,706	287,228	220,000	175,859	1.00	
2010	1,173,443	185,125	950,000	205,775	1.18	362,124	15,000	288,313	1.19	373,011	600,000	409,381	0.37	78,519	303,573	190,000	168,029	1.07	
2011	78,021	96,489	1,045,000	135,950	0.15	376,005	20,000	287,613	1.22	1,168,536	630,000	382,569	1.15	112,162	277,359	195,000	160,375	1.10	
2012	74,137	29,292	925,000	64,688	0.10	384,249	30,000	286,613	1.21	1,175,145	655,000	359,294	1.16	115,946	274,445	205,000	152,173	1.09	
2013	75,878	31,192	295,000	18,938	0.34	388,022	35,000	285,295	1.21	1,170,595	680,000	335,931	1.15	110,672	275,008	210,000	143,719	1.09	
2014	-	-	105,000	3,938	0.00	393,684	45,000	283,633	1.20	1,174,345	700,000	310,906	1.16	117,164	275,007	220,000	135,009	1.10	

Community Redevelopment Agency 2007 Tax Allocation Bonds

Fiscal Year Ended June 30,	Property Tax Increment	Debt Service		Coverage
		Principal	Interest	
2008	\$ 23,890,555	\$ -	\$ 359,683	66.42
2009	23,775,956	770,000	2,073,084	8.36
2010	-	-	-	-
2011	-	-	-	-
2012	-	-	-	-
2013	-	-	-	-
2014	-	-	-	-

1) The interest payment related to the CFD 5 - Stoneridge was paid from the capitalized interest account but in future years this will be paid from the special tax.

Data Source: City of Moreno Valley Financial and Management Services Department
City of Moreno Valley Community Redevelopment Agency
City of Moreno Valley Special Districts

City of Moreno Valley
 Demographic and Economic Statistics
 Last seven years

<u>Calendar Year (1)</u>	<u>Population</u>	<u>Personal Income (in thousands)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2008	183,860	\$ 3,423,011	\$ 17,997	9.9%
2009	186,301	3,702,458	18,898	15.7%
2010	188,537	3,836,808	19,230	17.6%
2011	195,216	3,463,419	17,519	16.1%
2012	196,495	3,491,186	17,425	13.9%
2013	198,129	3,615,062	18,246	11.8%
2014	199,258	3,612,548	18,130	11.0%

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(1) GASB 44 allowed for the implementation of historical reporting on a prospective basis. The City has elected to report historical data in this manner.

Data Source: California Department of Finance

www.dof.ca.gov/research/demographic

City of Moreno Valley
Principal Employers
Current Year and Eight Years Ago

Employer	Sector	Business Type	2014		2006	
			Number of Employees	Percent of Total Employment	Number of Employees	Percent of Total Employment
March Air Reserve Base	Military/Public Sector	Military Reserve Base	8,600	26.12%	9,167	26.71%
Moreno Valley Unified School District	Public Sector	Public Schools	3,442	10.45%	3,447	10.04%
Riverside County Regional Medical Center	Medical Facilities	County Hospital	2,987	9.07%	2,000	5.83%
Ross Dress For Less/DD's Discounts	Distribution	Retail Distribution	1,921	5.83%	0	0.00%
Moreno Valley Mall (excludes major tenants)	Retail	Retail Mall	1,390	4.22%	1,000	2.91%
Kaiser Permanente Community Hospital/Office	Medical Facilities	Hospital/Medical Services	944	2.87%	0	0.00%
iHerb, Inc	Distribution	Natural Supplements Distribution	750	2.28%	0	0.00%
City of Moreno Valley/Police/Fire Depts	Public Sector	Municipal Government	684	2.08%	833	2.43%
Val Verde Unified School District (MV only)	Public Sector	Public Schools	674	2.05%	695	2.02%
Walgreens Co.	Distribution	Retail Distribution	600	1.82%	600	1.75%

"Total Employment" as used above represents the total employment of all employers located within City limits.

Source: City of Moreno Valley Economic Development Department

City of Moreno Valley
 Full-time and Part-time City Employees by Function
 Past Nine Years

<u>Function</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
General Government	143	153	150	142	150	147	125	96	93
Public Works	126	134	141	151	146	143	134	122	121
Community Development	71	74	74	72	68	59	66	59	49
Parks and Community Services	123	184 ⁽²⁾	240	238	453	101 ⁽³⁾	118	112	113
Animal Services	24	26	27	29	27	21	19	21	22
Redevelopment Agency	17	17	18	16	14	12	0	0	0
Public Safety ⁽¹⁾	329	356	383	393	415	407	407	318	286
	<u>833</u>	<u>944</u>	<u>1,033</u>	<u>1,041</u>	<u>1,273</u>	<u>890</u>	<u>869</u>	<u>728</u>	<u>684</u>

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This data represents a count of people employed by the City not the number of approved full time equivalents.

(1) The City contracts with the County of Riverside for Police and Fire services.

(2) In 2007 the Parks and Community Services Department received a grant from the State of California related to the After School Education and Safety Grant. This grant resulted in an increase in staffing to achieve the grant growth objectives.

(3) In 2011 the Parks and Community Services Department received a grant from the State of California related to the After School Education and Safety Grant, however staffing for this services was contracted to an outside agency. This resulted in a large decrease in staffing.

Note: GASB 44 allowed for the implementation of historical reporting on a prospective basis. The City has elected to report historical data in this manner.

Source: City of Moreno Valley Financial and Management Services Department

City of Moreno Valley
 Capital Asset Statistics
 Last Seven Fiscal Years

	2008	2009	2010	2011	2012	2013	2014
Lane miles of streets	1,076	1,076	1,076	1,076	1,076	1,095	1,080
Number of street lights	11,027	11,037	11,046	11,260	11,358	11,381	11,449
Number of traffic signals	162	167	170	173	175	180	182
Fire protection:							
Number of stations	6	6	6	6	6	7	7
Police protection:							
Number of policing stations	1	1	1	1	1	1	1
Number of policing substations	4	4	4	4	6	6	6
Recreation and culture:							
Parks	38	39	37	37	37	37	37
Maintained acreage of parks	529.55	531.48	531.48	531.66	519.91	519.91	520
Parks under construction	7	6	6	1	1	1	1
Acreage of parks under construction	27.07	25.14	25.14	12.25	12.75	12.75	12.75
Multi-use athletic fields	21	21	21	21	21	21	21
Conference/Recreation centers	1	1	1	1	1	1	1
Square footage of recreation centers	42,413	42,413	42,413	42,413	42,413	42,413	42,413
Senior Centers	1	1	1	1	1	1	1
Square footage of senior centers	14,700	14,700	14,700	14,700	14,700	14,700	14,700
Equestrian centers	1	1	1	1	1	1	1
Maintained acreage of equestrian centers	45	45	45	45	45	45	45
Multi-use equestrian trails maintained	10 Miles	10 Miles	10 Miles	10 Miles	10 Miles	10 Miles	10 Miles
Community centers	4	4	4	4	4	4	4
Square footage of community centers	38,758	38,758	38,758	38,758	38,758	38,758	38,758
Sports courts	44	44	44	44	44	44	44
Skate parks	1	1	1	1	1	1	1
Square footage of skate parks	1,850	1,850	1,850	1,851	1,850	1,850	1,850
Soccer Arena	0	0	0	0	1	1	1
Nine-hole golf courses	1	1	1	1	1	1	1
Play apparatus	23	24	26	26	26	26	26
Water play features	2	2	2	2	2	2	2
Utilities:							
Residential utility meters	4,702	4,802	4,904	5,003	5,028	5,091	5,202
Commercial utility meters	499	565	545	599	592	607	639

1) GASB 44 allowed for the implementation of historical reporting on a prospective basis. The City has elected to report historical data in this manner.

Sources: City of Moreno Valley Technology Services, Special Districts, Transportation, Fire Department, Police Department, Parks & Community Services, Utilities.

City of Moreno Valley
 Operating Indicators by Function
 Last Seven Fiscal Years

	2008	2009	2010	2011	2012	2013	2014
Square mileage of area	52	52	52	52	52	52	52
Fire protection:							
Provided by the County of Riverside in cooperation with the State Department of Forestry and Fire:							
Sworn personnel	85	81	80	79	71	72	69
Volunteers	25	25	25	10	16	16	25
Non-sworn personnel	10	8	8	8	8	8	11
OEM non-sworn personnel	0	0	0	0	2	3	3
Responses to emergency calls	13,011	12,971	13,530	15,268	14,824	15,905	16,340
Inspections and Permits	4,269	3,522	2,369	3,383	2,304	2,400	3,251
Apartment Complex Inspections	0	0	0	0	849	872	1,476
Plan checks	1,482	664	424	358	786	1,218	1,646
Counter/Public inquires	7,932	7,249	2,734	2,452	2,671	2,431	2,966
Police protection:							
Provided through contract with the County of Riverside Sheriff's Department:							
Sworn officers	188	186	184	186	181	181	153
Classified personnel	56	55	54	55	54	51	49
City support personnel	4	3	3	3	3	3	2
Volunteers	39	56	62	77	85	77	69
Responses to Calls:							
Priority 1	429	572	519	423	363	425	402
Priority 1A	1,271	1,110	1,181	1,274	1,289	1,584	1,500
Priority 2	24,819	24,967	24,938	27,797	26,021	27,733	28,048
Priority 3	24,859	26,466	24,800	27,487	29,393	29,860	28,521
Priority 4	16,932	17,592	16,630	18,625	18,087	17,280	16,662
Priority 5	2	91	1	1	1	1	63
Priority 6	0	0	0	0	0	0	0
Priority 7	0	0	0	0	0	0	0
Priority 8	0	0	0	1	1	0	0
Priority 9	174	248	279	312	223	347	436
Cancelled	5,983	5,359	5,222	5,543	5,991 (2)	23,338	26,172
Disp/Arr Time Missing	9,437	8,540	7,638	7,944	8,125	8,941	8,191
Same Disp/Arr Time	50,516	60,510	54,645	54,379	47,638	45,096	40,425
T. R. U. Calls	32	43	32	37	54	87	76
Building and Safety:							
Building permits issued	2,413	2,058	1,645	1,700	1,889	1,797	2,066
Counter requests for service	11,249	8,922	6,611	6,105	6,563	6,407	7,049
Planning:							
Planning applications processed	1,100	894	682	644	740	745	752
Counter requests for service	6,550	4,669	3,875	3,683	3,853	3,749	3,718
Recreation and culture:							
Rounds of golf played	12,000	6,123	6,638	9,719	n/a	8,209	9,002
Facility rentals	971	893	1,026	1,005	992	997	
Participants in recreation programs	57,139	46,075	46,561	46,040	48,473	41,992	47,405
Utilities:							
Average residential daily consumption (kilowatt hours)	18	19.8	18.5	18.5	19.7	20.7	19.1
Average commercial daily consumption (kilowatt hours)	171	254.8	284.4	296.3	371.9	383.0	395.3
New residential connections	473	123	93	99	23	63	111
New commercial connections	118	65	5	54	23	15	32
Employees:							
Members of City Council	5	5	5	5	5	5	5
Members of the Planning Commission	7	7	7	7	7	7	7
Full-time career status (FTE)	406	324	312	283	281	277	299
Part-time career status (FTE)	18	14	29	21	66	22	11

3) GASB 44 allowed for the implementation of historical reporting on a prospective basis. The City has elected to report historical data in this manner.

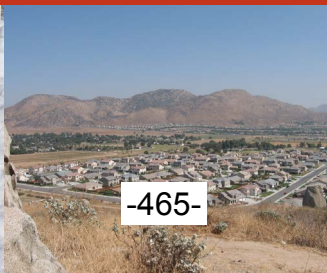
Sources: City of Moreno Valley Technology Services, Fire Department, Police Department, Community & Economic Development, Parks & Community Services, Utilities, Financial-Payroll.





COMMUNITY SERVICES DISTRICT

FINANCIAL STATEMENTS
Fiscal Year Ended June 30, 2014
(with Independent Auditors' Report Thereon)



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Item No. A.7

City of Moreno Valley, California
Community Services District

Financial Statements

Year Ended June 30, 2014

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INDEPENDENT AUDITORS' REPORT

To the Directors
City of Moreno Valley, California
Community Services District

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Moreno Valley, California, Community Services District (the District) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



To the Directors
City of Moreno Valley, California
Community Services District

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2014, and the respective changes in financial position and budgetary comparison for Zone L Library Services, Zone A Parks and Community Services, Zone B Street Lights and Zone E Extensive Landscape Administration for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



To the Directors
City of Moreno Valley, California
Community Services District

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 24, 2014 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering District's internal control over financial reporting and compliance.

Lance, Soll & Lughard, LLP

Brea, California
November 24, 2014



**City of Moreno Valley
Community Services District**

**Statement of Net Position
June 30, 2014**

	Governmental Activities
Assets:	
Cash and investments (note 2)	\$ 13,807,767
Receivables:	
Accounts	128,916
Due from other governments	229,033
Capital assets not being depreciated (note 3)	1,833,721
Capital assets, net of depreciation (note 3)	<u>16,435,255</u>
Total Assets	<u>32,434,692</u>
Liabilities:	
Accounts payable	773,027
Unearned revenue	169,021
Deposits payable	16,861
Due to other governments	17
Due to the City of Moreno Valley	<u>5,634</u>
Total Liabilities	<u>964,560</u>
Net Position:	
Net investment in capital assets	18,268,976
Restricted for:	
Special zones	<u>13,201,156</u>
Total Net Position	<u>\$ 31,470,132</u>



**City of Moreno Valley
Community Services District**

**Statement of Activities
Year Ended June 30, 2014**

	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
Expenses	Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	Governmental Activities
Functions/Programs				
Primary Government:				
Governmental Activities:				
Community and cultural	\$ 14,462,217	\$ 6,458,283	\$ 4,660	\$ -
Public works	5,760,298	-	-	-
Total Governmental Activities	<u>\$ 20,222,515</u>	<u>\$ 6,458,283</u>	<u>\$ 4,660</u>	<u>\$ -</u>
				<u>(13,759,572)</u>
General Revenues:				
Taxes:				
Property taxes, levied for general purpose				3,613,161
Other taxes				6,350,039
Use of money and property				725,733
Other				22,546
Capital assets contribution from the City of Moreno Valley				636,915
Contributions from the City of Moreno Valley				1,795,013
Total General Revenues and Contributions				<u>13,143,407</u>
Change in Net Position				(616,165)
Net Position at Beginning of Year				32,086,297
Net Position at End of Year				<u>\$ 31,470,132</u>



**City of Moreno Valley, California
Community Services District**

**Governmental Funds
Balance Sheet
June 30, 2014**

	Special Revenue Funds			
	Zone L Library Services	Zone A Parks and Community Services	Zone B Street Lights	Zone E Extensive Landscaping Administration
Assets:				
Pooled cash and investments (note 2)	\$ 194,683	\$ 4,055,834	\$ 487,349	\$ 5,820,927
Receivables:				
Accounts	-	89,990	-	-
Due from other governments	43,528	111,956	13,739	26,497
Total Assets	\$ 238,211	\$ 4,257,780	\$ 501,088	\$ 5,847,424
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 677	\$ 233,675	\$ 97,129	\$ 189,931
Unearned revenues	-	169,021	-	-
Deposits payable	-	16,861	-	-
Due to other governments	-	17	-	-
Due to the City of Moreno Valley	-	5,634	-	-
Total Liabilities	677	425,208	97,129	189,931
Fund Balances:				
Restricted for:				
Special zones	237,534	3,832,572	403,959	5,657,493
Total Fund Balances	237,534	3,832,572	403,959	5,657,493
Total Liabilities and Fund Balances	\$ 238,211	\$ 4,257,780	\$ 501,088	\$ 5,847,424

Nonmajor Governmental Funds	Total Governmental Funds
\$ 3,248,974	\$ 13,807,767
38,926	128,916
33,313	229,033
<u>\$ 3,321,213</u>	<u>\$ 14,165,716</u>

Assets:
Pooled cash and investments (note 2)
Receivables:
 Accounts
Due from other governments

Total Assets

\$ 251,615	\$ 773,027
-	169,021
-	16,861
-	17
-	5,634
<u>251,615</u>	<u>964,560</u>

Liabilities and Fund Balances:

Liabilities:
Accounts payable
Unearned revenues
Deposits payable
Due to other governments
Due to other funds

Total Liabilities

3,069,598	13,201,156
<u>3,069,598</u>	<u>13,201,156</u>
<u>\$ 3,321,213</u>	<u>\$ 14,165,716</u>

Fund Balances:

Restricted for:
Special zones

Total Fund Balances

Total Liabilities and Fund Balances



**City of Moreno Valley
Community Services District**

**Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2014**

Fund balances of governmental funds	\$ 13,201,156
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets, net of depreciation, used in governmental activities are not financial resources and therefore, are not reported in the funds.	
Capital assets, not being depreciated	1,833,721
Depreciable capital assets, net of accumulated depreciation	<u>16,435,255</u>
Net Position of governmental activities	<u>\$ 31,470,132</u>

**City of Moreno Valley, California
Community Services District**

**Governmental Funds
Statement of Revenues, Expenditures
and Changes in Fund Balances
Year Ended June 30, 2014**

	Special Revenue Funds			
	Zone L Library Services	Zone A Parks and Community Services	Zone B Street Lights	Zone E Extensive Landscaping Administration
Revenues:				
Taxes:				
Property taxes	\$ 1,493,915	\$ 1,881,226	\$ 90,126	\$ -
Other taxes	-	4,945,434	-	-
Intergovernmental	4,660	-	-	-
Charges for services	24,877	1,036,384	955,075	2,386,875
Use of money and property	-	578,518	1,878	93,658
Fines and forfeitures	41,980	-	-	-
Miscellaneous	4,619	472,921	-	2,909
Total Revenues	1,570,051	8,914,483	1,047,079	2,483,442
Expenditures:				
Current:				
Community and cultural	2,122,499	8,636,153	-	-
Public works	-	-	1,506,094	2,075,691
Capital outlay	-	52,150	-	-
Total Expenditures	2,122,499	8,688,303	1,506,094	2,075,691
Excess (Deficiency) of Revenues Over (Under) Expenditures	(552,448)	226,180	(459,015)	407,751
Other Financing Sources (Uses):				
Contribution from the City of Moreno Valley	617,835	307,500	608,000	-
Contribution to the City of Moreno Valley	-	-	-	(129,722)
Transfers in	-	-	258,400	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	617,835	307,500	866,400	(129,722)
Net Change in Fund Balances	65,387	533,680	407,385	278,029
Fund Balances, Beginning of Year	172,147	3,298,892	(3,426)	5,379,464
Fund Balances, End of Year	\$ 237,534	\$ 3,832,572	\$ 403,959	\$ 5,657,493

Nonmajor Governmental Funds	Total Governmental Funds	
\$ 147,894	\$ 3,613,161	Revenues:
1,404,605	6,350,039	Taxes:
-	4,660	Property taxes
1,555,189	5,958,400	Other taxes
51,679	725,733	Intergovernmental
-	41,980	Charges for services
-	480,449	Use of money and property
3,159,367	17,174,422	Fines and forfeitures
		Miscellaneous
		Total Revenues
		Expenditures:
1,129,787	11,888,439	Current:
2,178,513	5,760,298	Community and cultural
286,898	339,048	Public works
3,595,198	17,987,785	Capital outlay
		Total Expenditures
(435,831)	(813,363)	Excess (Deficiency) of Revenues Over (Under) Expenditures
		Other Financing Sources (Uses):
391,400	1,924,735	Contribution from the City of Moreno Valley
-	(129,722)	Contribution to the City of Moreno Valley
-	258,400	Transfers in
(258,400)	(258,400)	Transfers out
133,000	1,795,013	Total Other Financing Sources (Uses)
(302,831)	981,650	Net Change in Fund Balances
3,372,429	12,219,506	Fund Balances, Beginning of Year
\$ 3,069,598	\$ 13,201,156	Fund Balances, End of Year

**City of Moreno Valley
Community Services District**

**Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities
Year Ended June 30, 2014**

Net change in fund balances - total governmental funds \$ 981,650

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlay	339,048
Depreciation expense	(2,053,903)
Loss on disposal of assets	(519,875)
Capital assets contributions from the City of Moreno Valley	<u>636,915</u>

Change in net position of governmental activities \$ (616,165)

**City of Moreno Valley, California
Community Services District**

**Zone L Library Services
Budgetary Comparison Statement
Year Ended June 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Property taxes	\$ 1,284,000	\$ 1,284,000	\$ 1,493,915	\$ 209,915
Intergovernmental	-	-	4,660	4,660
Charges for services	18,000	18,000	24,877	6,877
Fines and forfeitures	50,000	50,000	41,980	(8,020)
Miscellaneous	2,000	2,480	4,619	2,139
Total Revenues	<u>1,354,000</u>	<u>1,354,480</u>	<u>1,570,051</u>	<u>215,571</u>
Expenditures:				
Current:				
Community and cultural	1,812,217	2,145,013	2,122,499	22,514
Total Expenditures	<u>1,812,217</u>	<u>2,145,013</u>	<u>2,122,499</u>	<u>22,514</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(458,217)</u>	<u>(790,533)</u>	<u>(552,448)</u>	<u>238,085</u>
Other Financing Sources (Uses)				
Contribution from the City of Moreno Valley	519,708	777,835	617,835	(160,000)
Total Other Financing Sources (Uses)	<u>519,708</u>	<u>777,835</u>	<u>617,835</u>	<u>(160,000)</u>
Net Change in Fund Balances	61,491	(12,698)	65,387	78,085
Fund Balance, Beginning of Year	172,147	172,147	172,147	-
Fund Balance, End of Year	<u>\$ 233,638</u>	<u>\$ 159,449</u>	<u>\$ 237,534</u>	<u>\$ 78,085</u>

**City of Moreno Valley, California
Community Services District**

**Zone A Parks and Community Services
Budgetary Comparison Statement
Year Ended June 30, 2014**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property taxes	\$ 1,709,000	\$ 1,709,000	\$ 1,881,226	\$ 172,226
Other taxes	4,900,000	4,900,000	4,945,434	45,434
Charges for services	1,067,122	1,067,122	1,036,384	(30,738)
Use of money and property	583,900	583,900	578,518	(5,382)
Miscellaneous	18,100	18,100	472,921	454,821
Total Revenues	8,278,122	8,278,122	8,914,483	636,361
Expenditures:				
Current:				
Community and cultural	8,796,506	8,978,871	8,636,153	342,718
Capital outlay	192,000	205,000	52,150	152,850
Total Expenditures	8,988,506	9,183,871	8,688,303	495,568
Excess (Deficiency) of Revenues Over (Under) Expenditures	(710,384)	(905,749)	226,180	1,131,929
Other Financing Sources (Uses)				
Contribution from the City of Moreno Valley	424,136	424,136	307,500	(116,636)
Transfers out	(160,000)	(160,000)	-	160,000
Total Other Financing Sources (Uses)	264,136	264,136	307,500	43,364
Net Change in Fund Balances	(446,248)	(641,613)	533,680	1,175,293
Fund Balance, Beginning of Year	3,298,892	3,298,892	3,298,892	-
Fund Balance, End of Year	\$ 2,852,644	\$ 2,657,279	\$ 3,832,572	\$ 1,175,293

**City of Moreno Valley, California
Community Services District**

**Zone B Street Lights
Budgetary Comparison Statement
Year Ended June 30, 2014**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property taxes	\$ 85,300	\$ 85,300	\$ 90,126	\$ 4,826
Charges for services	984,000	941,800	955,075	13,275
Use of money and property	-	-	1,878	1,878
Total Revenues	1,069,300	1,027,100	1,047,079	19,979
Expenditures:				
Current:				
Public works	1,677,100	1,683,805	1,506,094	177,711
Total Expenditures	1,677,100	1,683,805	1,506,094	177,711
Excess (Deficiency) of Revenues Over (Under) Expenditures	(607,800)	(656,705)	(459,015)	197,690
Other Financing Sources (Uses)				
Contributions from the City of Moreno Valley	349,600	608,000	608,000	-
Transfers in	258,400	258,400	258,400	-
Total Other Financing Sources (Uses)	608,000	866,400	866,400	-
Net Change in Fund Balances	200	209,695	407,385	197,690
Fund Balance, Beginning of Year	(3,426)	(3,426)	(3,426)	-
Fund Balance, End of Year	\$ (3,226)	\$ 206,269	\$ 403,959	\$ 197,690

City of Moreno Valley, California
Community Services District

**Zone E Extensive Landscaping Administration
Budgetary Comparison Statement
Year Ended June 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Charges for services	\$2,466,909	\$ 2,367,309	\$ 2,386,875	\$ 19,566
Use of money and property	4,346	4,346	93,658	89,312
Miscellaneous	-	-	2,909	2,909
Total Revenues	<u>2,471,255</u>	<u>2,371,655</u>	<u>2,483,442</u>	<u>111,787</u>
Expenditures:				
Current:				
Public works	2,481,783	2,498,363	2,075,691	422,672
Total Expenditures	<u>2,481,783</u>	<u>2,498,363</u>	<u>2,075,691</u>	<u>422,672</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,528)	(126,708)	407,751	534,459
Other Financing Sources (Uses)				
Contributions to the City of Moreno Valley	-	(129,722)	(129,722)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(129,722)</u>	<u>(129,722)</u>	<u>-</u>
Net Change in Fund Balances	(10,528)	(256,430)	278,029	534,459
Fund Balance, Beginning of Year	5,379,464	5,379,464	5,379,464	-
Fund Balance, End of Year	<u>\$ 5,368,936</u>	<u>\$ 5,123,034</u>	<u>\$ 5,657,493</u>	<u>\$ 534,459</u>

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements
June 30, 2014**

Note 1: Summary of Significant Accounting Policies

a. Description of the Reporting Entity

The City of Moreno Valley, California, Community Services District (the District), was created by a City Council ordinance adopted on December 3, 1984. Its purpose is to act as a legal entity, separate and distinct from the City of Moreno Valley (the City), even though the City Council is currently serving as the District's Governing Board. The District is broadly empowered to engage in the general maintenance and administration of the City's community programs.

Governmental Accounting Standards define the reporting entity as the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either: a) the primary government has the ability to impose its will, or b) the possibility that the component unit will provide a financial benefit to, or impose a financial burden on the primary government. Since the City Council of the City of Moreno Valley also serves as the Governing Board of the District, the City, in effect, has the ability to influence and control operations. Therefore, the City has oversight responsibility for the District. Accordingly, in applying the criteria of Governmental Accounting Standards, the financial statements of the District are included in the City's Comprehensive Annual Financial Report. The District has the same fiscal year end as the City and its financial statements can be obtained from the City Clerk.

b. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on the component unit. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Major individual governmental funds are reported as separate columns in the fund financial statements.

c. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they have been levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements (Continued)
June 30, 2014**

Note 1: Summary of Significant Accounting Policies (Continued)

Government fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers operating revenues to be available if they are collected within 60 days of the end of the current fiscal period, while grant revenues have an availability period of 120 days. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The District reports the following major governmental funds:

Zone L Library Services accounts for the operations necessary to process and administer the library services program.

Zone A Parks and Community Services accounts for the administration and maintenance of the parks and community services facilities and programs.

Zone B Street Lights accounts for the operations necessary to provide residential subdivision street lighting.

Zone E Extensive Landscaping Administration accounts for the operations necessary to provide high-service level landscape maintenance in and around specific major residential developments.

d. Budgetary Reporting

Budgets are legally adopted and formal budgetary integration is employed as a management control device during the year for the governmental activities. Budgets presented in this report for comparison to actual amounts are presented in accordance with generally accepted accounting principles (GAAP). From the effective date of the budget, the amounts stated therein as proposed expenditures become appropriations to the various District departments.

Reported budget amounts represent the original legally adopted budget as amended. The City Council may amend the budget only by a duly adopted minute resolution during a regular meeting, providing that sufficient monies are available and that expenditures of proceeds of taxes will not be increased beyond the constitutional appropriation limit as imposed by Article XIII B of the State Constitution.

Individual fund budgets are, in all cases where appropriations are required, the same as the appropriation amounts. In the case of the Governmental Fund type, unexpended budgeted amounts, except for amounts relating to capital projects, lapse at the end of the

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements (Continued)
June 30, 2014**

Note 1: Summary of Significant Accounting Policies (Continued)

budget year. Spending control for most funds is established by the amount of expenditures budgeted for each department within the fund, but management control is exercised at budgetary line item levels within the departments. Management can transfer budgeted amounts between line items within each department provided that they do not increase or decrease total department appropriations. Expenditures may not legally exceed budgeted appropriations at the department and fund levels.

For the year ended June 30, 2014, there were no funds that had in excess of appropriations adopted by City Council.

e. Unavailable Revenue and Unearned Revenue

The District reports unavailable revenue in the fund-level statements as deferred inflows. Unavailable revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the deferred inflow for unavailable revenue is removed and revenue is recognized.

The District reports unearned revenue in the fund-level statements and in the statement of net position. Unearned revenue arises when the District receives resources before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures.

f. Fund Balance

In the fund financial statements, government funds report the following fund balance classifications:

Nonspendable include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted include amounts that are constrained on the use of resources by either (a) external creditors, grantors, contributors, or laws of regulations of other governments or (b) by law through constitutional provisions or enabling legislation.

Committed include amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest authority, the Governing Board. The formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution by the governing body.

Assigned include amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The Financial and Management Services Director is authorized to assign amounts to a specific purpose, which was established by the governing body in a resolution.

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements (Continued)
June 30, 2014**

Note 1: Summary of Significant Accounting Policies (Continued)

Unassigned include the residual amounts that have not been restricted, committed, or assigned to specific purposes.

Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

g. Net Position

In the government-wide financial statements, net position is classified in the following categories:

Net Investment in Capital Assets – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the assets. Currently, the District does not have any debt attributed to capital assets.

Restricted Net Position – This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.

Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

h. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. streetlights, medians, sidewalks and similar items), are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements (Continued)
June 30, 2014**

Note 1: Summary of Significant Accounting Policies (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	5 – 50
Furniture and Equipment	3 – 15
Vehicles	3 – 10
Infrastructure	25 – 50

i. Investments

The District records all investments at fair value. The current year's changes in fair value are recognized in the statement of revenues, expenditures and changes in fund balances as use of money and property. *Use of money and property* includes interest earnings, changes in fair value, rental income and any gains or losses.

j. Salary Expenditures

The District does not employ any personnel and relies on the City for administrative services. The financial statements include expenditures for salary and other benefits, which were allocated to the District by the City.

k. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Secured property taxes are levied on August 10 and are payable in two installments on November 1 and February 1. Unsecured personal property taxes are due in a single installment on July 1. The County of Riverside bills and collects the property taxes and remits them to the District in installments during the year. Property taxes received within 60 days after the District's fiscal year-end are considered "measurable" and "available" and are accrued in the District's financial statements.

l. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the related reported amounts of revenues and expenditures during the reporting period. Actual results could differ from estimates.

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements (Continued)
June 30, 2014**

Note 2: Cash and Investments

Cash and investments reported in the accompanying financial statements consisted of the following:

Cash and investments pooled with the City \$13,807,767

The District's cash and investments are pooled with the City of Moreno Valley's cash and investments in order to generate optimum investment income. The District is a voluntary participant in the City's investment pool. This pool is governed by and under the regulatory oversight of the Investment Policy adopted by the City Council of the City. The District has not adopted an investment policy separate from that of the City. Each fund's share of the pooled cash account is separately accounted for, and investment income is allocated to all participating funds based on the relationship of their average daily cash balances to the total of the pooled cash and investments. Information regarding the authorized types of deposits and investments, the type of risks (i.e. credit, interest rate, custodial, etc.) and other disclosures associated with the City's pooled cash and investments is included in the City's basic financial statements, which are available at City Hall.

Note 3: Capital Assets

The following is a summary of capital assets for governmental activities:

	Balances 7/1/2013	Adjustments*	Transfers	Additions	Deletions	Balances 6/30/2014
Non-depreciable Assets:						
Land	\$ 779,584	\$ -	\$ -	\$ -	\$ -	\$ 779,584
Construction in progress	1,445,420	-	(790,329)	918,921	(519,875)	1,054,137
Total Non-depreciable Assets	<u>2,225,004</u>	<u>-</u>	<u>(790,329)</u>	<u>918,921</u>	<u>(519,875)</u>	<u>1,833,721</u>
Depreciable Assets:						
Buildings and Improvements	49,922,676	144,826	436,632	10,410	-	50,514,544
Furniture and Equipment	1,784,278	441,989	353,697	46,632	(26,723)	2,599,873
Vehicles	535,286	329,436	-	-	-	864,722
Infrastructure	101,457	-	-	-	-	101,457
Total Depreciable Assets	<u>52,343,697</u>	<u>916,251</u>	<u>790,329</u>	<u>57,042</u>	<u>(26,723)</u>	<u>54,080,596</u>
Accumulated Depreciation:						
Buildings and Improvements	(32,895,899)	(144,826)	-	(1,713,489)	-	(34,754,214)
Furniture and Equipment	(1,304,415)	(441,989)	-	(321,985)	26,723	(2,041,666)
Vehicles	(488,682)	(329,436)	-	(14,404)	-	(832,522)
Infrastructure	(12,914)	-	-	(4,025)	-	(16,939)
Total Accumulated Depreciation	<u>(34,701,910)</u>	<u>(916,251)</u>	<u>-</u>	<u>(2,053,903)</u>	<u>26,723</u>	<u>(37,645,341)</u>
Total Depreciable Assets, Net of Depreciation	<u>17,641,787</u>	<u>-</u>	<u>790,329</u>	<u>(1,996,861)</u>	<u>-</u>	<u>16,435,255</u>
Total Capital Assets, Net of Depreciation	<u>\$ 19,866,791</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,077,940)</u>	<u>\$ (519,875)</u>	<u>\$ 18,268,976</u>

*These assets were transferred from the City of Moreno Valley, however they are fully depreciated assets so there is no effect on the Statement of Net Position.

**City of Moreno Valley, California
Community Services District**

**Notes to Financial Statements (Continued)
June 30, 2014**

Note 3: Capital Assets (Continued)

Depreciation expense was charged to functions/programs of the District as follows:

Governmental Activities:
Community and cultural \$ 2,053,903

Note 4: Commitments and Contingencies

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and injuries to employees. The City of Moreno Valley established two Self-Insurance Funds (internal service funds) to account for and finance its uninsured risks of loss. Under this program, the self-insurance funds provide coverage for up to a maximum of \$300,000 for each worker's compensation claim and \$250,000 for each general liability claim. The City purchases commercial insurance for claims in excess of coverage provided by the funds and for all other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three years. All funds of the District participate in the program and make payments to the Self-Insurance Funds based on actuarial estimates of the amounts needed to pay prior and current year claims.

**City of Moreno Valley
Community Services District**

**Nonmajor Governmental Funds
Combining Balance Sheet
June 30, 2014**

	Special Revenue Funds			
	Zone C Arterial Street Lights Administration	Zone D Standard Landscaping Administration	Zone M Median	CFD #1
Assets:				
Pooled cash and investments	\$ 373,368	\$ 1,010,075	\$ 521,853	\$ 1,256,177
Receivables:				
Accounts	38,926	-	-	-
Due from other governments	9,037	11,462	2,509	9,352
	\$ 421,331	\$ 1,021,537	\$ 524,362	\$ 1,265,529
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 67,891	\$ 77,072	\$ 20,621	\$ 82,471
	67,891	77,072	20,621	82,471
Fund Balances:				
Restricted for:				
Special zones	353,440	944,465	503,741	1,183,058
	353,440	944,465	503,741	1,183,058
Total Liabilities and Fund Balances	\$ 421,331	\$ 1,021,537	\$ 524,362	\$ 1,265,529

Special Revenue Funds	
<hr/>	
Zone S Sunnymead Boulevard Maintenance	Total Nonmajor Funds
<hr/>	<hr/>
\$ 87,501	\$ 3,248,974
-	38,926
953	33,313
<hr/>	<hr/>
\$ 88,454	\$ 3,321,213
<hr/>	<hr/>
\$ 3,560	\$ 251,615
<hr/>	<hr/>
3,560	251,615
<hr/>	<hr/>
84,894	3,069,598
<hr/>	<hr/>
84,894	3,069,598
<hr/>	<hr/>
\$ 88,454	\$ 3,321,213
<hr/>	<hr/>

Assets:
Pooled cash and investments
Receivables:
 Accounts
 Due from other governments

Total Assets

Liabilities and Fund Balances:

Liabilities:
Accounts payable

Total Liabilities

Fund Balances:

Restricted for:
Special zones

Total Fund Balances

Total Liabilities and Fund Balances

**City of Moreno Valley
Community Services District**

**Nonmajor Governmental Funds
Combining Statement of Revenues,
Expenditures and Changes in Fund Balances
Year Ended June 30, 2014**

	Special Revenue Funds			
	Zone C Arterial Street Lights Administration	Zone D Standard Landscaping Administration	Zone M Median	CFD #1
Revenues:				
Taxes:				
Property taxes	\$ 147,894	\$ -	\$ -	\$ -
Other taxes	424,465	-	-	980,140
Charges for services	133,719	1,167,518	170,796	25,545
Use of money and property	6,158	13,526	8,647	22,022
Total Revenues	712,236	1,181,044	179,443	1,027,707
Expenditures:				
Current:				
Community and cultural	-	-	-	1,129,787
Public works	843,498	1,042,872	244,721	-
Capital outlay	-	-	-	286,898
Total Expenditures	843,498	1,042,872	244,721	1,416,685
Excess (Deficiency) of Revenues Over (Under) Expenditures	(131,262)	138,172	(65,278)	(388,978)
Other Financing Sources (Uses):				
Contribution from the City of Moreno Valley	288,000	-	103,400	-
Transfers out	(258,400)	-	-	-
Total Other Financing Sources (Uses)	29,600	-	103,400	-
Net Change in Fund Balances	(101,662)	138,172	38,122	(388,978)
Fund Balances, Beginning of Year	455,102	806,293	465,619	1,572,036
Fund Balances, End of Year	\$ 353,440	\$ 944,465	\$ 503,741	\$ 1,183,058

Special Revenue Funds		
Zone S Sunnymead Boulevard Maintenance	Total Nonmajor Funds	
\$ -	\$ 147,894	Revenues:
-	1,404,605	Taxes:
57,611	1,555,189	Property taxes
1,326	51,679	Other taxes
58,937	3,159,367	Charges for services
		Use of money and property
		Total Revenues
		Expenditures:
-	1,129,787	Current:
47,422	2,178,513	Community and cultural
-	286,898	Public works
47,422	3,595,198	Capital outlay
		Total Expenditures
11,515	(435,831)	Excess (Deficiency) of Revenues Over (Under) Expenditures
		Other Financing Sources (Uses):
-	391,400	Contribution from the City of Moreno Valley
-	(258,400)	Transfers out
-	133,000	Total Other Financing Sources (Uses)
11,515	(302,831)	Net Change in Fund Balances
73,379	3,372,429	Fund Balances, Beginning of Year
\$ 84,894	\$ 3,069,598	Fund Balances, End of Year

City of Moreno Valley, California
Community Services District

Zone C Arterial Street Lights Administration
Budgetary Comparison Schedule
Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes:				
Property taxes	\$ 110,000	\$ 110,000	\$ 147,894	\$ 37,894
Other taxes	422,000	422,000	424,465	2,465
Charges for services	108,500	60,000	133,719	73,719
Use of money and property	-	-	6,158	6,158
Total Revenues	640,500	592,000	712,236	120,236
Expenditures:				
Current:				
Public works	927,800	929,985	843,498	86,487
Total Expenditures	927,800	929,985	843,498	86,487
Excess (Deficiency) of Revenues Over (Under) Expenditures	(287,300)	(337,985)	(131,262)	206,723
Other Financing Sources (Uses)				
Contribution from the City of Moreno Valley	288,000	288,000	288,000	-
Transfers out	-	(258,400)	(258,400)	-
Total Other Financing Sources (Uses)	288,000	29,600	29,600	-
Net Change in Fund Balances	700	(308,385)	(101,662)	206,723
Fund Balance, Beginning of Year	455,102	455,102	455,102	-
Fund Balance, End of Year	\$ 455,802	\$ 146,717	\$ 353,440	\$ 206,723

**City of Moreno Valley, California
Community Services District**

**Zone D Standard Landscaping Administration
Budgetary Comparison Schedule
Year Ended June 30, 2014**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 1,188,600	\$ 1,163,600	\$ 1,167,518	\$ 3,918
Use of money and property	515	515	13,526	13,011
Total Revenues	1,189,115	1,164,115	1,181,044	16,929
Expenditures:				
Current:				
Public works	1,086,200	1,096,642	1,042,872	53,770
Total Expenditures	1,086,200	1,096,642	1,042,872	53,770
Excess (Deficiency) of Revenues Over (Under) Expenditures	102,915	67,473	138,172	70,699
Net Change in Fund Balances	102,915	67,473	138,172	70,699
Fund Balance, Beginning of Year	806,293	806,293	806,293	-
Fund Balance, End of Year	\$ 909,208	\$ 873,766	\$ 944,465	\$ 70,699

**City of Moreno Valley, California
Community Services District**

**Zone M Median
Budgetary Comparison Schedule
Year Ended June 30, 2014**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 200,700	\$ 166,500	\$ 170,796	\$ 4,296
Use of money and property	409	409	8,647	8,238
Total Revenues	201,109	166,909	179,443	12,534
Expenditures:				
Current:				
Public works	281,844	285,224	244,721	40,503
Total Expenditures	281,844	285,224	244,721	40,503
Excess (Deficiency) of Revenues Over (Under) Expenditures	(80,735)	(118,315)	(65,278)	53,037
Other Financing Sources (Uses)				
Contribution from the City of Moreno Valley	103,400	103,400	103,400	-
Total Other Financing Sources (Uses)	103,400	103,400	103,400	-
Net Change in Fund Balances	22,665	(14,915)	38,122	53,037
Fund Balance, Beginning of Year	465,619	465,619	465,619	-
Fund Balance, End of Year	\$ 488,284	\$ 450,704	\$ 503,741	\$ 53,037

**City of Moreno Valley, California
Community Services District**

**CFD #1
Budgetary Comparison Schedule
Year Ended June 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes:				
Other taxes	\$ 1,000,000	\$ 1,000,000	\$ 980,140	\$ (19,860)
Charges for services	25,400	25,400	25,545	145
Use of money and property	25,000	25,000	22,022	(2,978)
Total Revenues	<u>1,050,400</u>	<u>1,050,400</u>	<u>1,027,707</u>	<u>(22,693)</u>
Expenditures:				
Current:				
Community and cultural	1,182,223	1,226,277	1,129,787	96,490
Capital outlay	691,000	787,000	286,898	500,102
Total Expenditures	<u>1,873,223</u>	<u>2,013,277</u>	<u>1,416,685</u>	<u>596,592</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(822,823)</u>	<u>(962,877)</u>	<u>(388,978)</u>	<u>573,899</u>
Net Change in Fund Balances	(822,823)	(962,877)	(388,978)	573,899
Fund Balance, Beginning of Year	<u>1,572,036</u>	<u>1,572,036</u>	<u>1,572,036</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 749,213</u>	<u>\$ 609,159</u>	<u>\$ 1,183,058</u>	<u>\$ 573,899</u>

**City of Moreno Valley, California
Community Services District**

**Zone S Sunnymead Boulevard Maintenance
Budgetary Comparison Schedule
Year Ended June 30, 2014**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 55,800	\$ 55,800	\$ 57,611	\$ 1,811
Use of money and property	51	51	1,326	1,275
Total Revenues	55,851	55,851	58,937	3,086
Expenditures:				
Current:				
Public works	66,017	66,328	47,422	18,906
Total Expenditures	66,017	66,328	47,422	18,906
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,166)	(10,477)	11,515	21,992
Net Change in Fund Balances	(10,166)	(10,477)	11,515	21,992
Fund Balance, Beginning of Year	73,379	73,379	73,379	-
Fund Balance, End of Year	\$ 63,213	\$ 62,902	\$ 84,894	\$ 21,992

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**MINUTES – REGULAR MEETING OF
DECEMBER 9, 2014
(Report of: City Clerk Department)**

Recommendation: Approve as submitted.

SEE AGENDA ITEM A.2

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>MJD</i>

Report to City Council

TO: Mayor and City Council, acting in their capacity as President and Board of Directors of the Moreno Valley Community Services District

FROM: Betsy Adams, Director of Parks and Community Services

AGENDA DATE: January 6, 2015

TITLE: ACCEPTANCE OF AMENDED GRANT CONTRACT FROM THE CALIFORNIA DEPARTMENT OF EDUCATION, CHILD DEVELOPMENT SERVICES, FOR CHILD CARE SERVICES AND ADOPTION OF THE RESOLUTION TO CERTIFY THE APPROVAL OF THE GOVERNING BOARD

RECOMMENDED ACTION

Recommendations:

1. Authorize the acceptance of grant monies in the amended amount of \$593,054 for Fiscal Year (FY) 2014/2015 from the California Department of Education, Child Development Division, for the purpose of providing school age child care and development services.
2. Adopt Resolution No. CSD 2015-01. A Resolution of the Moreno Valley Community Services District of the City of Moreno Valley, California, Certifying the Approval of the Governing Board to Enter into a Transaction with the California Department of Education for the Purpose of Providing Child Care and Development Services and to Authorize the Designated Personnel to Sign Contract Documents for FY 2014/2015.

SUMMARY

This report recommends the acceptance of Child Development Grant Funds in the amended amount to continue the Child's Place licensed after school program. This program is supported by grant funds and parent fees.

DISCUSSION

On August 26, 2014 Council approved contract number CCTR-4172 accepting grant monies from the State of California Department of Education in the amount of \$561,056 for the purpose of providing school age child care and development services for FY 2014/2015. The 2014 Budget Act increased the Standard Reimbursement Rate per child day of enrollment from \$34.38 to \$36.10 increasing the Maximum Reimbursable Amount to \$593,054.

A Child's Place is state licensed and operates under the following conditions. The program utilizes five elementary schools: Creekside, Sunnymead, Rainbow Ridge, Armada and Red Maple. The program accommodates 142 children between the ages of kindergarten up to 12 years of age and has been in effect since January of 1997. The healthy social and emotional development of every child is addressed by providing activities, schedules, materials, and equipment to ensure that children are both challenged and successful. Programming for the students includes a nutritious snack served daily, arts and crafts, indoor and outdoor games, story time, homework time, and social time. The program also includes field trips with bus transportation, parent conferences, and special parenting classes and programs with topics including health issues, substance abuse, nutrition, personal safety, community awareness, literacy, and more. The program works closely with parents and school site staff to incorporate applicable school rules into the program and provide emotional support for children.

A Child's Place operates at schools utilizing the "modified traditional" school schedule between the hours of 2:00 p.m. and 6:00 p.m. on school days and 7:00 a.m. to 6:00 p.m. on school vacation days, Monday through Friday.

As part of the City's policy, the City Council must formally accept this funding from the California Department of Education, Child Development Services and adopt the corresponding resolution.

ALTERNATIVES

1. Authorize the acceptance of grant monies in the amount of \$593,054 for FY 2014/2015 from the California Department of Education, Child Development Division for the purpose of providing school age child care and development services; and approve the Proposed Resolution to certify the approval of the governing board to enter into this transaction with the California Department of Education for the purpose of providing school age child care and development services.
2. Do not accept additional grant funding and continue the Child Care Grant Program at current lower funding levels.

FISCAL IMPACT

The proposed grant funds program expenditures on a cost reimbursement basis. The grant funds as well as food program revenue and program fees are used for providing

school age child care and development services and are restricted to this program. There is no impact to the General Fund. A budget adjustment to increase revenue to grant award amount will be done. Expenditures are budgeted in the FY 2014-2015 Operating Budget (2201-50-58-75011).

Description	Fund	GL Account No.	Type (Rev/Exp)	FY 14/15 Budget	Proposed Adjustments	FY 14/15 Amended Budget
Receipt of Grant	Child Care	2201-50-58-75011-486000	Rev	\$561,056	\$31,998	\$593,054
Grant Expenditures *	Child Care	2201-50-58-75011-611310	Exp	\$235,901	\$31,998	\$267,899

*Chart only shows revenue and expenditure accounts affected by the increase in revenue and not the entire program budget. All grant funds are fully expended during each grant year.

NOTIFICATION

Posting of the agenda.

ATTACHMENTS/EXHIBITS

Attachment 1: Proposed Resolution

Prepared By:
Patty Grube
Management Analyst

Department Head Approval:
Betsy Adams
Director of Parks and Community Services

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RESOLUTION NO. CSD 2015-01

A RESOLUTION OF THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, CERTIFYING THE APPROVAL OF THE GOVERNING BOARD TO ENTER INTO A TRANSACTION WITH THE CALIFORNIA DEPARTMENT OF EDUCATION FOR THE PURPOSE OF PROVIDING CHILD CARE AND DEVELOPMENT SERVICES AND TO AUTHORIZE DESIGNATED PERSONNEL TO SIGN CONTRACT DOCUMENTS FOR FY 2014/2015

WHEREAS, the Moreno Valley Community Services District Board of Directors desires to provide school age child care services to the citizens of Moreno Valley during FY 2014/2015; and

WHEREAS, the Moreno Valley Community Services District Board of Directors further desires to enter into this transaction with the California Department of Education for the purpose of providing child care and development services; and

WHEREAS, the Moreno Valley Community Services District Board of Directors authorizes the persons listed to sign the transaction for the Governing Board.

Betsy Adams, Director of Parks and Community Services _____

Mel Alonzo, Parks & Community Services Division Manager _____

Richard Teichert, Chief Financial Officer _____

NOW, THEREFORE, THE MORENO VALLEY COMMUNITY SERVICES DISTRICT OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

- 1. Accept the grant monies from the California Department of Education, Child Development Division, in the amount of \$593,054 per fiscal year to provide child care services for FY 2014/2015; and
- 2. Adopt a resolution to certify the approval of the Governing Board to enter into local agreement number/s CCTR-4172, Project Number 33-2186-00-4 with the California Department of Education for the purpose of providing child care and development services; and
- 3. Authorize designated personnel to sign contract documents on behalf of the Governing Board for FY 2014/2015.

1
Resolution No. CSD 2015-01
Date Adopted: January 6, 2015

APPROVED AND ADOPTED this 6th day of January, 2015.

Mayor of the City of Moreno Valley,
acting in the capacity of President of the Board
of Directors of the Moreno Valley Community
Services District

ATTEST:

City Clerk, acting in the capacity of
Secretary of the Moreno Valley
Community Services District

APPROVED AS TO FORM:

City Attorney, acting in the capacity
of General Legal Counsel of the Moreno
Valley Community Services District

2
Resolution No. CSD 2015-01
Date Adopted: January 6, 2015

RESOLUTION JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. CSD 2015-01 was duly and regularly adopted by the Board of Directors of the Moreno Valley Community Services District of the City of Moreno Valley at a regular meeting held on the 6th day of January, 2015, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

CITY CLERK

(SEAL)

3
Resolution No. CSD 2015-01
Date Adopted: January 6, 2015

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>MJD</i>

Report to City Council

TO: Mayor and City Council, acting in their capacity as President and Board of Directors of the Moreno Valley Community Services District

FROM: Betsy Adams, Director of Parks and Community Services

AGENDA DATE: January 6, 2015

TITLE: AUTHORIZE THE SUBMISSION OF APPLICATION FOR ADDITIONAL AFTER SCHOOL EDUCATION AND SAFETY GRANT FUNDS FOR FISCAL YEAR 2015/2016

RECOMMENDED ACTION

Recommendation:

1. Authorize the City Manager to submit an application to the California Department of Education for Additional After School Education and Safety Grant funds (ASES) for FY 2015/16.

SUMMARY

This grant funding would allow the City of Moreno Valley, in partnership with THINK Together, Moreno Valley Unified School District (MVUSD), and Val Verde Unified School District (VVUSD), to provide after school care for over 260 additional students kindergarten through grade nine where they receive extended learning opportunities in a safe physical and emotional environment.

DISCUSSION

The City of Moreno Valley originally applied for and received funding from the ASES Grant for FY 2006/07 through FY 2009/10. The City applied for funding every year thereafter in which funding was available to fund each site at the maximum funding level. The City is currently funded to serve 3,760 students in after school programs at 43 school sites in MVUSD and VVUSD. The City began partnering with THINK Together to operate all 43 sites in FY 2011/12.

THINK Together would like to partner with the City of Moreno Valley, along with MVUSD and VVUSD, in applying for additional funding through the ASES Program to add Vista Heights Middle School and North Ridge Elementary and increase funding for Seneca Elementary School and Vista Verde Middle School program sites that are below the maximum funding level.

This funding will allow the City to serve over 260 additional low income students in the after school program. This program provides a safe environment where students can go after school to get homework help, literacy and academic enrichment, physical activity and a nutritious snack.

ALTERNATIVES

1. Authorize the City Manager to submit the grant application to the California Department of Education for the After School Education and Safety Grant for FY 2015/16. This option will allow the City to serve 260 additional students in the after school program.
2. Do not authorize the City Manager to submit the grant application to the California Department of Education for the After School Education and Safety Grant for FY 2015/16. This option will enable the City to continue serving students at the current level of 3,760.

FISCAL IMPACT

The award of \$361,800 in After School Education and Safety Grant Funds for FY 2015/16 would fund all program expenditures at 100 percent through direct grant funding. The grant funds will be used to provide after school care and are restricted to this program. THINK Together will provide an amount of cash or in-kind local funds equal to not less than one-third of the total grant amount to meet the match requirement. There is no impact to the General Fund. Funds will be budgeted in the fund 2202 FY 2015/16 Operating Budget.

NOTIFICATION

Posting of the agenda

ATTACHMENTS

None

Prepared By:
Patty Grube
Management Analyst

Department Head Approval:
Betsy Adams
Director of Parks and Community Services

**MINUTES – REGULAR MEETING OF
DECEMBER 9, 2014
(Report of: City Clerk Department)**

Recommendation: Approve as submitted.

SEE AGENDA ITEM A.2

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**MINUTES – REGULAR MEETING OF
DECEMBER 9, 2014
(Report of: City Clerk Department)**

Recommendation: Approve as submitted.

SEE AGENDA ITEM A.2

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>R</i>
CITY MANAGER	<i>MJO</i>

Report to City Council

TO: Mayor and City Council

FROM: Ahmad R. Ansari, P.E., Public Works Director/City Engineer

AGENDA DATE: January 6, 2015

TITLE: PUBLIC HEARING FOR GENERAL PLAN AMENDMENT PA13-0056 TO UPDATE THE BIKEWAY PLAN, ADOPT THE BICYCLE MASTER PLAN UPDATE, AND RENAME THE AQUEDUCT TRAIL AS THE JUAN BAUTISTA DE ANZA TRAIL

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Recognize that PA13-0056 is within the scope of the program Environmental Impact Report (EIR) approved in 2006 for the citywide Comprehensive General Plan Update in accordance with CEQA Guidelines, Section 15168(c) (2) and 15168 (e) (1) and (2).
2. Adopt Resolution No. 2015-01. A Resolution of the City Council of the City of Moreno Valley, California, Approving General Plan Amendment PA13-0056 to Update the Bikeway Plan, Adopt the Bicycle Master Plan Update, and Rename the Aqueduct Trail as the Juan Bautista De Anza Trail, Based Upon the Findings in the City Council Resolution.

SUMMARY

This is a public hearing to consider General Plan Amendment PA13-0056 that revises the Bikeway Plan, updates the Bicycle Master Plan, and renames the Aqueduct Trail as the Juan Bautista de Anza Trail.

DISCUSSION

The City of Moreno Valley accepted a Caltrans Community Based Transportation Planning Grant on October 9, 2012. On June 25, 2013, the City awarded a contract to

KTU+A for professional consulting services to prepare a Bicycle Master Plan Update and Bikeway Plan. During the course of the plan preparation, three workshops were held to garner input from the public and stakeholders regarding the plan. The final plan includes the following information:

- General Bicycling information
- Analysis of existing bicycle facility conditions
- Recommended goals, policies, and objectives
- Recommended facilities
- Improvements to existing facilities
- Recommended programs
- Cost estimates vetted
- Potential funding sources

The proposed Bicycle Master Plan Update affords the opportunity to ultimately create a network of approximately 21 miles of Class I paths, 81 miles of Class II lanes, 15 miles of Class III routes, and 12 miles of bicycle boulevards within the City of Moreno Valley, consistent with the General Plan. As a point of reference, the following are descriptions of Class I, Class II, Class III, and bicycle boulevards:

- Class I Bikeway: a bike path on separate right of way.
- Class II Bikeway: a striped bike lane on a roadway.
- Class III Bikeway: signs along a bike route.
- Bicycle boulevard: a street where all types of vehicles are allowed with traffic calming modifications to enhance pedestrian and bicycle mobility and safety.

The Bicycle Master Plan network may be implemented over time as resources allow or through annual CIP budgetary approvals by the City Council. Each proposed bicycle segment would be subject to an environmental / traffic and roadway capacity impact analysis by various departments within the City. At the discretion of the City Manager's office, the proposed bicycle segments shall go through an approval process which may include vetting by the community through the Traffic Safety Commission, the Recreational Trails Board, and/or the City Council.

There were three primary reasons to update the Moreno Valley Bicycle Master Plan. The first purpose of the grant was to bring the City's plan into conformance with the Western Riverside Council of Governments (WRCOG) Non-motorized Transportation Plan and other regional plans. The WRCOG plan is a component of the region's efforts to assist the Southern California Association of Governments (SCAG) to address regional reductions of greenhouse gases as required by Senate Bill (SB) 375. SB 375 is the state law that required regions of the state to set targets for the reduction of greenhouse gas emissions from passenger vehicles. Other regional plans include SCAG Compass Blue Print Plans and adjacent jurisdiction plans. The Compass Blue Print Program administered by SCAG assists local government planning efforts to

address mobility, livability, prosperity, and sustainability. The second purpose was to bring the City's plan up to date with the current State of the Practice in terms of buffered bicycle lanes, bicycle boulevards, enhanced traffic signal detection, bicycle boxes at destinations/modal transfer points, and other ongoing research. Furthermore, the current City plan does not represent the best strategies to integrate all of the other modes of transportation such as Metrolink, Amtrak California bus service, Riverside Transit Agency (RTA) bus service, etc. The third purpose was to identify missing links, needed extensions among residential areas and schools/parks and employment centers/retail centers, and needed connections to regional/adjacent jurisdiction facilities enables the City to improve mobility and accessibility within the City as well as the region. Additionally, the updated plan allows the City to enhance the utilization of the existing network of bicycle lanes by making bicycling a more viable option as a modal choice. The Bicycle Master Plan Update and associated recommended facilities fulfill the grant's objectives and provides the City a plan to move forward in the development of bicycle facilities within the City. Furthermore, the Bicycle Master Plan is consistent with the Goals, Objectives, Policies, and Programs of the General Plan as defined in the Circulation Element.

City staff is also seeking to rename the Aqueduct Trail. The Aqueduct Trail is a partially completed Class I bike path that extends from Eucalyptus Avenue near Arbor Park Lane and Fire Station 6 in the Towngate area, to Lake Perris. The bike path generally follows the right of way easement for the East Branch of the California Aqueduct that terminates at Lake Perris. Within Moreno Valley, the aqueduct is a part of the 28 mile Santa Ana Tunnel connecting the Devil Canyon Power plant located on the north side of San Bernardino to Lake Perris. The bike path that follows the aqueduct easement has become known unofficially as the Aqueduct Trail.

The Aqueduct Trail generally follows the Juan Bautista de Anza National Historic Trail corridor from Lake Perris to the Towngate area. The trail corridor extends from Nogales, Arizona to San Francisco. Renaming of the trail would acknowledge the historical significance of the Juan Bautista de Anza expedition through Moreno Valley, provide opportunities for the trail to be recognized as a part of a larger trail system, and better position the City to receive future Federal trail and active transportation grant funding. The renaming of the trail in no way would affect development, control, or maintenance of the trail. The trail will continue to be developed by the City on City controlled property or right of way and would continue to be maintained by the City.

The proposed Bicycle Master Plan Update would have no impact to the General Plan, except for amending the Bikeway Plan. The following text summarizes the consistency of the Bicycle Master Plan Update with the current General Plan.

9.5.1 Circulation Element Goals

Goal 5.2 "Maintain safe and adequate pedestrian, bicycle, and public transportation systems to provide alternatives to single occupant vehicular travel and to support planned land uses."

The Bicycle Master Plan Update is consistent with this goal. The plan is consistent with the State’s classification of bicycle facilities and the safety provisions contained within the design standards. The plan proposes bicycle facilities that connect residential neighborhoods to schools, bus/light rail stops, parks, commercial centers, places of employment, and planned regional bicycle facilities and trails.

Objective 5.10 “Encourage bicycling as an alternative to single occupant vehicle travel for the purpose of reducing fuel consumption, traffic congestion, and air pollution. The Moreno Valley Bikeway Plan is shown in Figure 9-4.”

The Bicycle Master Plan Update encourages bicycling as an alternative to single occupant vehicle travel through the planned facilities connecting residential neighborhoods to schools, bus/light rail stops, parks, commercial centers, and places of employment. Furthermore, the Bicycle Master Plan Update includes program and outreach recommendations intended to increase bicycle ridership. These program and outreach recommendations include education programs and events at schools as well as enforcement strategies for the police department.

Policy 5.10.1 “Bikeways shall link residential neighborhood areas with parks, employment centers, civic and commercial areas, and schools.”

The Bicycle Master Plan Update includes proposed facilities that link residential neighborhoods to schools, bus/light rail stops, parks, commercial centers, and places of employment. A primary focus of the plan update was connectivity among these land uses via bicycle facilities.

Policy 5.10.2 “Integrate bikeways, consistent with the Bikeway Plan, with the circulation system and maintain Class II and III bikeways as part of the City’s street system.”

The Bicycle Master Plan Update is consistent with the City’s General Plan Roadway Cross-sections and proposes a significant amount of Class II and III facilities. The proposed bicycle facilities are integrated with the City’s Circulation Element.

Policy 5.10.3 “Support bicycle safety programs, and active enforcement of laws relating to the safe operation of bicycles on City streets.”

The Bicycle Master Plan Update includes programs and outreach recommendations such as education programs and events at schools as well as enforcement strategies for the police department.

Policy 5.10.4 “Link local bikeways with existing and planned regional bikeways.”

The Bicycle Master Plan Update includes facility connections to either existing or planned facilities in adjoining jurisdictions that include the Lake Perris State Recreational Area, County of Riverside, City of Riverside, City of Perris, and California Department of Fish and Wildlife property.

The Bicycle Master Plan Update does not conflict with the intended land uses of the Community Development Element, does not affect the Parks, Recreation and Open Space Element, does not impact the Safety Element, and has no bearing on Environmental Safety or the Housing Element. The proposed bicycle facilities provide appropriate and feasible classifications along roadway segments that can be accommodated within the planned street right of way, aqueduct easements, and storm drain channel right of way. Therefore, the proposed revision would not impact the Circulation Element.

The proposed Bicycle Master Plan was presented to the Recreational Trails Board on July 23, 2014. The Board supports the Bicycle Master Plan Update. The Traffic Safety Commission reviewed the Bicycle Master Plan Update on August 6, 2014. The Commission supports the Bicycle Master Plan Update. The proposed renaming of the Aqueduct Trail as the Juan Bautista de Anza Trail was presented to the Environmental and Historical Preservation Board on September 8, 2014 and the Recreational Trails Board on September 24, 2014. Both Boards support the renaming of the trail. The Planning Commission at its September 25, 2014 meeting recommended approval of the Bikeway Plan, adoption of the Bicycle Master Plan, and renaming of the Aqueduct Trail as the Juan Bautista de Anza Trail.

ALTERNATIVES

1. Approve the recommended actions as presented in this Staff Report. *This alternative will allow the City to fulfill the grant obligations and remain on schedule.*
2. Do not approve the recommended actions as presented in this Staff Report. *This alternative will delay the completion of the grant obligations and potentially put grant funds at risk.*

FISCAL IMPACT

Updating the Bikeway Plan, adopting the Bicycle Master Plan, and renaming the Aqueduct Trail as the Juan Bautista de Anza Trail does not impact the General Fund. The additional signing and striping associated with the proposed changes to the Bikeway Plan would be installed through the use of Measure A funds (the County-wide ½ cent sales tax revenue dedicated to transportation projects), grant monies for specific bicycle infrastructure, or adjacent private development. Maintenance of the additional signing and striping associated with the proposed changes to the Bikeway Plan would be included in the annual budget for signing and striping. Class I bike paths are maintained with Community Services District funding (CSD Zone A).

CITY COUNCIL GOALS

PUBLIC SAFETY:

Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

PUBLIC FACILITIES AND CAPITAL PROJECTS:

Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

NOTIFICATION

The public hearing notice for this project was posted at City Hall and published in the local newspaper within a 1/8 page ad on December 19, 2014.

ATTACHMENTS

Attachment 1: Public Hearing Notice

Attachment 2: Proposed Resolution for General Plan Amendment, including Exhibit A

Attachment 3: Planning Commission Staff Report dated September 25, 2014
(excluding attachments)

Attachment 4: Planning Commission Meeting Minutes for Public Hearing Item #1
from September 25, 2014

Attachment 5: Bicycle Master Plan

Attachment 6: Bicycle Master Plan Update PowerPoint Presentation

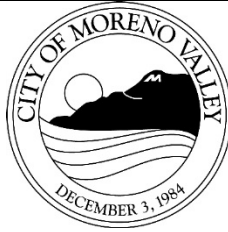
Attachment 7: Aqueduct Trail Location Map

Prepared By:
Michael Lloyd
Senior Engineer, P.E.

Department Head Approval:
Ahmad R. Ansari, P.E.
Public Works Director/City Engineer

Concurred By:
Eric Lewis, P.E., T.E.
City Traffic Engineer

Concurred By:
Allen D. Brock, CBO
Acting Community and Economic
Development Director



NOTICE OF CITY COUNCIL PUBLIC HEARING

BICYCLE MASTER PLAN UPDATE TO IDENTIFY
PROPOSED FUTURE CLASS I, II AND III BICYCLE
FACILITIES CITYWIDE

The proposed Bicycle Master Plan Update identifies citywide bicycle facilities and programs that are consistent with and carry out the goals and objectives of the General Plan and amends the General Plan Bikeway Plan Map. Furthermore, approval is sought to rename the Aqueduct Trail as the Juan Bautista de Anza Trail.

The project is within the scope of the Program Environmental Impact Report (EIR) approved for the citywide Comprehensive General Plan Update in 2006. The Program EIR adequately describes the project for the purposes of the California Environmental Quality Act (CEQA) in accordance with Section 15168(c) (2) and 15168 (e) (1) and (2) of the California Environmental Quality Act Guidelines. None of the conditions described in Section 15162 of the Guidelines that call for preparation of a subsequent EIR have occurred. The City Council may consider any appropriate modifications or alternatives to the environmental determination.

Any person interested in the proposed project may contact Mark Gross, Senior Planner at (951) 413-3215 in the Community & Economic Development Department at 14177 Frederick Street, Moreno Valley, California, during normal business hours (7:30 a.m. to 5:30 p.m., Monday – Thursday and 7:30 a.m. – 4:30 p.m. on Friday) or may telephone (951) 413-3206 for further information.

If you challenge any of these items in court, you may be limited to raising only those issues you or someone else raised at the Public Hearing described in this notice, or in written correspondence delivered to the City Council on or before the following meeting date:

**Tuesday, January 6, 2015
6:00 P.M.
City Council Chamber
14177 Frederick Street.
Moreno Valley, CA 92552-0805**

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RESOLUTION NO. 2015-01

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, APPROVING GENERAL PLAN AMENDMENT PA13-0056 TO UPDATE THE BIKEWAY PLAN, ADOPT THE BICYCLE MASTER PLAN UPDATE, AND RENAME THE AQUEDUCT TRAIL AS THE JUAN BAUTISTA DE ANZA TRAIL

WHEREAS, the City of Moreno Valley has filed an application requesting an amendment to the City's General Plan which proposes revisions to the City's Bikeway Plan as shown in Exhibit A, adoption of the Bicycle Master Plan Update, and renaming of the Aqueduct Trail as the Juan Bautista de Anza Trail; and

WHEREAS, the project is within the scope of the program Environmental Impact Report (EIR) approved in 2006 for the citywide Comprehensive General Plan Update in accordance with CEQA Guidelines, Section 15168(c) (2) and 15168 (e) (1) and (2); and

WHEREAS, on September 25, 2014, the Planning Commission of the City of Moreno Valley held a meeting to consider General Plan Amendment PA13-0056. At said meeting, the Planning Commission recommended approval of General Plan Amendment PA13-0056 to the City Council; and

WHEREAS, on January 6, 2015, the City Council of the City of Moreno Valley held a public hearing to consider the General Plan Amendment contained within this resolution; and

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred; and

WHEREAS, all of the facts set forth in this Resolution are true and correct.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

Based upon substantial evidence presented during the above-referenced public hearing, including written and oral staff reports, and the record from the public hearing, the City Council finds that:

1. Conformance with General Plan Policies – The proposed General Plan Amendment is consistent with the General Plan, and its goals, objectives, policies, and programs.

FACT: The adoption of the proposed General Plan Amendment and the Bicycle Master Plan Update for the various modifications of the Bikeway Plan will be consistent with the goals, objectives, policies and programs of

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the General Plan. The plan is consistent with the State’s classification of bicycle facilities and the safety provisions contained within the design standards. The plan proposes bicycle facilities that connect residential neighborhoods to schools, bus stops, light rail stops, parks, commercial centers, and places of employment. Furthermore, the plan proposes connections to planned regional bicycle facilities and trails.

- 2. Health, Safety, and Welfare – The proposed General Plan Amendment will not be detrimental to the public health, safety, or welfare.

FACT: The proposed amendment to the Bikeway Plan and adoption of the Bicycle Master Plan Update would not be detrimental to the public health, safety or welfare. The plan is consistent with the State’s classification of bicycle facilities and the safety provisions contained within the design standards. Furthermore, the plan contains programs and outreach recommendations such as education programs and events at schools as well as enforcement strategies for the police department.

BE IT FURTHER RESOLVED that the City Council of the City of Moreno Valley HEREBY APPROVES Resolution No. 2015-01 approving General Plan Amendment PA13-0056 and recognizing that the amendment is within the scope of the Program Environmental Impact Report approved in 2006 for the citywide Comprehensive General Plan update in accordance with CEQA Guidelines, Section 15168 (c) (2) and 15168 (e) (1) and (2).

APPROVED AND ADOPTED this 6th day of January, 2015.

Mayor of the City of Moreno Valley

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

Exhibit A: Proposed Bikeway Plan

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RESOLUTION JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, Jane Halstead, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2015-01 was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 6th day of January, 2015 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

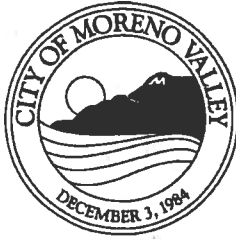
(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)

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**PLANNING COMMISSION
STAFF REPORT**

Case:	PA13-0056
Date:	September 25, 2014
Applicant:	City of Moreno Valley, Public Works Department
Representative:	Michael Lloyd, Senior Engineer, P.E.
Location:	Citywide
Proposal:	General Plan Amendment to update the Bikeway Plan, Adopt the Bicycle Master Plan Update, and Rename the Aqueduct Trail as the Juan Bautista de Anza Trail
Redevelopment Area:	N/A
Recommendation:	Approval

SUMMARY

The City received a Caltrans Community Based Transportation Planning grant to update the Bicycle Master Plan. Three workshops have been held seeking input from stakeholders and the community. A Draft Bicycle Master Plan has been prepared along with a proposed facilities map. The proposed facilities map would replace the current General Plan Bikeway Plan with this General Plan Amendment. Along with the adoption of the Bicycle Master Plan Update, City staff will be seeking City Council approval of the renaming of the Aqueduct Trail as the Juan Bautista de Anza Trail.

PROJECT DESCRIPTION

The Bicycle Master Plan Update includes the following information:

- General bicycling information
- Analysis of existing bicycle facility conditions
- Recommended goals, policies, and objectives
- Recommended facilities
- Improvements to existing facilities
- Recommended programs
- Cost estimates
- Potential funding sources

The Bicycle Master Plan Update includes approximately 21 miles of Class I paths, 81 miles of Class II lanes, 15 miles of Class III routes, and 12 miles of bicycle boulevards. Recommended programs include suggestions on encouragement, marketing, enforcement, and education.

ANALYSIS

There were three primary reasons the City of Moreno Valley received the Community Based Transportation Planning grant to update the Moreno Valley Bicycle Master Plan. The first purpose of the grant was to bring the City's plan into conformance with the WRCOG Non-motorized Transportation Plan and other regional plans. The WRCOG plan is a component of the region's efforts to assist the Southern California Association of Governments (SCAG) to address regional reductions of greenhouse gases as required by SB 375. Other regional plans include Compass Blue Print Plans and adjacent jurisdiction plans. The second purpose was to bring the City's plan up to date with the current State of the Practice in terms of buffered bicycle lanes, bicycle boulevards, enhanced traffic signal detection, bicycle boxes at destinations/modal transfer points, and other ongoing research. Furthermore, the current City plan does not represent the best strategies to integrate all of the other modes of transportation such as Metrolink, Amtrak California bus service, Riverside Transit Agency (RTA) bus service, etc. The third purpose was to identify deficiencies within the existing network. The identification of missing links, needed extensions among residential areas and schools/parks and employment centers/retail centers, and needed connections to regional/adjacent jurisdiction facilities would enable the City to improve mobility and accessibility within the City as well as the region. Furthermore, it would allow the City to enhance the utilization of the existing network of bicycle lanes by making bicycling a more viable option as a modal choice. Identification of deficiencies would allow the City to address potential safety concerns that are discovered. The Bicycle Master Plan Update and associated recommended facilities fulfill the grant's objectives and provides the City a plan to move forward in the development of bicycle facilities within the City. The Bicycle Master Plan is consistent with the Goals, Objectives, Policies, and Programs of the General Plan as defined in the Circulation Element.

City staff is also seeking to rename the Aqueduct Trail. The Aqueduct Trail is a partially completed Class I bike path planned to extend from Eucalyptus Avenue near Arbor Park Lane and Fire Station 6 in the Towngate area, to Lake Perris. The bike path generally follows the right of way easement for the East Branch of the California

Aqueduct that terminates at Lake Perris. Within Moreno Valley, the aqueduct is part of the 28 mile Santa Ana Tunnel connecting the Devil Canyon Powerplant located on the north side of San Bernardino to Lake Perris. The bike path that follows the aqueduct easement has become known unofficially as the Aqueduct Trail.

In addition to the aqueduct, Moreno Valley is home to a part of the Juan Bautista de Anza National Historic Trail. The trail corridor extends from Nogales, Arizona to San Francisco. Renaming of the trail would acknowledge the historical significance of the Juan Bautista de Anza expedition through Moreno Valley and provide opportunities for the trail to be recognized as a part of a larger trail system that extends from Nogales, Arizona to San Francisco. The trail corridor consists of trail segments maintained by local, regional, state, and/or Federal agencies. There are also automobile routes that generally follow the trail corridor. In Moreno Valley, there are two routes. The 1774 expedition headed by Juan Bautista de Anza followed the route that is today bound by Alessandro Boulevard and Brodiaea Avenue from Theodore Street to I-215. The 1776 expedition followed a route from the Bernasconi Pass through the valley that is now Lake Perris towards March Air Reserve Base up towards the I-215/SR-60 interchange.

The Aqueduct Trail generally follows the Juan Bautista de Anza National Historic Trail corridor from Lake Perris to the Towngate area. By renaming the trail as the Juan Bautista de Anza Trail, the City would be better positioned in the future to receive Federal trail and active transportation grant funding. The renaming of the trail in no way would affect development, control, or maintenance of the trail. The trail will continue to be developed by the City on City controlled property or right of way and would continue to be maintained by the City. The

The proposed Bicycle Master Plan Update would have no impact to the General Plan, except for amending the Bikeway Plan. The following text summarizes the consistency of the Bicycle Master Plan Update with the current General Plan.

9.5.1 Circulation Element Goals

Goal 5.2 "Maintain safe and adequate pedestrian, bicycle, and public transportation systems to provide alternatives to single occupant vehicular travel and to support planned land uses."

The Bicycle Master Plan Update is consistent with this goal. The plan is consistent with the State's classification of bicycle facilities and the safety provisions contained within the design standards. The plan proposes bicycle facilities that connect residential neighborhoods to schools, bus stops, a new Metrolink stations east of I-215, parks, commercial centers, and places of employment. Furthermore, the plan proposes connections to planned regional bicycle facilities and trails.

Objective 5.10 "Encourage bicycling as an alternative to single occupant vehicle travel for the purpose of reducing fuel consumption, traffic congestion, and air pollution. The Moreno Valley Bikeway Plan is shown in Figure 9-4."

The Bicycle Master Plan Update encourages bicycling as an alternative to single occupant vehicle travel through the planned facilities connecting residential neighborhoods to schools, bus stops, light rail stops, parks, commercial centers, and places of employment. Furthermore, the Bicycle Master Plan Update includes program and outreach recommendations intended to increase bicycle ridership. These program and outreach recommendations include education programs and events at schools as well as enforcement strategies for the police department.

Policy 5.10.1 "Bikeways shall link residential neighborhood areas with parks, employment centers, civic and commercial areas, and schools."

The Bicycle Master Plan Update includes proposed facilities that link residential neighborhoods to schools, bus stops, light rail stops, parks, commercial centers, and places of employment. A primary focus of the plan update was connectivity among these land uses via bicycle facilities.

Policy 5.10.2 "Integrate bikeways, consistent with the Bikeway Plan, with the circulation system and maintain Class II and III bikeways as part of the City's street system."

The Bicycle Master Plan Update is consistent with the City's General Plan Roadway Cross-sections and proposes a significant amount of Class II and III facilities. The proposed bicycle facilities are integrated with the City's Circulation Element.

Policy 5.10.3 "Support bicycle safety programs, and active enforcement of laws relating to the safe operation of bicycles on City streets."

The Bicycle Master Plan Update includes programs and outreach recommendations such as education programs and events at schools as well as enforcement strategies for the police department.

Policy 5.10.4 "Link local bikeways with existing and planned regional bikeways."

The Bicycle Master Plan Update includes facility connections to either existing or planned facilities in adjoining jurisdictions that include the Lake Perris State Recreational Area, County of Riverside, City of Riverside, City of Perris, and CA Department of Fish and Wildlife property.

Furthermore, the Bicycle Master Plan Update does not conflict with the intended land uses of the Community Development Element, does not affect the Parks, Recreation and Open Space Element, does not impact the Safety Element, and has no bearing on Environmental Safety or the Housing Element. The proposed bicycle facilities provide appropriate and feasible classifications along roadway segments that can be accommodated within the planned street right-of-way, aqueduct easements, and storm drain channel right of way. Therefore, the proposed revision would not impact the Circulation Element.

The Transportation Engineering Division recommends that the City's General Plan be amended such that the Bikeway Plan is updated per the Bicycle Master Plan Update recommended facilities.

REVIEW PROCESS

The proposed Bicycle Master Plan was presented to the Recreational Trails Board on July 23, 2014. The Board supports the Bicycle Master Plan Update. The Traffic Safety Commission reviewed the Bicycle Master Plan Update on August 6, 2014. The Commission supports the Bicycle Master Plan Update. The proposed renaming of the Aqueduct Trail as the Juan Bautista de Anza Trail was presented to the Environmental and Historical Preservation Board on September 8, 2014 and the Recreational Trails Board on September 24, 2014. Both Boards support the renaming of the trail.

ENVIRONMENTAL

The activity is within the scope of the program Environmental Impact Report (EIR) approved for the citywide Comprehensive General Plan Update in 2006. The program EIR adequately describes the project for the purposes of the California Environmental Quality Act (CEQA) in accordance with Section 15168(c) (2) and 15168 (e) (1) and (2) of the California Environmental Quality Act Guidelines. None of the conditions described in Section 15162 of the Guidelines that call for preparation of a subsequent EIR or Negative Declaration have occurred.

NOTIFICATION

The public hearing notice for this project was posted at City Hall and published in the local newspaper within a 1/8 page ad on September 12, 2014.

REVIEW AGENCY COMMENTS

Not applicable.

STAFF RECOMMENDATION

Staff recommends that the Planning Commission:

1. **RECOGNIZE** that PA13-0056 is within the scope of the program Environmental Impact Report (EIR) approved in 2006 for the citywide Comprehensive General Plan Update in accordance with CEQA Guidelines, Section 15168(c) (2) and 15168 (e) (1) and (2).
2. **APPROVE** Planning Commission Resolution No. 2014-25, recommending that the City Council approve PA13-0056 - General Plan Amendment to revise the City Bikeway Plan, adopt the Bicycle Master Plan Update, and rename the Aqueduct Trail as the Juan Bautista de Anza Trail.

**Planning Commission Staff Report
Page 6**

Prepared by:

**Michael Lloyd
Senior Engineer, P.E.**

Approved by:

**Richard J. Sandzimier
Planning Official**

ATTACHMENTS:

- 1. Public Hearing Notice**
- 2. Planning Commission Resolution No. 2014-25, including Exhibit A for a proposed Bikeway Plan**
- 3. Bicycle Master Plan Update**

1 **PUBLIC HEARING ITEMS**

2
3 **1. Case Description: PA14-0025 Bicycle Master Plan Update**

4
5 **Case Planner: Michael Lloyd**

6
7 **PLANNING OFFICIAL SANDZIMIER** – The first item on the Agenda is a Public
8 Hearing Item. It's a Bicycle Master Plan Update. The presenter is Michael Lloyd
9 from our Transportation group.

10
11 **TRANSPORTATION DIVISION ENGINEER LLOYD** – Thank you. Good
12 evening Chair and Commissioners. I'm Michael Lloyd with the Transportation
13 Engineering Division of the Public Works Department. With me is Eric Lewis, the
14 City Traffic Engineer and John Holloway of KTUNA, the City's consultant.
15 Tonight we bring you a request to recommend approval of a General Plan
16 Amendment to update the Bikeway Plan, adopt the Bicycle Master Plan Update
17 and rename the Aqueduct Trail as the Juan Bautista de Anza Trail. Our
18 consultant will make a presentation on the Bikeway Plan and the Bicycle Master
19 Plan Update. Before he begins, I would like to briefly provide you some
20 information on the trail renaming. The Aqueduct Trail is planned and partially
21 completed from the Towngate area on Eucalyptus Avenue near Day Street down
22 to Lake Perris. The Class 1 trail generally follows the east branch of the
23 California Water Project that provides water to Lake Perris. This portion of the
24 aqueduct is a 10 foot diameter pipe that is underground within an easement to
25 the State Department of Water Resources. The City is also home to the Juan
26 Bautista de Anza National Historic Trail Corridor that extends from Nogales,
27 Arizona to San Francisco. The Aqueduct Trail generally follows the 1776
28 expedition that travelled through this area. Staff requests that the trail be named
29 the Juan Bautista de Anza Trail in recognition of the national historical trail
30 corridor and better position the City to future funding in order to complete the
31 trail. Both the Environmental and Historical Preservation Board and the
32 Recreational Trails Board support the name of the trail as proposed. Before I
33 turn the presentation over to our consultant, I would like to also say that the
34 Recreational Trails Board and Traffic Safety Commission support the Bicycle
35 Master Plan Update and Bikeway Plan. With that I would like to ask for our
36 consultant John to make a presentation on the Bikeway Plan and Bicycle Master
37 Plan Update and once John is finished, Staff and our consultant would be happy
38 to answer any questions. Thank you.

39
40 **CHAIR GIBA** – Thank you Mike.

41
42 **CONSULTANT HOLLOWAY** – Thank you Mike. I'll try to keep this brief. I'm
43 shooting for about 12 minutes. I know we're all busy. To start with our firm has
44 been doing this type of work for about 15 years now. We are a Gold level bicycle
45 friendly business; basically something we're proud and try to push our
46 communities we work with to do the same thing.

1 To become Gold level friendly business communities as well, so we're shooting
2 for platinum and we're probably going to get it pretty soon. We take this stuff
3 kind of seriously. We are also members affiliates or sponsors, donors to all
4 these organizations as well, which drive a lot of our work; a lot of our
5 transportation mobility type projects. Basically very briefly, the project really had
6 three purposes from the original RFP and they know wanted to bring the project
7 up to conformance with other plans; other transportations plans, because really
8 what's happening with bicycle facilities is that they are becoming much more
9 relied upon as part of the transportation system. It is not so much recreation any
10 more.

11
12 As a matter of fact, when you submit this to Cal Trans for approval, they call it a
13 Bicycle Transportation Plan; always have and we're finally getting to the point
14 where maybe we can quit making that distinction between transportation and
15 recreation. If something is driving down the street you can't tell what they are
16 doing; going to the park or going to work; who knows. It has always been tough
17 to get funding for things that are recreational only. We also wanted to bring it up
18 to date the current state of practice and I can honestly say I think we have for this
19 project and it is something that you know as a (inaudible – moves away from
20 microphone) we keep up with this stuff (inaudible – moves away from
21 microphone) and like we always do for projects like this and I was glad to see it
22 was in the planned purpose, you want to make sure we connect a certain number
23 of types of facilities and that is probably reflected in the Cal Trans requirements.
24 The enabling legislation requires you to look at connections between things they
25 call activity centers. All these things are actually on the list. I wanted to
26 emphasize too planned consistency, particularly for the Planning Commission.
27 For a public meeting there would be a lot more graphics, so I apologize if you
28 wanted to see more of that, but basically we're looking for a balance in a
29 circulation system for motor vehicles, bicycles and pedestrians and we've got to
30 keep in mind that whenever you hear people arguing back and forth about who is
31 supposed to be doing what on the road, they kind of forget that most people are
32 all three at some time or another. There are very few cyclists I know that don't
33 own a car and get around by car once in a while and everybody is a pedestrian
34 sometime, so we want to make sure that we address that.

35
36 Under the Circulation Element goals, you know we want to provide alternatives to
37 single occupant vehicle travel and to support planned land uses. In other words,
38 we want to try to reduce traffic but also make sure that people are getting around
39 to the land uses they want to get to and how they get around actually they get
40 around affect land use and that is related to the last one, that if you can get more
41 people interested in not doing single occupant vehicle travel then maybe they
42 can reduce fuel consumption, traffic congestion, air pollution and I think that may
43 be important to us now, even at the beginning of the project it wasn't so certain,
44 but now it's probably more likely to happen that when cap and trade funds
45 become more available and that could be quite a chunk, it's already known that
46 quite a bit of that is going to go to active transportation like bike and ped projects

1 and things that can fulfill those three goals at the bottom are probably more likely
2 to be funded. So we want to make sure that we are looking at the most likely
3 destinations and like I said too, under the policies those are things that Cal Trans
4 requires you to look at anyway; of course we would.

5
6 The next policy we want to integrate bikeways. I think the City is doing a pretty
7 good job of that already and I'll show you an example in a moment. And as for
8 bicycle programs and enforcement, that isn't much in this presentation, but the
9 fact is in the plan itself, a large portion of what we do is not just facilities any
10 more, it is programs and primarily encouragement, engineering and things like
11 that. So who are we designing for? This is based on the City of Portland's
12 research for years. I mean who is out riding? Who is doing what? Basically that
13 top 7 percent is going to ride no matter what. They are like riding is strong part of
14 my life so forth you know. I'm comfortable sharing the road, but the vast majority
15 of people are more...well there is also a group down here. There is no way, no
16 how and the idea is that no matter what you do they are very unlikely ever to get
17 on a bike. Well in the middle is the 60 percent and I'll just read that out; "I like
18 riding a bike but I don't ride much. I would like to feel safer when I do ride with
19 less traffic and slower speeds". That is kind of where we have developed our
20 planning over the years and by the way when we had this up on the board at
21 public meetings for this project and asked people to put down a dot on which one
22 they felt most agreed with, it really felt pretty close to this. I mean it was really
23 close to 60 percent, so they were interested and concerned. So that reflects
24 what type of facilities we propose, so the other part of the presentation just really
25 is what are those?

26
27 The three major ones and I'll say the current facilities allowed in California...
28 current is really a redundant term when you think about it, I always try to edit it
29 out of our documents, but you'll see in a moment it makes sense here, is that you
30 have bike paths basically; a multi-use path but people call it a bike path, but
31 officially in California it's multi-use. It is for all uses and you can't designate it as
32 one use only and then there are bike lanes on the street and we show an
33 example here with some buffering between the bike lane and the door on the
34 right. By the way we have our logo on all the license plates and all vehicles so
35 our competitors quit copying our graphics. These are all 3D models. We hardly
36 ever use any planned section elevation graphics any more. We use almost all
37 3D. And the last one is class 3 routes and including that symbol in the foreground
38 there were I was once asked does that include military cycling? No that is just
39 showing what is called a shared lane marking. It is in use in a lot of places and
40 what it does is in a place where you don't have enough room for a bike lane on
41 the street, that indicates where a cyclist should ride to avoid the door zone and
42 also helps motorists or cyclists when they are driving to remind them that there
43 will be cyclists out there. So examples right here in town and this will give you an
44 idea what we are talking about, a Class 1 looks just like this along the aqueduct
45 easement. Class 2 here... this one we use an example as a model for other
46 cities now because what you are seeing here is both locations on Sunnymeade

1 Ranch Parkway; the one on the left is the current standard. It is five feet
2 measured from the face to the curb. Well there are some issues with that. For
3 instance there is the lip between the concrete and asphalt for instance, but what
4 your city has already been doing is what is on the right, which is just actually a
5 few hundred south, which is measuring six feet from the edge of the concrete, so
6 you no longer have that lip to deal with and it's been taken from the drive lanes
7 and really no one has noticed because the drive lanes are plenty wide anyway,
8 and the funny thing is when we actually came out here to do field work the first
9 day, we saw that on the left and said we've got to write that down, there is a
10 recommendation right there. We got back on our bikes and headed up the street
11 a few hundred feet and said oh wait a minute they are already doing it, so our
12 recommendation changed from you ought to do this to continue to do this and
13 seriously this slide and these two images together are used in a quite a few
14 presentations since then. And here is another example of a bike lane. This is a
15 buffered bike lane and you'll notice this has got little white slashes across it to
16 indicate to make it a little more clear. This is an approved use too and the
17 reason you want to use it here is that you notice the speed limit. If you've got a
18 higher speed limit like this it is nice to have some buffering from motor vehicles.
19 And then a typical bike route like on Ironwood is just simply just signed. You
20 have a relatively wide curb lane and that is just the way it is. That is all you do,
21 but we don't recommend these that often.

22
23 You'll see in our total recommendations in most cases, we recommend
24 something that is more like what you have in Via Lago which has the share in
25 place already and that is a location where there is simply probably not enough
26 room to provide a bike lane right and that is downhill, but the fact is when you are
27 coming downhill by bike, you are probably getting close to matching vehicle
28 speed anyway. And newer facilities; on the left is a bike boulevard. The idea is
29 that it is a route that is optimized for bike travel. It also happens to work for
30 pedestrians as well. In this case there is a median break that allows cyclists to
31 go through, but motor vehicle traffic has to turn off, so if you are in a
32 neighborhood you can still get to where you live and what has actually been
33 happening in places where that has occurred and that is San Luis Obispo by the
34 way; is that invariably, the streets where that has been done property values
35 have gone up. That wasn't the plan but that is the way it is has worked out. On
36 the right is a cycle track in San Francisco, but these are basically a bicycle lane
37 against the curb instead of out in traffic and the idea is where you have got
38 locations where there are very few driveways, it is nice to be that much further
39 from moving motor vehicle traffic. Of course when you have a lot of driveways it
40 not such a great idea, but there are some places where we recommend this
41 might happen. This is where we come up with the current facilities
42 recommended.

43
44 Last week Governor Brown signed into law instructions for Cal Trans to make
45 this the fourth bikeway category, so that means by January 1st, 2016, you'll have
46 some guidelines to follow to actually do some of these and working with your City

1 staff, we've looked at three places that this might very well occur. These are in
2 place all over the place, but there hasn't been guidance from the State on how to
3 do it. California has been sort of behind the rest of the country, which is a shame
4 considering California kind of led the country for a long time. So in terms of
5 physical... I should have said recommended physical improvements, so we're
6 recommending another 19 miles of class 1 paths like what will become the de
7 Anza Trail for instance or an extension of it and as well as 81 miles of class 2
8 and a lot of that almost invariably; your standard is really good; I mean six feet
9 from the concrete gutter is much better than what a lot of other cities are doing,
10 and class 3 like I said is not as many of that, but even where you do that will
11 probably include shared lane markings as well as bike boulevards.

12
13 One thing about those bike boulevards that is interesting for this project and we
14 are actually going to do a little paper on this, is that we were weren't looking to
15 implement those, we don't go in with a pre-conceived notion that we want to do
16 this type of facility, but we do what we call a level of stress analysis on all the
17 streets. It looks at traffic volumes, speeds with the roadways, number of lanes
18 and things like that and when we ran that analysis there was a series of
19 east/west streets that rated really high as in very low stress and we then noticed
20 that they had a lot schools along them. Well that is exactly the kind of places you
21 want a bike boulevard and so working with your city staff, we said yes those are
22 probably ones that would do that, so in this last slide and I don't expect people to
23 see this on the screen, you really need to see this on a hard copy, but those
24 lavender lines are the bike boulevards. Those are the new type of facilities that a
25 lot of cities have not yet implemented. That concludes the presentation; twelve
26 minutes and nineteen seconds. Thanks.

27
28 **CHAIR GIBA** – Is that your full staff presentation there Michael?

29
30 **TRANSPORTATION DIVISION ENGINEER LLOYD** – Yes. If there any
31 questions we'd be happy to answer them.

32
33 **CHAIR GIBA** – Any questions from the Planning Commissioners?

34
35 **COMMISSIONER LOWELL** – One of the questions I had is this a Bike Plan
36 Update? How is what you are recommending different? This report is pretty
37 thick. I've read through a good chunk of it, but I don't see anything saying this is
38 being changed.

39
40 **CONSULTANT HOLLOWAY** – I would say that almost all of our plans are a
41 complete re-do. I think this one too and a lot of it is because so much has
42 changed even since 2006 in terms of legislation, funding availability, the types of
43 projects that you can do, so we are doing the same thing right now for the City of
44 Temecula and we've agreed...

45

1 **COMMISSIONER LOWELL** – So this is more of a replacement/update and not
2 just an updating? Essentially an entirely new document.

3
4 **CONSULTANT HOLLOWAY** – Yes it is. We would still call it an update, but yes
5 it is new. Even some of the technology we've used for the level of stress
6 analysis wasn't even available.

7
8 **COMMISSIONER LOWELL** – Well I appreciate it. I really like this plan. I'm a
9 pretty avid biker myself. I ride around the City, up and around Lake Perris and
10 down that bike boulevard that you have with the little symbol. I ride over that
11 frequently. It is nice to see that the City is taking this much effort to encourage
12 residents to get up. They could use a little bit more of that so thank you.

13
14 **VICE CHAIR SIMS** – I thought the plan was very well done and things are great.
15 A great addition to our City. My question was you said something about the
16 approval process through Cal Trans. Does the plan once approved have to go to
17 Cal Trans for approval and if so how does Cal Trans get into local jurisdiction like
18 that? Is that through TUMF or...

19
20 **CONSULTANT HOLLOWAY** – Let's say if Cal Trans approval is needed; if you
21 want to be eligible for bicycle transportation account funding, so if you noticed in
22 the plan, the last page is the synopsis of what they ask for in the enabling
23 legislation, so we make it really easy for the reviewer; go to the last page and
24 look at that and then they can find it.

25
26 **VICE CHAIR SIMS** – Thank you very much.

27
28 **CONSULTANT HOLLOWAY** – But just having a plan in general though by the
29 way obviously you realize that, is when it comes to grant funding, having a plan
30 with very well prioritized projects, in other words a very thought out why you
31 would want to fund, what, when, really helps when it comes to the grant process.

32
33 **VICE CHAIR SIMS** – The only other question I had is on the public outreach that
34 you did. I saw in here that it went to the Regional Trails Board and the Traffic
35 Safety Commission Board. Was there any turnout or any negativity against the
36 plan as proposed and if so was the comments taken into account and updated?

37
38 **CONSULTANT HOLLOWAY** – Very little negativity and if anything, it's just we've
39 been doing this a long time and we seriously want to know what people think and
40 we're interested, but to be quite honest, we really didn't have to change that
41 much at that point. Frankly we're pretty proud of this plan. I think it came out
42 pretty good and I'm proud enough that one thing I wanted to mention is we really
43 would probably like to submit it for like ITE or APA awards, so whoever's
44 permission we need to get for that, we'd like to get it.

45

1 **TRANSPORTATION DIVISION ENGINEER LLOYD** – Just to expand on that
2 outreach portion Commissioner, because this was a Cal Trans grant; community
3 based transportation planning grant, a stipulation of that was to hold three
4 workshops, so over the past approximately 14 months, we’ve held three
5 workshops. Those were I wouldn’t say well attended, but they were attended
6 and we had good attendance. The members of the Recreational Trails Board did
7 attend those workshops so we were able to gather their input that way, so that
8 going into the meetings at the Recreational Trails Board they had already seen
9 the plan. They had already provided input. We had taken their suggestions to
10 heart and made some changes quite frankly to reflect their wishes, so to kind of
11 expand on the process that we went through.

12
13 **CONSULTANT HOLLOWAY** – Part of the enabling legislation to that, they don’t
14 require public outreach but because it was that particular grant program it did.
15 So we normally recommend it anyway, so it’s a lot of what we do for these
16 projects.

17
18 **VICE CHAIR SIMS** – I think that’s great and I just my last comment, just I’m a
19 water guy and I do like the aqueduct trail claim to nature, but water is life.

20
21 **COMMISSIONER VAN NATTA** – I was just going to say they’re keeping the
22 water idea there. Bautista means Baptist, so that goes along with the water idea
23 of the aqueduct.

24
25 **COMMISSIONER BARNES** – I have a question, not specifically to this plan but
26 could you discuss a little bit of the impacts on traffic of bicyclists sharing the road.
27 As we move forward and make decisions on projects part of that is a bike path
28 and I’m wondering what is the impact on traffic of putting bicyclists on the road?
29 Is it measureable?

30
31 **CONSULTANT HOLLOWAY** – It generally isn’t especially... right now by the
32 way, class 2 bike lanes no longer even require CEQA review because you are
33 not changing the number of lanes in a roadway, especially if you’re not doing
34 that. Say for instance where you are having a class 3; just a route though, it is
35 not a separated lane, there is a potential if you have a lot of cyclists, you could
36 slow down motor vehicle traffic, but you’re probably aware that the State is...
37 level of service analysis and they are starting to look at motor vehicle driver delay
38 is just an inconvenience. As a matter of fact the legislation was passed SP743,
39 like I said policy work and I just went a meeting last week on actually writing the
40 guidelines for that, but the fact is typical streets here; if it is an arterial street or
41 wide enough, you’ve already been taking out a foot or two of a lane on each of
42 the travel lanes and putting them into a bike lane with no impact at all and so if
43 you have those kind of situations, you can just continue to do that and no impact
44 traffic and then where you don’t have room it’s generally a smaller street anyway
45 like within kind of like the big super block between the arterials and one thing I
46 think people forget who don’t ride a bike too, is that you know I commute by my

1 bike daily and the fact is I'm taking a lot less room on the road, so I'm not in a
2 car, so in some ways there is almost a wash in terms of how much impact it has,
3 but in terms of traffic engineering it really is pretty close a non-issue.
4

5 **TRANSPORTATION DIVISION ENGINEER LLOYD** – And if I may add on to
6 that. The majority of the class 2 bike lanes that are currently in place or being
7 proposed, we generally maintain the 12 foot lane because we're utilizing the
8 existing shoulder width to provide the class 2 bike lane. There are instances in
9 our minor arterials where we are having to take a foot from the travel lanes to
10 provide the additional width along the curb for the bike lane, but we're basically
11 still maintaining an 11 foot travel way in most instances and from an operational
12 standpoint with regards to capacity there is really not a measurable difference
13 between say an 11 foot and a 12 foot traffic lane, so from a capacity standpoint
14 we're not causing an impact and I think that's why the State basically; again from
15 an operational standpoint the State doesn't recognize reducing a travel lane
16 width as a potential impact, it's basically just regarded as a categorical exemption
17 from a CEQA standpoint. It doesn't even require analysis.
18

19 **VICE CHAIR SIMS** – One last question is, so once you get through the process
20 with the Cal Trans approval, that makes the plan eligible for grant funding, does
21 the City have a programmatic approach in their CIP budget that deals with
22 implementation. There was a lot of miles in there that you know... it's nice to say
23 there a lot of miles in the plan but how does that get implemented? Is that
24 worked into conditions of approval for development along... or a citywide
25 mitigation fee or something that development pays for?
26

27 **TRANSPORTATION DIVISION ENGINEER LLOYD** – It's primarily... within the
28 document, John's group has put together a nice laundry list of potential grant
29 funding, so we envision an opportunity once the plan is approved hopefully and
30 accepted by the State that we could aggressively go after these grant funds and
31 we've had success in the past. I've worked on several myself where just as an
32 example several years ago I worked on a project along Indian Street between Iris
33 going north past the schools there where we put down some additional asphalt
34 and re-striped the roadway for class 2 bike lanes and that was through the
35 Bicycle Transportation account that John mentioned, so we have a track record
36 of going after grants and we've been successful in the past and we feel with this
37 updated plan we'll continue to have success and aggressively go after it. In
38 terms of our CIP, this is independent of our CIP. The individual projects aren't
39 necessarily included with the exception of probably our class 1's because that
40 does require some physical construction, where our class 2's is a matter of going
41 out and restriping the roadway for the most part. As opportunities come along
42 with individual development, if it makes sense to have the developer restripe the
43 roadway in front of their project, we would certainly consider doing it. Sometimes
44 it makes sense and sometimes it doesn't. Obviously we don't want a 300 foot
45 section of class 2 striping and then on either side of the project there is nothing,

1 so it needs to be looked at kind of big picture and make sure that it makes sense
2 that it fits into the overall scheme of things.

3
4 **PLANNING OFFICIAL SANDZIMIER** – Chair Giba if I may, with regard to the
5 conditions of approval question, part of your question, the approval of the Bicycle
6 Master Plan Update does give us a tool to work with future developments
7 because it gives us some guidelines and some guidance documents to say is
8 there a nexus. If there is a nexus between the developments proposed in the
9 proximity of the trail segment or even to further stretches, we have to establish
10 the nexus but it does give us the tool and we would be working with our
11 transportation staff to see how we could make that happen. One other item, the
12 consultant indicated putting the project up for nomination for grants or awards. I
13 would just encourage or let the Commission know that I’m prepared to work the
14 transportation staff and the rest of the team here in Moreno Valley to see how we
15 can do that because one thing is putting the plan together that helps us qualify
16 for the grants and the other thing is we have to toot your horn once in a while.
17 You have to actually get people out there and say what is going on in Moreno
18 Valley? Moreno Valley is showing some pride. Moreno Valley is showing some
19 forward thinking and putting together the grant applications or the award
20 applications for the work you are doing gives you a higher profile and even if you
21 don’t get the award it puts people on notice that things are going on here and that
22 also does generate some grants in the future we hope.

23
24 **CHAIR GIBA** – That begs a question Richard. Have you got any plans; does the
25 City have any plans for actually and I’ll use the term marketing this to get out
26 there to the community and share with them and get those approvals and those
27 letters so that it can help on getting the grants?

28
29 **PLANNING OFFICIAL SANDZIMIER** – I can’t say that we do at this point, I’m
30 too new to the organization to know what we actually have going on. I will look
31 into that for you and I can get back to you to see if there already is an established
32 goal, but right now I can’t answer that question.

33
34 **CHAIR GIBA** – A lot of time support letters and documentation from the
35 community; the businesses; very helpful in getting the grants; getting out there
36 and explaining this in more detail is good. Any more questions? Well I have a
37 couple because I usually do and I can’t ruin my reputation. Great plan. I think
38 like I can’t say any more but I do find a couple of things that are just academic
39 questions for me. On page 78 you have an existing condition analysis on some
40 of them, so I was kind of curious about the data. I do that a lot. Let’s go to table
41 4. It says bicycle collisions by light conditions... daylight 177, dark street lights
42 39 and dusk and dawn 10. One would assume that in bright daylight conditions
43 you’d have less collisions and yet you seem to have an overabundance of
44 conditions in a situation where you would think you wouldn’t. Can you explain
45 that data to me because it was just kind of perplexing when I read that? What is
46 causing that kind of collision rate in daylight?

1 **CONSULTANT HOLLOWAY** – That is actually very common. It is actually
2 because that's when most drivers, pedestrians and cyclists are actually out.

3
4 **CHAIR GIBA** - So it actually has to do with numbers purely.

5
6 **CONSULTANT HOLLOWAY** – Basically yeah

7
8 **CHAIR GIBA** – The more people riding the more incidents you are going to have.

9
10 **CONSULTANT HOLLOWAY** – Right and I don't have that in front of me but
11 there is probably broken down, there is probably another table that breaks it time
12 of day even and we often see quite a few in late afternoon.

13
14 **CHAIR GIBA** – Yeah I saw that. Another curiosity on table 5 and you did make
15 the annotation, there has been generally a steady increase in bicycle collisions in
16 the six years studied, so we are seeing a progressive increase, so I need to ask
17 two questions on that. Why are we getting more people again; more people bike
18 riding and that's my assumption and if that's correct and number 2, what is it that
19 we can do. Will this plan help reduce that type of problem and bring those
20 numbers back down or what can we do to bring those numbers down?

21
22 **CONSULTANT HOLLOWAY** – I don't want to be facetious but if you could
23 implement everything in this plan it definitely would reduce the number of
24 collisions and the fact that numbers have gone up is not necessarily a bad thing,
25 even the City of Portland; America's bike heaven has seen the same thing. Now
26 the numbers have gone up in collisions but the amount of riders has actually
27 gone up way more than that. On the same graph that line goes way up more, so
28 we wouldn't want to say and we didn't say it in the plan that there is some
29 significant problem here. It's not like the collisions have gone up that much...It
30 could very well be that you've been getting some increases... one thing that
31 would help too and I think it's in our recommendations is that a lot of grantors like
32 to have some idea if improvements are occurring when you start implementing
33 things.

34
35 In other words, counts; looking at counts and some grants actually require you to
36 show that you've had that happen. The local MPO in San Diego is actually
37 funding Up Projects Do Counts. They are looking ahead. They are knowing
38 when that happens people; when those jurisdictions do have counts they'll be at
39 a better position for grants later, so that's one thing we could recommend. Some
40 cities don't work into the funding or the ability to do the counts, but they often
41 have a bike organization that can do it. Just recently in the last month an app
42 has come out for smart phones that allow you and I have it on my phone where
43 you can stop at an intersection and you can just use your thumb and click on
44 different places and it gives you... you can set up what type of user it is, what
45 direction you are going. That used to be only available with a laptop or
46 something at best or even a few years ago just on a clipboard and then you had

1 to go back and compile it, so that is something that could be done if you want to
2 start developing you know a pretty good reputation that will help you get grants
3 and also for bicycle friendly community designation too. You'd get a better over
4 time to of why you be getting an increase or decrease collisions. You really
5 couldn't say because there is no... what's the saying, if you can't really fix
6 something if you haven't counted what it is.

7
8 **CHAIR GIBA** – That would be part of that and that would be helpful in getting the
9 grants if you can do that. There might be people that might ask those questions
10 because I see a lot more accidents. What good are these bike lanes if we are
11 getting more accidents? Well you're helping explain that so the question doesn't
12 arise that way.

13
14 **CONSULTANT HOLLOWAY** – Education is a big part of recommendations too
15 of course.

16
17 **CHAIR GIBA** – You have some definitions in there. You answered one of them
18 but still I just want to have it clear. You are using the word facilities you know
19 and I'm assuming the word facilities in the document means the bike lanes and
20 stuff that are being done; not the actual buildings and structures?

21
22 **CONSULTANT HOLLOWAY** – Yeah because we want to distinguish, because if
23 you go back a few years people weren't looking at anything but facilities. They
24 weren't looking at programs and policies and all that. I mean they just weren't
25 which doesn't make any sense. Today I think you would see that we need a
26 more balanced approach. If you have policies to help people encourage to think
27 about getting on a bike some other way like our office for instance offers the
28 federal tax deduction for biker transit. It's 240 dollars a year but that's 20 dollars
29 a month that a lot of our employees do take advantage of. Even little things like
30 that that compounded with other things you can do. You know we have a shower
31 room and lockers. We have secure parking and things like that. That's why we
32 are a gold level business, but that in addition to the facilities is what work best
33 and when you talk to people they often will say I love to ride a bike but I can't get
34 cleaned up when I get to work... having a shower or access to like a gym nearby
35 often solves that problem.

36
37 **CHAIR GIBA** – Well the bike locker is in there too. That was an interesting thing.
38 I've never seen that before. It's kind of unique. I didn't know what this is so I just
39 wanted to know what it was. It said including the creation of a traffic garden.
40 Excuse me I may be naïveté but I don't know what that term means; a traffic
41 garden.

42
43 **CONSULTANT HOLLOWAY** – There is a picture in there right? There is in the
44 recommendation section, but there is one I think in Van Nuys, California right
45 now and there is a couple more in the country, but it is really common in Europe.
46 It's a little make up of a street area like with intersections and stop signs and so

1 forth designed so that kids can ride in small little pedal cars or on a bike or as a
2 pedestrian and learn the rules of the road and in Europe they start that in
3 kindergarten and the way it works is everybody gets assigned one of those things
4 and an adult has the position of policeman and it often really is a policeman and
5 anybody who violates what they are supposed to be doing is called out and
6 demoted, so the lowest level of course is walking, so nobody wants to be a
7 walker and the idea is gaining hold in the US too. Some schools will just hire like
8 the lead American bicyclist; certified instructors or one of them and just do it in a
9 parking lot you know with cones and things like that or toy cars and kids bring
10 their own bikes, but this is an actual facility that you could actually use and that is
11 one thing there isn't truly an update from the previous is. The previous plan
12 called for you know making use of the one that is available but it is in another
13 city. We are suggesting that one thing that you could do is actually do one here
14 as part of the City infrastructure.

15
16 **CHAIR GIBA** – Or more than one.

17
18 **CONSULTANT HOLLOWAY** – One may be enough. If you did more than one,
19 you'd make the news.

20
21 **CHAIR GIBA** – We'd be busy yeah. No these to me are important components
22 of what you've written up because your adding items in here that I personally
23 have never heard of and I know the community may not have and they didn't
24 realize how comprehensive that this document really is, so I think those kinds of
25 things are well worth discussing many times. I was also... this goes with you, it
26 goes with Michael and it doesn't matter, but Mr. Sims was asking the same
27 questions I had written down here. As you went through the cost projections on
28 this, it is a lot of money over a long period of time. Each one of these projects
29 you have six and then other additional ones were in the millions for each one of
30 them and I know that when I went back and read through it the intention is to get
31 grants to pay for these, so this isn't going to come out of the public pocket, so I
32 need the people to understand that, but you're not going to get the grants all at
33 once, so I think I'm piggybacking off of what Mr. Sims said, do we have timelines
34 for these like how long it might normally take to get a grant and do we have an
35 order... have we got some kind of order of what comes first, what comes second,
36 third etc. or is this kind of whatever we have the money for at that time. We look
37 at the least expensive one and we start with that because we got a grant for six
38 hundred thousand. Are you following me on that Michael because...

39
40 **TRANSPORTATION DIVISION ENGINEER LLOYD** – Yes and we would work
41 from our prioritization list and certainly the pool of money; let's call it the amount
42 available would provide some guidance in terms of projects that would be
43 selected and so if 10 million dollars are available from the State we might we feel
44 aggressive and want to go after 500 or 600 thousand dollars, maybe a million
45 dollars, so that would fund obviously a much larger project, but if the pool of
46 money is maybe 2 million dollars and we're competing against all the other

1 communities within the State. Obviously we can't expect to receive half a million
2 dollars; you know half the available funds, so we need to tailor based upon the
3 available funds and still be aggressive but be realistic at the same time.

4
5 **CHAIR GIBA** – Is there a plan for a making decisions on that when you say
6 prioritize them. Do you have already a priority list of what needs to be done or
7 would that be done at the time that your funding comes in.

8
9 **TRANSPORTATION DIVISION ENGINEER LLOYD** – I believe and correct me if
10 I'm wrong John, but the document should provide some prioritization guidelines
11 to help us through that process and obviously it's not done in secret or in the
12 dark. Any time we pursue a grant, we have to come to Council to be authorized
13 to submit the grants so that it's out in the light, it's part of the public discourse in
14 terms of what facilities we are pursuing to receive funding for.

15
16 **CHAIR GIBA** – I know the City is always really good at that. I guess that's not
17 really my question whether we're in the dark or not like that, but then if that
18 priority is pre-set or you are going to make it as you go so to speak based on the
19 income that you are receiving and therefore that input might come from the
20 community or it might come from the Council itself for instance, so that they say
21 well... or did you already have a master list of those priorities?

22
23 **TRANSPORTATION DIVISION ENGINEER LLOYD** – I believe there is a priority
24 list attached to the document, so that will serve as our guidance and then as the
25 funds become available we'll obviously have to tweak here and there to...

26
27 **CHAIR GIBA** – Will the public have an opportunity to speak up on that priority
28 saying really we'd like to have it here instead or anything or will this all be pre-
29 designated by the discussion in-house versus the whole community?

30
31 **TRANSPORTATION DIVISION ENGINEER LLOYD** – Well as I mentioned...

32
33 **CHAIR GIBA** – I'm putting you on the spot Michael, that's not what I'm doing
34 here

35
36 **TRANSPORTATION DIVISION ENGINEER LLOYD** – No, no I understand. As I
37 mentioned, anytime we go after grant monies we have to receive Council
38 approval, so that would definitely be the opportunity for the public to come and
39 speak. We're open to any suggestions throughout the year quite frankly. As
40 residents see things, identify things, make things known to us, we are going to
41 adapt and certainly try to provide whatever we can to address their concerns, so
42 if that is going out and putting down class 2 bike lanes within a particular
43 neighborhood, if we don't have the funds available at that particular time, maybe
44 it's more important to do it a little bit sooner say rather than later, that kind of an
45 evolving process in of itself because you know we need to take into consideration
46 what the community is asking for.

1 **CHAIR GIBA** – That’s what I’m looking for.

2
3 **CONSULTANT HOLLOWAY** – I want to point to that we did do a pretty
4 sophisticated prioritization analysis. It is a GIS function that we developed in-
5 house and to be quite frank everybody else uses it now and for instance for a city
6 like that has a... for whatever data a city has, in one case it was 48 different
7 attributes including where street lights were; down to that level, just to help
8 prioritize where things should go, but we also included the public outreach
9 results, and for instance a recent example for a city; Eastvale, there is a huge
10 number of people who want to know when they are going to complete...a lovely
11 little mile and half section that just dead ends. Well I know when we do the
12 priority for that city we know what is going to be number one. The other thing
13 was if you look at the project list and I think it is in the recommendations, they are
14 broken down into...we probably use red, green and blue and they are so different
15 in cost that they are prioritized separately as well. When you talk about millions,
16 you’re talking about class 1’s which are about 800 thousand dollars a mile
17 minimum and that’s where like along an aqueduct it may be fairly cheap; flat and
18 all that whereas a class 2 is about a thousand dollars a mile and a class 3 is only
19 about 13 thousand, so when you are deciding to go out after grants, you have
20 that in mind. Like Michael was saying what’s available may help you determine
21 what it is you want to select to do but at least you have it prioritized already and I
22 mentioned earlier in my presentation that having that prioritization and we stand
23 by how we did it that will really help you when a grant or (inaudible – moves away
24 from microphone)... have a very carefully done prioritization, which doesn’t mean
25 you have to stick to it, you never know. Something may come up that may make
26 something much more valuable project because of something else that comes
27 up. You know that’s always available to you.

28
29 **CHAIR GIBA** – Thank you very much because all that clarity if anybody wanted
30 to know that, you guys have just... because a lot of times and myself, we don’t
31 always understand how these things are done, so I asked that so that you can,
32 but there is one other minor question okay. On page 154 you said bicycle
33 coordinators are often... you are talking about having a bicycle coordinator for
34 the program is what I’m getting out of this paragraph in here. So my question
35 would be who pays the bicycle coordinator’s salary? Would that come out of
36 grants or is that now a new hire within the City itself if we have something like
37 that?

38
39 **TRANSPORTATION DIVISION ENGINEER LLOYD** – At this point in time we
40 don’t have an individual...

41
42 **CHAIR GIBA** – It sounds like it would be a little extra work just like poor Mr. Chris
43 here.

44
45 **TRANSPORTATION DIVISION ENGINEER LLOYD** – So as Eric, our City Traffic
46 Engineer was stating, we distribute the work load across the entire

1 Transportation Engineering Division, so it is not a single person that serves as
2 our bicycle coordinator, it's really task driven, so if we need to develop some
3 striping plans to get class 2's taken care of so we can out to bid, this person is
4 the best person to take care of it whereas if we need to pursue a grant, well
5 guess what Michael you are going to write a grant or you know whomever is
6 available workload... but there is not a single individual.

7
8 **CHAIR GIBA** – Okay I just wanted to clarify that because it was speaking as if in
9 some cities they actually have one designated person.

10
11 **TRANSPORTATION DIVISION ENGINEER LLOYD** – And you are correct, there
12 are larger cities such as maybe Los Angeles and I'm not sure about San Diego,
13 but there are individuals hired by the city who that is there sole function. They
14 are a true bicycle coordinator.

15
16 **CHAIR GIBA** – And I wouldn't think that's a real... I think that would be a good
17 thing actually for somebody to be the one sole monitor of it, but I think the
18 question then would be how is he going to get paid and I think somebody might
19 ask that question, so I thought I'd ask it for them.

20
21 **TRANSPORTATION DIVISION ENGINEER LLOYD** – Great point

22
23 **CONSULTANT HOLLOWAY** – We put that into almost all plans because in our
24 experience it really has focused on that issue, so what you could do for smaller
25 or a really small city like (inaudible – moves away from microphone)... they will
26 assign a person like half time or quarter time to deal with (inaudible – moves
27 away from microphone) is you have sort of a central point, they have an idea of
28 what's going on and who has any questions about what might be happening,
29 even from their own staff, they know who to ask, so that is one way you could
30 handle it. It could be a part time duty for someone.

31
32 **CHAIR GIBA** – Thank you very much. Any other questions? Thank you very
33 much, I appreciate it. Well if there are no more questions from the
34 Commissioners then is it open for public discussion at this time? Do we have
35 anybody Grace... nobody? Well then we'll close that...

36
37 **PLANNING OFFICIAL SANDZIMIER** – You need to open the Public Hearing
38 and then close the Public Hearing just for formality.

39
40 **CHAIR GIBA** – We've had that discussion; remember. Okay open the Public
41 Hearing and close that Public Hearing. Alright, we've gotten through that; any
42 debate, discussion on this?

43
44 **VICE CHAIR SIMS** – I'd like to make a motion

45
46 **CHAIR GIBA** – Good everybody in favor of that. Go ahead.

1 **VICE CHAIR SIMS** – I'd like to make a motion that the Planning Commission

- 2
3 1. **RECOGNIZE** that PA13-0056 (General Plan Amendment) is within the
4 scope of the program Environmental Impact Report (EIR) approved in
5 2006 for the citywide Comprehensive General Plan Update in accordance
6 with CEQA Guidelines, Sections 15168(c) (2) and 15168 (e) (1) and (2);
7 and,

8
9 Secondly, I'd like to motion that the Planning Commission **APPROVE** Resolution
10 No. 2014-25 and thereby **RECOMMEND** that the City Council:

- 11
12 2. **APPROVE** PA13-0056 (General Plan Amendment) to revise the City
13 Bikeway Plan, adopt the Bicycle Master Plan Update and rename the
14 Aqueduct Trail as the Juan Bautista de Anza Trail.

15
16 **COMMISSIONER BAKER** – I'll second that

17
18 **CHAIR GIBA** – Okay a motion and a second.

19
20 **CITY ATTORNEY BRYANT** – Just to clarify that would be a recommendation to
21 the City Council.

22
23 **CHAIR GIBA** – Roll call

24
25 **COMMISSIONER RAMIREZ** – Aye

26
27 **COMMISSIONER BARNES** – Aye

28
29 **COMMISSIONER BAKER** – Aye

30
31 **COMMISSIONER LOWELL** – Aye

32
33 **COMMISSIONER VAN NATTA** – Yes

34
35 **VICE CHAIR SIMS** – Yes

36
37 **CHAIR GIBA** – Yes

38
39 **CHAIR GIBA** – That's all seven across the board. It passes. Good well let's
40 move on to the next one. Oh yeah we need a wrap up on this one. Yes Carlos
41 did show up. He did vote on this one so we recognize it.

42
43 **PLANNING OFFICIAL SANDZIMIER** – This item will be forwarded on to the City
44 Council for final action.

45
46 **CHAIR GIBA** – Thank you very much.

Bicycle Master Plan



City of Moreno Valley



Acknowledgements



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Executive Summary



Importance of Bicycle Planning

Many American cities were built on a foundation of auto-centric infrastructure, programs and policies, but across the nation, many of those same cities are embracing cycling as never before. Some of them are making minor improvements to support cycling, while others are trying to undo the work of decades of planning that privileged the motor vehicle and speed above all else.

Reasons to undertake the significant task of retrofitting American cities to make them bicycle-friendly include environmental, health and economic benefits. The movement to make cycling a viable transportation option is also supported by several recent pieces of California legislation.

Lastly, American cities are embracing cycling in support of becoming places worth visiting and even moving to. Well thought-out bicycle facilities can be an important component of place-making and bicycle friendly cities are increasingly seen as desirable places, places chosen by people who have a choice. To stay competitive, American cities must embrace cycling.

Background

This bicycle master planning project was funded by a California Department of Transportation (Caltrans) Community Based Transportation Planning (CBTP) Grant. This plan updates Moreno Valley's Bicycle Transportation Plan to conform to Western Riverside Council of Governments' (WRCOG) *Non-motorized Transportation Plan*, as well as other regional plans. In addition, this update identifies deficiencies and opportunities in the existing bicycle facility system within Moreno Valley and in terms of connectivity with adjacent jurisdictions.

Approach and Goals

This bicycle master plan will guide design and implementation of infrastructure, programs and policies as Moreno Valley grows and facilities are planned and sited. The overall approach for this master plan is summarized in the following paragraphs:

It is imperative that a "cyclist's perspective" guide bicycle planning. Their unique characteristics, needs and priorities must be taken into account when making facility, policies or program decisions.

Cycling is a fundamental component of transportation planning, which addresses bicycle facilities on and off streets, as well as modal integration at transit centers and parking facilities.

Planning for cycling should not be focused on any particular facility type so much as it should be focused on the safe and efficient travel of cyclists of all ages and abilities, while addressing pedestrians' needs where shared use is appropriate. This will generally require both the use of the existing transportation infrastructure and the construction of special facilities for cyclists.

The coexistence of cyclists and vehicle drivers on roadways requires that all are sensitive to and recognize a common set of rules. Training, education and enforcement, for both drivers and cyclists, are as important as physical planning and design.





Understanding User Needs

Facility maintenance, monitoring and performance assessment are critical for ensuring safe and efficient travel for cyclists. Planning for them is an ongoing process.

Land use and transportation planning should support projects that reduce automobile dependence. This study acknowledges and supports future land use and population projections with facility and program recommendations to continue to reduce auto reliance.

This bicycle master plan specifically recommends programs and policies designed to make the Moreno Valley a more bicycle friendly place and to encourage more residents to ride rather than drive. Its emphasis on new facilities, programs and policies reflects the fact that Moreno Valley has some bicycle lanes and paths in place, and is likely to achieve increased bicycle usage with the implementation of suggested improvements and initiatives.

This bicycle master plan was developed by planners who routinely commute by bicycle and fully understand the implications of “alternative” travel. For example, potential bicycle routes were ridden to experience them firsthand, particularly routes or locations noted in community comments as forbidding to some users due to high motor vehicle speeds or volumes.

Where residents and visitors choose to go and how they move about Moreno Valley will be influenced by the perceived completeness and safety of bicycle facilities. Improved connections with the overall regional bicycle network will become increasingly valuable as more people choose to commute by bicycle.



Significant Findings

Bicycles can play a significant intra-city travel role since Moreno Valley is large enough to make cycling convenient, but not so large that destinations are beyond a reasonable riding range.

Moreno Valley is also relatively flat, which makes regular cycling feasible for most riders. Along with level terrain, its grid street system and weather support year round cycling. There are also several flood control channels with the potential to provide relatively lengthy off-street routes more appealing to casual cyclists.

While some of Moreno Valley's arterials already have bicycle lanes, some of their posted speed limits and traffic volumes create uncomfortable conditions for many would-be regular cyclists. In addition, within the larger blocks created by the arterial network, many streets do not connect, impeding connectivity and forcing cyclists to go out of their way via these high speed, high volume arterials.

Quality facilities, including clear wayfinding and convenient bicycle parking, can make the difference between riding and not riding. Support programs can also help to encourage bicycle use, such as a centralized web portal where users can access information on bicycle facilities, suggested routes, parking, training, classes and other services to make cycling more convenient.

Linking bicycle improvements with other mobility modes, such as bus and rail service, enhances the effectiveness of all since some intra-city trips and many commuting trips involve more than one mode. Connections with surrounding communities and the overall region are of paramount importance for enabling bicycle circulation as a viable commuter mode. This will require close coordination with Caltrans and WRCOG, Southern California Association of Governments (SCAG), the Riverside County Transportation Commission (RCTC) and the Riverside Transit Agency (RTA) to ensure that planned improvements are implemented in a timely manner and that they connect with Moreno Valley's improvements in a way that will make commuters seriously consider riding instead of driving.

This includes the coming MetroLink extension of RCTC's 91 Line, specifically the Moreno Valley/March Field Station on Alessandro Boulevard immediately west of Interstate 215. Making connections between modes as seamless as possible will do much to encourage residents and visitors to travel via other modes than driving their own vehicle.





Cycling Benefits

Reduced greenhouse gas (GHG) emissions and traffic congestion are community benefits attributable to cycling. Increasing levels of cycling also has positive impacts on local and regional air quality, rider finances and community health.

Environmental Benefits

Although vehicle emissions have been dramatically reduced in recent decades due to regulations and technological improvements, they still impact air quality and human health. Motor vehicles are a significant contributor to air pollution, which can cause asthma, bronchitis, pneumonia and decreased resistance to respiratory infections. Fewer people per capita cycle in the United States than in most other countries and the nation is a leader in petroleum consumption.

In California, 40 percent of carbon dioxide (CO₂) emissions are produced by the transportation sector. While CO₂ is not the most harmful greenhouse gas, it is the most abundant. Even after accounting for the global warming potentials of other greenhouse gases (comparing them in terms of CO₂), 95-99 percent of vehicle emissions are CO₂. The EPA found that the average vehicle emits just under a pound of CO₂ per mile. Therefore, almost 10 pounds of carbon dioxide emissions could be avoided each day if an individual with a five mile (each way) commute switched from driving to an active transportation mode like cycling.

Greenhouse Gas (GHG) Reduction Estimates due to Cycling

Employing the EPA's latest vehicle emissions data, the following table illustrates current estimated GHG reductions (pounds/year) attributable to commuter bicycling in Moreno Valley, and the potential for additional future reductions (approximately 20 percent) resulting from increased commuter bicycling to replace driving due to plan implementation:

GHG Component	Current	Future	Change
• Carbon Dioxide	8,226,179	9,953,337	1,727,158
• Carbon Monoxide	248,186	300,295	52,109
• Hydrocarbons	27,220	32,936	5,716
• Nitrous Oxide	19,014	23,006	3,992
• Inhalable Particles	202	245	43

Economic Benefits

Cycling is a low cost activity that can be easily incorporated into an individual's daily life, such as commuting to work or running errands. In mild climates like Moreno Valley's, cycling can occur year round. Residents can benefit financially from improved cycling infrastructure. Cycling to and from work can save money and people who regularly drive pay higher costs than those who bicycle. Beyond the up-front cost of their vehicle, there is maintenance, insurance and often parking. According to the American Automobile Association, daily driving now costs more than \$9,000 annually. Based on an example wage of ten dollars an hour, a vehicle owner must work 900 hours per year to pay for his or her commute by car. By comparison, a cyclist only has to work about 30 hours per year to pay for commuting by bicycle.

Health Benefits

A significant percentage of Americans are overweight or obese, and while the epidemic has shown signs of leveling off, recent projections indicate that 42 percent of the population will be obese by 2030. To combat this trend and prevent a variety of diseases, the Center for Disease Control (CDC) suggests a minimum of 30 minutes of moderate intensity physical activity five days per week, such as cycling. An average adult can ride 6.25 miles in 30 minutes, which burns roughly 130 calories.

Outdoor activities that encourage cycling are great ways to help lose weight since they burn fat, which helps individuals feel and function better. Exercise improves heart and lung fitness, as well as strength and stamina. Regular exercise reduces the risk of high blood pressure, heart attacks and strokes. In addition to heart disease, regular exercise can also help to prevent other health problems such as non-insulin dependent diabetes, osteoarthritis and osteoporosis. Exercise also relieves symptoms of depression, improves mental health, and decreases anxiety and stress levels. Cycling on a regular basis can be a fun way to exercise and takes advantage of its stress-reducing capabilities.

State Compliance

Bicycle master plans in California are specifically intended to encourage bicycle usage as regular transportation and a city's plan must therefore be approved by the Caltrans for the city to be eligible for Bicycle Transportation Account (BTA) funding, administered by Caltrans. Accordingly, this plan addresses the items within the *California Streets and Highways Code Section 891.2*, which lists specific bicycle master plan content requirements needed for Caltrans approval. To facilitate Caltrans review, the specific sections relating to code compliance are compiled in the final appendix as the last page of the document.

Proposed Facilities and Programs

Moreno Valley has some on-street bicycle lanes and off-street paths, as well as some cycling support programs, but this master plan recommends a significant increase in facilities to improve overall connectivity, as well as programs and policies to further encourage bicycle usage as regular transportation.

The range of facilities proposed in this bicycle master plan encompass all three State-designated bikeway classes, as well as recommendations for additional facility types already in use elsewhere, including in California.

The recommended facility types were chosen as the best solutions to address site-specific conditions in locations across Moreno Valley. The majority are bicycle lanes that, wherever possible, take advantage of the City's existing policy of repurposing small amounts of street width to wider bicycle lanes in the normal course of resurfacing maintenance.

Signed bicycle routes are also proposed on narrower, less traveled streets, including enhanced versions called bicycle boulevards, especially where connections can be made with schools and parks. These often parallel busy arterials, allowing users to access their desired destinations, but avoid riding on busy, high speed roadways.

A number of paved multi-use paths are recommended along aqueducts and flood control channels as low-stress routes separated from roadways and vehicular traffic. These bicycle boulevards and multi-use paths are intended to form a functional network of off-street routes more attractive to families and to people who ride less frequently, but may have been considering riding more.

Finally, a number of suggested education and training programs is included to support bicycling because a combination of facilities and support programs has been found to work best to encourage more people to try riding their bicycles, instead of driving their cars, the ultimate goal of this plan.





The City of Moreno Valley wants to provide a safe, convenient and efficient environment for bicycle travel to and across the City. This bicycle master plan supports this goal by identifying and prioritizing bicycle infrastructure projects, as well as education and training programs intended to improve safety for all roadway users.

This bicycle master planning project was funded by a California Department of Transportation (Caltrans) Community Based Transportation Planning (CBTP) Grant. This plan provides a vision for cycling in Moreno Valley and updates the City's 2006 *Bicycle Transportation Plan* to conform to Western Riverside Council of Governments' (WRCOG) *Non-motorized Transportation Plan*, as well as other regional plans. In addition, this update identifies deficiencies and opportunities in the existing bicycle facility system within Moreno Valley and in terms of connectivity with adjacent jurisdictions.

The study vision is a community where more of its residents and visitors commonly bicycle to get around, instead of automatically reaching for their car keys. Many other communities are pursuing a similar vision, but this study proposes a mobility blueprint tailored for Moreno Valley's unique mix of layout, topography, transportation infrastructure and climate. The expected benefits include physical, social and mental health improvements for those who choose to bicycle, as well as reduced transportation costs and, in some cases, time savings. This will also benefit those who do not bicycle, including reduced traffic and parking congestion, safer streets, improved air quality and reduced green house gas emissions.

The three primary purposes in updating the Moreno Valley Bicycle Transportation Plan are as follows:

1. Bring Moreno Valley's plan into conformance with WRCOG's *Non-motorized Transportation Plan* and other regional plans. The WRCOG plan is a component of the region's efforts to assist the Southern California Association of Governments (SCAG) in addressing regional greenhouse gas reductions as required by SB-375. Other regional plans include the *Compass Blueprint Plan* for the Alessandro Boulevard corridor, as well as adjacent jurisdiction plans.
2. Bring Moreno Valley's bicycle planning up to date with current state of the practice to take advantage of the latest innovations, such as buffered bicycle lanes, bicycle boulevards, enhanced traffic signal detection, bicycle boxes and other ongoing research. This plan identifies the best strategies to integrate cycling with other transportation modes, such as Metrolink, and Amtrak California and RTA bus service.
3. Identify deficiencies within the existing network. Identifying missing links, extensions to residential areas, schools/parks and employment centers/retail centers and required connectivity to regional/adjacent jurisdictions will enable Moreno Valley to improve internal and regional mobility.

This updated plan is anticipated to help increase ridership through facility improvements and recommended programs. Identifying deficiencies would allow Moreno Valley to address potential safety concerns. Enhancing the overall bicycle network should support greater utilization by making cycling a more viable transportation option.

1.1 Scope

This plan is intended to provide a vision for bicycle circulation through understanding current conditions, identifying cyclists' needs throughout the City and examining potential improvement options. The study also addresses opportunities to connect and integrate existing and proposed facilities and to prioritize implementation strategies in accordance with viable funding sources. Since this study provides a framework for the City's bicycle network development, it also supports eligibility for local, State and federal funding for bicycle projects. Adoption of this plan makes Moreno Valley eligible for such funding.

With the implementation of this study's recommendations, the resulting network will create a more bicycle-friendly community, especially if supported by vehicle driver and cyclist education, enforcement and promotional programs and policies. The anticipated result is an increase in residents and visitors choosing to ride a bicycle to and from Moreno Valley destinations. This plan sets the foundation for decisions and identifies a blueprint for future bicycle development so that opportunities are not missed in the course of other infrastructure, land use and facility development decisions. Precise alignments and details will be developed during subsequent implementation phases.

1.2 Study Area

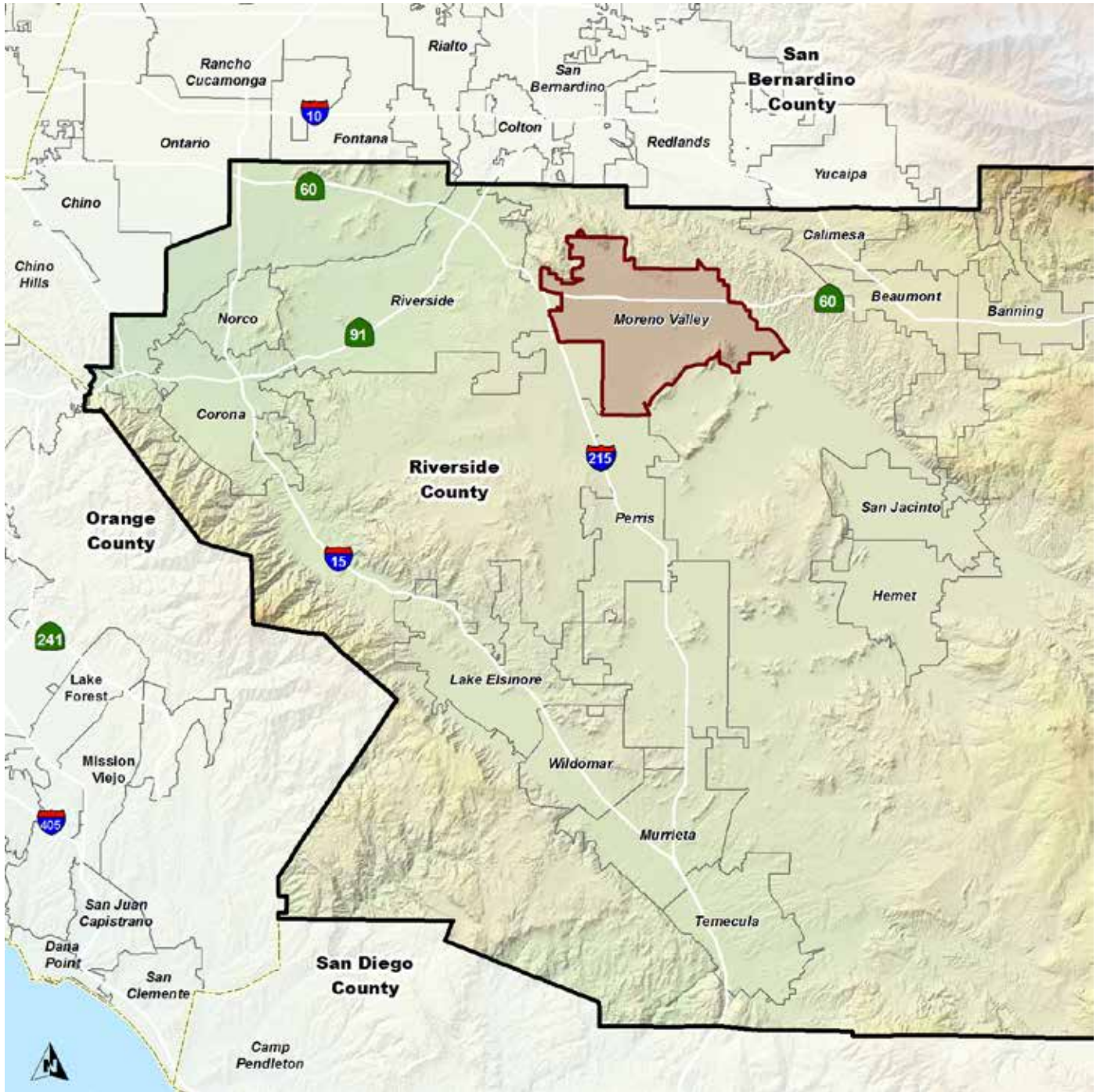
The study area was the City of Moreno Valley in western Riverside County. Also considered were adjacent communities and unincorporated areas where existing and proposed cycling connections offered opportunities for increased regional connectivity. Strengthening regional connections, in addition to being a standard planning goal, is required for State approval of a city's bicycle master plan. Among the regional connections are those with the City of Riverside, University of California-Riverside, the Lake Perris State Recreation Area and the planned Metrolink station immediately west of Moreno Valley.

A local and regional route development goal was to foster low-stress and comfortable facilities to entice more people to consider cycling for everyday trips and recreation. Within Moreno Valley, special consideration was therefore given to increased connectivity to schools, parks, shopping centers and the transit network.





Figure 1: Regional Setting



1.3 Benefits of Cycling

Numerous environmental, health and economic benefits are attributable to cycling, especially as a substitute for driving a vehicle.

Environmental Benefits

Increased cycling reduces fossil fuel emissions. In California, 40 percent of carbon dioxide (CO₂) emissions are produced by the transportation sector. While CO₂ is not the most harmful greenhouse gas, it is the most abundant. Even after accounting for the global warming potentials of other greenhouse gases (comparing them in terms of CO₂), 95 to 99 percent of vehicle emissions are CO₂. The EPA found that the average vehicle emits 0.95 pounds of CO₂ per mile. Therefore, almost 10 pounds of carbon dioxide emissions could be avoided each day if an individual with a five mile (each way) commute switched from driving to an active transportation mode like cycling.

Health Benefits

Despite dramatic strides in recent decades through regulations and technological improvements, vehicle emissions still pose a significant threat to air quality and human health. Vehicle generated air pollution contains harmful greenhouse gas emissions including carbon dioxide, carbon monoxide, methane, nitrous oxide and volatile organic compounds. These pollutants and irritants can cause asthma, bronchitis, pneumonia and decreased resistance to respiratory infections. Taking steps to reduce these emissions is particularly important in the United States, which leads the world in petroleum consumption. The conversion of vehicular trips to cycling trips offers a great opportunity to reduce emissions and improve public health.

In addition to the universal public health benefit, such as improved air quality described above, cycling has the potential to positively impact personal health. A significant percentage of Americans are overweight or obese and recent projections indicate that 42 percent of the population will be obese by 2030. To combat this trend and prevent a variety of diseases and their associated societal costs, the Center for Disease Control (CDC) suggests a minimum of 30 minutes of moderate intensity physical activity five days per week. Not only does cycling qualify as "moderate intensity activity," it can also be seamlessly integrated into daily routine, especially if chosen for utilitarian purposes like commuting or running errands.

Other health benefits associated with moderate activity, such as cycling, include improved strength and stamina through better heart and lung function. Regular exercise reduces the risk of high blood pressure, heart attacks and strokes. In addition to heart disease, regular exercise can also help to prevent other health problems such as non-insulin dependent diabetes, osteoarthritis and osteoporosis. Lastly, exercise has been shown to improve mental health by relieving symptoms of depression, anxiety and stress.

Economic Benefits

Cycling infrastructure and programs has increasingly been shown to deliver economic benefit to both individuals and society at large. The benefits of cycling may, in fact, outweigh its costs. Cycling, and utilitarian cycling in particular, offers somewhat obvious cost savings to individuals. Beyond the up-front cost of operating a vehicle are additional maintenance, insurance and often parking costs. According to the American Automobile Association, the annual cost of owning a car and driving 15,000 miles a year is now just over \$9,000.

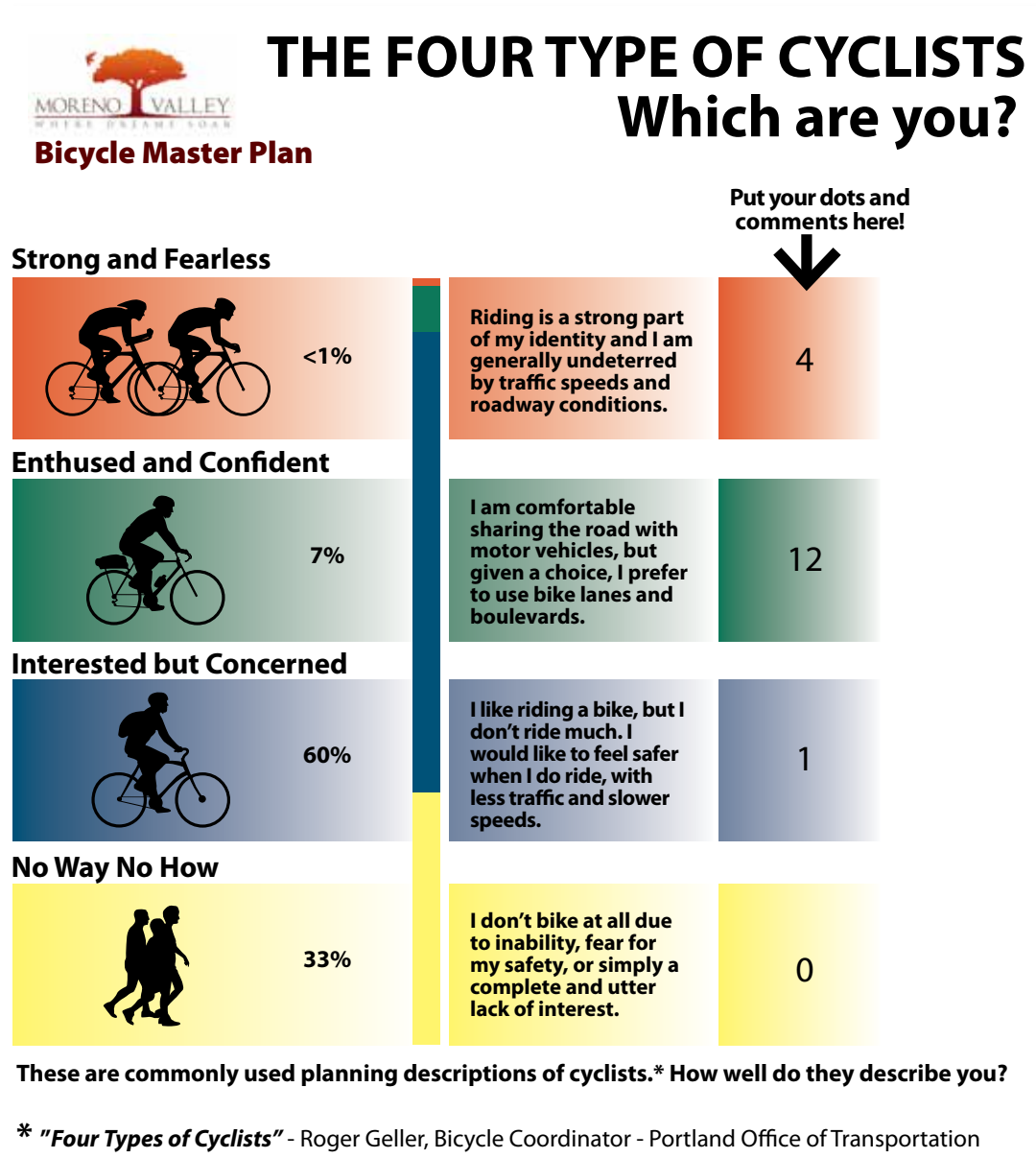
Converting even a fraction of automobile trips to bicycle trips can create significant transportation-related savings as a result of reduced vehicle traffic congestion. Increased cycling also translates to health-related savings, for both individuals and taxpayers, in the form of less need for preventative care. More cycling has also been tied to increases in commercial and residential property values and retail sales. Shoppers who reach their destination by bicycle have been shown to make smaller purchases, but shop more often and spend more money overall. Shoppers who arrive by bicycle, by virtue of their more limited range, are also more likely to support local businesses, and do not require a vehicle parking spot.

Perhaps more compelling than reducing GHG emissions or combating the obesity epidemic is the benefits cycling has to offer in terms of quality of life. Cycling, and especially utilitarian cycling, is increasingly seen as a fun, low-cost, healthy and sustainable way of getting around. How then, can we make it easier for any person to choose a bicycle for his or her daily trips?



In an effort to re-position cycling as a safe and common mode of transportation and increasing the number of people cycling, attention needs to be shifted away from creating “cyclists” and toward making it easier for any person to chose cycling for their everyday trips. Research shows a strong latent interest in cycling among those who identify as “interested, but concerned.” (See public workshop graphic below.) These

individuals do not identify themselves as “cyclists,” but they do not necessarily need to do so to benefit from programs to encourage cycling. While all segments of the population may be encouraged to ride, it is through the encouragement of this “interested, but concerned” segment of the population that the greatest gains in mode share will be made. The field of bicycle planning is being redefined toward this end.



1.4 Methodology

Project methodology depended on local familiarity through field work and community input, as described in the following sections.

Field Work

Initial field work conducted during the spring and summer of 2013 consisted of driving and then cycling to obtain first-hand experience. Subsequent field work later in the year involved examining specific areas of opportunity identified by the community and through existing conditions analysis. Field work, by car, by bicycle and on foot afforded planners a more accurate picture of existing conditions, and included important observations, such as typical user behavior on and in the vicinity of potential bicycle facilities.

Community Input

Community involvement was instrumental in analyzing existing conditions and formulating plan recommendations. Several techniques were employed to gather as much information and as many perceptions as possible, including the development of a website with an on-line survey, stakeholder outreach, comment maps at bicycle shops, press releases, as well as three community workshops.

The community workshops held during the course of this master plan's development were part of an effort to reach out to unique communities of interest, including cyclists, pedestrians and transit users, as well as an initial workshop held on a weekday afternoon to draw participation from regional transportation agency stakeholders. These workshops offered an opportunity to provide educational materials and outreach to attendees. The planning team included two League Certified Instructors (LCIs) to assist those wanting more information and education regarding safe cycling and Spanish translation was made available at all of the workshops.

Two initial public workshops were held on the same day, one for public officials and one for the rest of the community, to address the development of project vision, goals and objectives. Existing facilities, opportunities and constraints were

presented to solicit feedback on improvements needed for these facilities and for developing new ones. High-resolution aerial plots of the entire City were placed on tables on which participants could draw and write comments about their knowledge of the local cycling environment. Public comments on the aerial maps and other project boards were gathered to assist in developing recommendations, identifying potential projects and determining the level of community awareness.

The second public workshop presented the results of the data collection effort and needs assessment. Public comments were solicited regarding issues, concerns and recommendations concerning existing and proposed bicycle facilities. Recommended programs and policies were also presented to gather feedback on what the community would like to see to improve Moreno Valley's cycling environment.

The third workshop was held during the final stage of the planning process to present the recommended projects to the public to ensure that the final plan truly reflected community desires and to solicit any final comments for incorporation into the document. In addition, a map of the recommended facilities was displayed at a local bicycle shop between the second and third workshops with an invitation to comment.

A plan website was maintained through the draft phase of the project, on which meeting products and notices were posted. An online survey on the website, was the site's most important contribution to the project. Such surveys have proven valuable because they allow respondents to compose their thoughts at their leisure, often resulting in more comments overall and with more in-depth insight about specific locations than generally provided at public meetings alone. (A summary of community input is included in Appendix C.)



Item No. E.1





1.5 Bikeway Facility Types

The State of California recognizes three types of bikeway facilities. Also included in this section is information on other “non-standard” innovative facility types that can be tested by local jurisdictions with Federal Highway Administration (FHWA) and California Traffic Control Device Committee (CTCDC) approval (See “Other Facility Types” on following pages).



Path connecting Eucalyptus Avenue and Towngate Memorial Park

Class 1: Multi-use Paths

Class 1 multi-use paths (frequently referred to as “bicycle paths”) are physically separated from motor vehicle routes, with exclusive rights-of-way for non-motorized users like cyclists and pedestrians and with motor vehicle cross flows kept to a minimum. Where there is the potential for motor vehicles to encroach onto a Class 1 facility from a parallel roadway, a barrier should be provided. Any separation of less than five feet from the pavement edge requires a physical barrier.

Class 1 facilities are often important commuter connections and any proposed paths must be designed for multipurpose use. Paths should be wide enough to accommodate multiple user types. Caltrans requirements call for eight feet minimum paved width with two feet of clear space on each side. Adding two feet of additional width to these facilities to make them 10 feet wide helps prevent pavement edge damage from maintenance or patrol vehicles and accommodates higher use volumes. Depending on anticipated use levels, Class 1 facilities can be built even wider.

Finally, unlike on-street facilities that already have defined minimum design speeds, this is a factor to consider for Class 1 facilities. On relatively flat routes, the minimum design speed is 25 mph.



2' Edge 8'- 12' Path 2' Edge



Multi-use path - Coronado, CA

Example protective barriers for Class 1 paths along roadways



Class 2: Bicycle Lanes

Bicycle lanes provide an exclusive roadway space for cyclists, demarcated through pavement marking and signage. Bicycle lanes must be one-way facilities and carry bicycle traffic in the same direction as the adjacent motor vehicle traffic. They are typically located along the right side of the street, between the adjacent travel lane and curb, road edge or parking lane. This facility type may be located on the left side of one-way streets, or buffered from parked cars or the adjacent travel lane, where space permits. Lastly, contra-flow bicycle lanes may be permitted along one-way streets where two-way bicycle access is desired. Where this occurs, the lane should be marked with a solid, double yellow line and width increased by one foot.

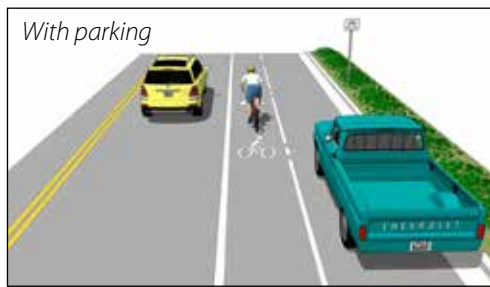


Bicycle lane - Indian Street

Bicycle lanes enable cyclists to ride at their preferred speed, with limited interference from prevailing traffic conditions. These facilities have no barriers or grade separation, which gives cyclists the freedom to leave the facility to avoid debris or overtake a slower cyclist, but offers less protection from moving vehicles and vehicles parking within the lane than other separated facilities. The prohibition of parking within a bicycle lane actually requires regulatory signage and may be further enhanced with colorful lane markings.

Minimum bicycle lane width is four feet where there is no vehicle parking, and five feet where there is parking. Residual width should be striped as a buffer. A buffer on the travel lane side offers greater separation (distance) from moving traffic and is recommended where there is no vehicle parking. Where there is parking, a buffer between the bicycle lane and the parking offers protection from colliding with suddenly opened car doors, known as "dooring." If parking volume is substantial or turnover is high, an additional one or two feet of buffer width is desirable.

Finally, bicycle lane placement and widths have been undergoing substantial change as many planners and advocates have come to agree that the current minimums may be inadequate for some situations. Many municipalities now convert extra travel lane space into wider bicycle lanes and



Travel lane Bicycle lane Parking lane



Travel lane Bicycle lane



Buffered bicycle lane - Nason Street



Sign R81 (CA)



associated buffering. Moreno Valley, for example, as streets are resurfaced, has been improving its bicycle lanes on streets without parallel parking by striping them at six feet wide measured from the edge of the gutter pan rather than the accepted standard of measuring five feet from the curb face, which encourages cyclists to ride further away from the seam created by the gutter pan/paving interface. Class 2 bicycle lanes may be up to eight feet wide to allow two cyclists to ride comfortably side-by-side.



Bicycle route - Ironwood Avenue



14'-16' shared travel lane

Sign R4-11



Sign D11-1



Class 3: Bicycle Routes

A Class 3 facility is a suggested bicycle route marked by signs designating a preferred route between destinations. They are recommended where traffic volumes and roadway speeds are fairly low (35 mph or less). The designation of a roadway as a Class 3 facility should be based primarily on the advisability of encouraging bicycle use on that particular roadway. While roadways chosen for Class 3 facilities may not be free of problems, they should offer the best balance of safety and convenience of the available alternatives.

Bicycle route guide signs are provided at decision points along designated bicycle routes, including signs to inform cyclists of bicycle route direction changes and confirmation signs for route direction, distance and destination. These signs are repeated at regular intervals so that cyclists entering from side streets will know they are on a bicycle route.

Shared lane markings (SLMs or “sharrows”) are an optional signage method to alert drivers to the expected presence of cyclists, as well as to direct cyclists to the proper roadway riding position to avoid “dooring.” They are used where posted speed limits are 35 mph or less, with the exception being where there is no other bicycle facility and the right-most travel lane is too narrow to allow drivers to safely pass cyclists.

Sharrows are placed at least 11 feet from the curb, but may be placed farther out, including in the center of the right lane if it is too narrow to accommodate this minimum. On streets without on-street parking and with a right lane less than 14 feet wide, sharrows must be centered four feet from the curb face or pavement edge and at intervals of no more than 250 feet, including immediately after intersections. Sharrows are commonly combined with “Bicycles May Use Full Lane” (BMUFL) signs. (See applicable section on following page for more information.)



Shared lane marking (“Sharrow” or “SLM”)

Other Facility Types

There are a number of other “non-standard” facilities that the City may find useful in specific situations.

According to the Federal Highway Administration (FHWA), any treatment intended to regulate, warn or guide traffic (vehicle drivers and cyclists) that serves more than just an aesthetic purpose is considered a traffic control device and regulated at the federal level by the FHWA and are codified in the *Manual on Uniform Traffic Control Devices* (MUTCD). California also has its own version (CA MUTCD), which is overseen by Caltrans and the California Traffic Control Devices Committee (CTCDC). Both MUTCDs are responsible for defining the standards used to install and maintain traffic control devices on all public and private roads open to public traffic. In California, anything not in the CA MUTCD is considered not approved for use on roadways.

For bikeway facilities not yet included in the CA MUTCD, the City should consult Caltrans for locations within State right-of-way or when utilizing BTA funding. For other locations or funding sources, a FHWA request for experimentation is recommended (<http://mutcd.fhwa.dot.gov/condexper.htm>).

The CA MUTCD states that traffic control devices must conform to California Vehicle Code (CVC) Section 21401, which requires Caltrans to adopt uniform standards and specifications for traffic control devices. Although Caltrans does not control local traffic control devices (unless they are on State facilities) or enforce compliance with the California MUTCD (except indirectly through funding), any agency that installs a noncompliant device, contrary to the CVC, potentially exposes itself to liability.

However, the CA MUTCD does provide a means for Caltrans and local agencies to experiment with non-approved devices. The agency can request CTCDC approval prior to experimentation, which is defined as “...research involving testing, evaluating, analyzing or discovering the effect of a specific device, principle, supposition, etc., usually carried out in an operational context.” The CTCDC may either approve the device for limited use on an experimental project, approve the device for limited use in a formal research project, disapprove it until further justification is submitted, or disapprove it altogether.

The CA MUTCD provides specific guidelines for experimental proposals, including a detailed description of the experimentation, locations, number of projects, a proposed plan of study, time periods, CTCDC approved-evaluation criteria and reporting. If the experiment results in a proposed change to the CA MUTCD, recommended text should be included.

All proposals must list the agency sponsoring and conducting the study and the name and titles of principal researchers. There must be proof of professional traffic engineering capabilities and other related professional expertise to perform the experimentation and related evaluation processes.

At the end of the experimental period, all installations must be removed, unless the CTCDC grants an extension or permission for continued operation.

Caltrans policy is that all experimental proposals that involve bicycle-related issues are referred to the California Bicycle Advisory Committee (CBAC) for discussion before consideration by the CTCDC. This procedure is not part of the California MUTCD, and CBAC approval is not a condition for CTCDC approval.



The State of California recently approved what are essentially embellishments to existing facility types, some of which may prove useful in future recommended projects.

Green Transition Lanes

One significant change is the FHWA's interim approval for the use of green colored pavement within bicycle lanes in mixing or transition zones, such as at intersections and in other potential conflict zones where motor vehicles may cross a bicycle lane. They are intended to warn drivers to watch for and to yield to cyclists when they encounter them within the painted area. The FHWA found that both drivers and cyclists have a favorable impression of green colored bicycle lanes. Cyclists felt safer while riding on green bicycle lanes, while drivers felt that green bicycle lanes helped increase their awareness of bicycles in the area. FHWA studies have also shown that green bicycle lanes improve cyclist positioning as they travel across intersections and other conflict areas.

Jurisdictions within the State must notify Caltrans before proceeding with green bicycle lane projects because the agency is required to maintain an inventory, but since Caltrans has requested to participate in this interim approval, the process has been streamlined because FHWA experimental treatment protocol is no longer required.



Green transition lane - Alpine Road at I-280, San Mateo, CA



Green transition lane (Simulation with recommended signage) - College Boulevard at I-8, San Diego, CA



“Bicycles May Use Full Lane” Sign

Another important change is a new sign for use along streets designated as Class 3 routes that notify all users that cyclists are allowed to use travel lanes. These read “Bicycles May Use Full Lane” (BMUFL) and are generally placed in conjunction with Shared Lane Markings (“sharrows” or SLMs). These black and white regulatory signs will generally replace the yellow and black “Share the Road” placard, which were merely advisory. These signs, in conjunction with SLMs, allow cyclists to legally “control the lane” (avoid the “door zone”) within what the Uniform Vehicle Code (UVC) defines as a substandard width lane, or a “lane that is too narrow for a bicycle and a vehicle to travel safely side by side within the same lane.” According to the MUTCD, a BMUFL sign may be used in addition to or instead of a SLM to inform all road users that cyclists may occupy the travel lane.



“Shared Road” Sign

While the BMUFL sign is commonly accepted and generally conveys the intended message, recent discussion suggests the use of stronger language (“Shared Road”) and accompanying education where appropriate. This phrasing is more powerful because it is a statement of fact and implies legal consequence for violators, while “Bikes May Use Full Lane” and “Share the Road” sound more like cautions. Regardless of the exact language, this type of sign should accompany SLMs. Both education and marketing should be provided to explain any signage and roadway markings new to the community.





Cycle Tracks

Cycle tracks are exclusive bicycle facilities that combine the user experience of a separated path with the on-street infrastructure of a conventional bicycle lane. A cycle track is both separated from vehicular traffic and from the sidewalk. While there are many different forms of cycle tracks, they all share separation from vehicular travel lanes, parking lanes and sidewalks. Should parking be permitted along a cycle track route, the cycle track is located on the curb side rather than the travel side so that parked vehicles protect cyclists from traffic. Additionally, this design may reduce “dooring” incidences since many trips are drive-alone and the driver will be exiting on the far side of the parking lane away from the cycle track.

Cycle tracks may be one-way or two-way and may be at street level, sidewalk level or an intermediate level. Depending on grade, different design treatments may be required to demarcate a cycle track from the adjacent sidewalk, travel or parking lanes. The physical separation from the roadway can employ parked vehicles, planting areas, bollards, raised lanes or a combination of these elements. These treatments reduce the risk of conflicts between cyclists, pedestrians and parked vehicles. By providing physical separation from traffic, cycle tracks can offer a higher degree of security and are attractive to a broader spectrum of the public.

Cycle tracks may be installed on urban streets with high vehicular volumes and speeds, but to minimize conflicts, selected streets should have long blocks with few to no driveways or other mid-block vehicles access points. Additional signage, traffic control treatments and pavement markings may be needed to direct cyclists along the cycle track and through intersections. Cyclist safety through intersections must be carefully addressed, especially for two-way cycle tracks.



Cycle track (Signage informs left-turning vehicle drivers that cyclists and pedestrians have priority) - Montreal, Quebec

Cycle Tracks in California?

California law defines “bikeway” to mean all facilities that provide primarily for bicycle travel, and categorizes them into three classes; Class I paths, Class II lanes and Class III routes. Assembly Bill-1193 (Bikeways), signed by Governor Brown in September 2014, designates cycle tracks as Class IV bikeways. This bill also requires Caltrans to establish minimum safety design criteria for each type of bikeway by January 1, 2016. (See Section 1.7 for more details.)

Bicycle Boulevards

Bicycle boulevards provide a convenient, low-stress cycling environment for people of all ages and abilities. Bicycle boulevards are installed on streets with low vehicular volumes and speeds and often parallel higher volume, higher speed arterials as an alternative to them. By intention and design, these routes give travel priority to cyclists and they are usually streets with inherently “low-stress” cycling environments that may also provide additional speed and volume management measures to discourage motor vehicle through traffic while promoting it for cyclists.

Bicycle boulevards give priority to bicycle traffic by discouraging cut-through vehicle traffic while allowing local access. They improve cyclist comfort and safety by assigning right-of-way to the bicycle boulevard at intersections, with traffic controls to help cyclists cross major roadways, and an overall distinctive look to make cyclists more aware of the existence of the bicycle boulevard that also helps alert vehicle drivers that the street is a priority route for cyclists.

Bicycle boulevards further augment their existing low-stress environments with enhancements such as traffic calming, where speeds are higher than desired, and traffic diversion, where volumes are higher than desired. Bicycle boulevards are intended to support relatively light motor vehicle traffic volumes due to the traffic calming devices often installed to slow or divert vehicle drivers to other more appropriate routes. Traffic diversion and calming have impacts not only on vehicular travel, but can also provide preferential corridors for cyclists and pedestrians through semi-permeable design.

Intersections may have physical diverters with bicycle cut-outs that allow cyclists to pass through unimpeded, while allowing vehicle drivers to enter to park or access a property, but without being able to continue. Bollards, raised medians or even miniature parks can be positioned in the roadway to allow for cyclist through traffic while prohibiting it for motor vehicles. Similarly, there are traffic calming devices that slow motor vehicles, but do not significantly affect cyclist speed, including speed humps and speed tables with cut-outs for cyclists, chicanes and traffic circles.

Most bicycle boulevards are not striped, but many employ distinctive pavement markings to help identify them. Bicycle boulevards often have higher road surface standards than other streets, and most encourage riders to use the full lane to support parity between cyclists and vehicle drivers. Signage and pavement markings help to identify the route and provide wayfinding, and bicycle-specific signals and detection provide for safe and convenient crossing where the facility crosses high volume roadways.

Consistent with this practice, most employ distinctive pavement markings such as sharrows or other bicycle symbols, and signage to help identify them. The signage and markings not only convey route information and announce the facility as a bicycle priority corridor, they offer the opportunity for placemaking. For maximum convenience and connectivity, bicycle boulevards tend to work best as a part of a network. If the network is dense enough and includes the cyclist-prioritizing design elements previously described, it provides a viable alternative transportation network.

Finally, because their traffic calming features improve pedestrian safety, as well as encourage cycling, some cities de-emphasize the bicycle specificity of these routes by designating them as “calmed, green or quiet” streets, or “neighborhood byways or parkways.”



Bicycle boulevard - San Luis Obispo, CA



Hybrid (Context-sensitive) Facilities

Hybrid facilities blend components of established facility types to optimize facility design given certain specific existing conditions such as topography, limited right-of-way, traffic volumes and speeds.

For example, where there is insufficient roadway width for Class 2 lanes in both directions, but where one direction clearly requires a higher class facility than the other due to grade, a hybrid facility may offer the best solution. This is generally a Class 2 bicycle lane uphill, where the speed differential between cyclists and motorists is greater, and a Class 3 downhill, where the speed differential is often minimal. (While the speed differential is an important factor in determining the acceptability of a Class 3 facility, the overall posted speed limit is of greater importance. Class 3 facilities are generally not recommended on roadways with posted speed limits higher than 35 mph.)



Hybrid facility - Class 3 with "Sharrows"/Class 2 lane

Paved Paths and Wide Walkways

Other paved paths and walkways of varying widths occur primarily in developed parks, and are generally asphalt or concrete up to eight feet wide. While not officially Class 1 facilities, some can be critical connections for current and future bicycle facilities.



Paved path - John F. Kennedy Park

1.6 Bicycle Facility State of Practice

Particularly in the last five years, the state of practice for bicycle facilities in the United States has undergone a significant transformation. Much of this may be attributed to cycling's changing role in the overall transportation system. Once viewed as an "alternative" mode, it is increasingly viewed as a legitimate transportation mode and one that should be actively promoted as a means to achieve air quality targets and provide a more equitable transportation system, among other goals. While connectivity and convenience remain essential bicycle facility quality indicators, recent research indicates that the increased acceptance and practice of daily cycling will require low-stress bicycle facilities. Facility types and specific design interventions intended to encourage ridership among the "interested, but concerned" demographic tend to be those that provide separation from high volume and high speed vehicular traffic. Other measures required to mainstream cycling include seamless bicycle-transit integration, convenient and secure bicycle parking and other end-of-trip facilities that address the "last mile," where many systems fail.

Bicycle facility state of practice is in flux and new and innovative facility details are constantly being refined. The amount of guidance regarding innovative facilities at the local, regional, State and national levels varies. In the case of Californian cities, best practice guidance comes primarily from national organizations such as the American Association of State Highway and Transportation Officials (AASHTO) and the National Association of City Transportation Officials (NACTO), and through the efforts of other cities within California and elsewhere, which have planned, implemented and evaluated such facilities. While bikeway design guidance has traditionally come from the State, especially Caltrans and the California *Manual on Uniform Traffic Control Devices* (CAMUTCD), this agency and this manual currently offer little in the way of support for innovative facilities. Fortunately, Californian cities may apply for experimental designation from the FHWA for projects not in conformance with the CAMUTCD.

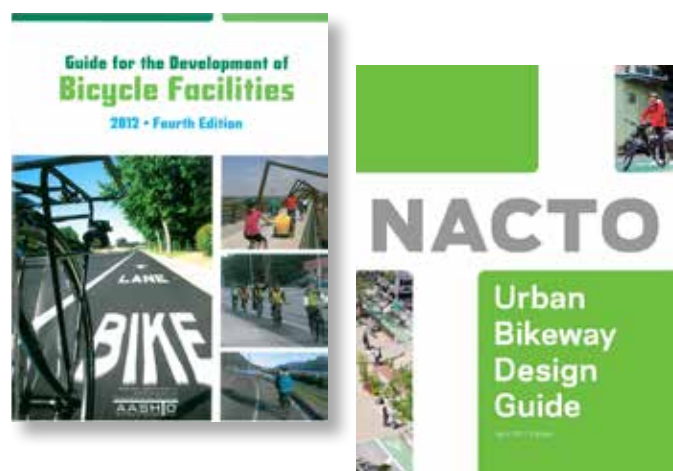
The following section provides a review of the state of practice for bicycle facilities, drawing on the AASHTO and NACTO guides, as well as experiences from California cities and elsewhere. It is followed by a section on the state of practice for Complete Streets at the local, regional, State and national levels.

AASHTO Guide to Bikeway Facilities

This memorandum expresses the Federal Highway Administration's (FHWA) support for taking a flexible approach to bicycle and pedestrian facility design. The AASHTO bicycle and pedestrian design guides are the primary national resources for planning, designing, and operating bicycle and pedestrian facilities. The NACTO *Urban Bikeway Design Guide* and the Institute of Transportation Engineers (ITE) *Designing Urban Walkable Thoroughfares* guide builds upon the flexibilities provided in the AASHTO guides, which can help communities plan and design safe and convenient facilities for pedestrian and cyclists. FHWA supports the use of these resources to further develop non-motorized transportation networks, particularly in urban areas.

NACTO Urban Bikeway Design Guide

The NACTO Guide represents the industry standard for innovative bicycle facilities and treatments in the United States. In April 2014, Caltrans followed AASHTO and officially endorsed the NACTO Guide. It is important to note that virtually all of the design treatments contained (with two exceptions) are permitted under the Federal MUTCD. The NACTO Guide is organized into six sections: Bicycle Lanes, Cycle Tracks, Intersections, Signals, Signing and Marking and Bicycle Boulevards. For each section, it offers three levels of guidance: Required Features, Recommended Features and Optional Features. The following section introduces the broad facility types included in the NACTO Urban Bikeway Design Guide. Further categorization and design details are included in Appendix A: Design Guidelines.





Intersections

Complaints about problematic intersections usually rank high in surveys about existing cycling conditions. Specific problems include the disappearance of facilities at intersections, ambiguous right-of-way, poor visibility, difficult turning movements and inadequate signal timing. The NACTO Guide chapter on intersection treatments offers solutions to increase cyclists' comfort by reducing conflicts between cyclists and vehicles. These solutions achieve these goals by heightening visibility between all modes and by denoting clear right-of-way. Specific designs may employ a combination of color, signage, medians, signal detection and pavement markings. Exact designs require a thorough analysis of existing and anticipated use by all modes, as well as consideration of the bicycle facility type used. For example, the treatment of a cycle track at an intersection will be very different than that of a Class 3 bicycle route.

Signals

Bicycle signals and beacons facilitate cyclist crossings of roadways and are especially important at large intersections with multiple lanes and turning motions. They make such crossings safer by clarifying when to enter an intersection and by restricting turning movements when appropriate. Bicycle signals are traditional three lens signal heads, with green, yellow and red (bicycle symbol) stenciled lenses. They can be employed at standard signalized intersections and at hybrid beacon crossings. They may be enhanced with signage and pavement markings and activated through either push buttons or in-ground sensors. As with intersection treatments, signal design and timing should address existing and anticipated use and should be appropriate given the facility type and overall roadway context.



Bicycle signal heads - Tucson, AZ

Signing and Marking

Appropriate signing and marking should accompany any treatment or infrastructure intended for bicycle use.

Bicycle signage categories include wayfinding and route signage, regulatory signage and warning signage. Wayfinding signage, for example, is particularly important for navigating bicycle boulevards or other Class 3 routes that may meander or connect to other facilities within a network. Another essential use of regulatory signage is to designate the presence of a Class 2 bicycle lane, because such a bicycle lane, even if marked by roadway stencils, may be used for motor vehicle parking if regulatory signage prohibiting it is not provided. Warning signage is also important where bicycle facilities end, change or expose the cyclist to potential hazards, such as freeway interchanges, rail crossings or rough pavement.

Bikeway markings are any device applied to the pavement surface to designate a specific right-of-way, direction, potential conflict area or route option. The choice of material and its application must be carefully considered for both safety and legibility for all roadway users. For durability and long-term visibility, markings must take into account both driver and cyclist movements in relation to the markings.

Complete Streets and Routine Accommodation

An adopted bicycle master plan provides a roadmap to support planning and implementing a bicycle network, can help to integrate bicycle planning into broader planning efforts and is required for State funding of bikeway projects.

For many cities, however, a bicycle plan alone is not enough to ensure the implementation of the plan's goals and projects. A hurdle that many cities face is that their various plans are not well integrated. Despite many cities' attempts to support a "Complete Streets approach," entrenched and often contradictory policies can make implementation difficult. For instance, a bicycle master plan, an ADA transition plan and a specific plan may address the same area, but ignore each other's recommendations. One plan may identify a certain project, but it may not be implementable due to prevailing policies and practices that prioritize vehicular flow and parking over other modes.

1.7 Applicable Legislation

An adopted Complete Streets policy has the potential to address these shortcomings through the designation of some important corridors as Complete Streets, accommodating all roadway users, and other corridors as priority corridors for a certain modes. A system that creates priority corridors for each of the modes, offset from one another, is referred to as a layered network.

Efforts to implement Complete Streets policy often highlight other significant obstacles, chief among them documents defining “significant impacts” to traffic, acceptable vehicular “Level of Service” thresholds and parking requirements. Drafting a Complete Streets policy often means identifying roadblocks like these and ultimately mandating increased flexibility to allow for the creation of a more balanced transportation system. In the case of a bicycle master plan, the network identified could become the bicycle layer. Identification in such a plan, reiteration within a Complete Streets policy framework and exemption from traditional traffic analyses can make implementation of the network more likely and much more affordable.

Legislative support for Complete Streets can be found at the State level (AB-1358) and is currently being developed at the national level (HR-2468). SCAG has announced it will develop a Regional Complete Streets Plan in FY 2014-2015. As explained in further detail in the following section on applicable legislation, AB-1358 requires cities and counties to incorporate Complete Streets in their general plan updates and directs the State Office of Planning Research (OPR) to include Complete Streets principles in its update of guidelines for general plan circulation elements.

Examples of best practices in Complete Streets Policies from around the United States can be found at: <http://www.smartgrowthamerica.org/complete-streets-2013-analysis>.

Several pieces of legislation support increased cycling in the State of California. Much of the legislation concerns greenhouse gas (GHG) reduction and employs cycling as a means to achieve GHG reduction targets. Other legislation highlights the intrinsic worth of cycling and treats the safe and convenient accommodation of cyclists as a matter of equity. The most relevant legislative acts for bicycle policy, planning, infrastructure and programs are described below.

State Legislation and Policies

AB-32 Global Warming Solutions Act

AB-32 calls for the reduction of greenhouse gas emissions and codifies the 2020 emissions reduction goal. This act also directs the California Air Resources Board to develop specific early actions to reduce greenhouse gases while also preparing a scoping plan to identify how best to reach the 2020 limit.

SB-375 Redesigning Communities to Reduce Greenhouse Gases

This bill seeks to reduce vehicle miles traveled through land use and planning incentives. Key provisions require the larger regional transportation planning agencies to develop more sophisticated transportation planning models, and to use them for the purpose of creating “preferred growth scenarios” in their regional plans that limit greenhouse gas emissions. The bill also provides incentives for local governments to incorporate these preferred growth scenarios into the transportation elements of their general land use plans.

AB-1358 Complete Streets Act

AB-1358 requires the legislative body of a city or county, upon revision of the circulation element of their general plan, to identify how the jurisdiction will provide for the routine accommodation of all users of the roadway including motorists, pedestrians, cyclists, individuals with disabilities, seniors and users of public transportation. The bill also directs the OPR to amend guidelines for the development of general plan circulation elements so that the building and operation of local transportation facilities safely and conveniently accommodate everyone, regardless of their mode of travel.



AB-1581 Bicycle and Motorcycle Traffic Signal Actuation

This bill defines a traffic control device as a traffic-actuated signal that displays one or more of its indications in response to the presence of traffic detected by mechanical, visual, electrical or other means. Upon the first placement or replacement of a traffic-actuated signal, the signal would have to be installed and maintained, to the extent feasible and in conformance with professional engineering practices, so as to detect lawful bicycle or motorcycle traffic on the roadway. Caltrans has adopted standards for implementing the legislation.

AB-1371 Passing Distance/Three Feet for Safety Act

This statute, widely referred to as the “3 Foot Passing Law,” requires drivers to provide at least three feet of clearance when overtaking cyclists. If traffic or roadway conditions prevent drivers from giving cyclists three feet of clearance, they must “*slow to a speed that is reasonable and prudent*” and wait until they reach a point where passing can occur without endangering the cyclist. Violations are punishable by a \$35 base fine, but drivers who collide with cyclists and injure them in violation of the law will be subject to a \$220 fine. The law is slated to take effect September 14, 2014.

SB-743 CEQA Reform

Just as important as the aforementioned pieces of legislation that support increases in cycling infrastructure and accommodation is one that promises to remove a longstanding roadblock to cycling infrastructure and accommodation. That roadblock is vehicular Level of Service (LOS) and the legislation with the potential to remove it is SB-743.

For decades, vehicular congestion has been interpreted as an environmental impact and has often stymied bicycle projects. Projections of degraded Level of Service have, at a minimum, driven up project costs and, at a maximum, precluded projects altogether. SB-743 could completely remove LOS as a measure of car traffic congestion that must be used to analyze environmental impacts under the California Environmental Quality Act (CEQA).

This is extremely important because adequately accommodating cyclists, particularly in built-out environments, often requires reallocation of right-of-way and the potential for increased vehicular congestion. The reframing of Level of Service as a matter of motorist inconvenience, rather than an environmental impact, will allow planners to assess the true impacts of transportation projects and will help support cycling projects that improve mobility for all roadway users.

AB-1193 Bikeways

This act amends various code sections, all relating to bikeways in general, specifically by recognizing a fourth class of bicycle facility, cycle tracks. However, the following may be even more significant to future bikeway development:

Existing law requires Caltrans, in cooperation with county and city governments, to establish minimum safety design criteria for the planning and construction of bikeways, and requires the department to establish uniform specifications and symbols regarding bicycle travel and traffic related matters. Existing law also requires all city, county, regional and other local agencies responsible for the development or operation of bikeways or roadways to utilize all of those minimum safety design criteria and uniform specifications and symbols.

This bill revises these provisions to require Caltrans to establish minimum safety design criteria for each type of bikeway by January 1, 2016, and also authorizes local agencies to utilize different minimum safety criteria if adopted by resolution at a public meeting.

Caltrans’ Deputy Directive 64-R1

Deputy Directive 64-R1 is a policy statement affecting Caltrans mobility planning and projects requiring the agency to:

“...provide for the needs of travelers of all ages and abilities in all planning, programming, design, construction, operations, and maintenance activities and products on the State highway system. The Department views all transportation improvements as opportunities to improve safety, access, and mobility for all travelers in California and recognizes bicycle, pedestrian, and transit modes as integral elements of the transportation system.”

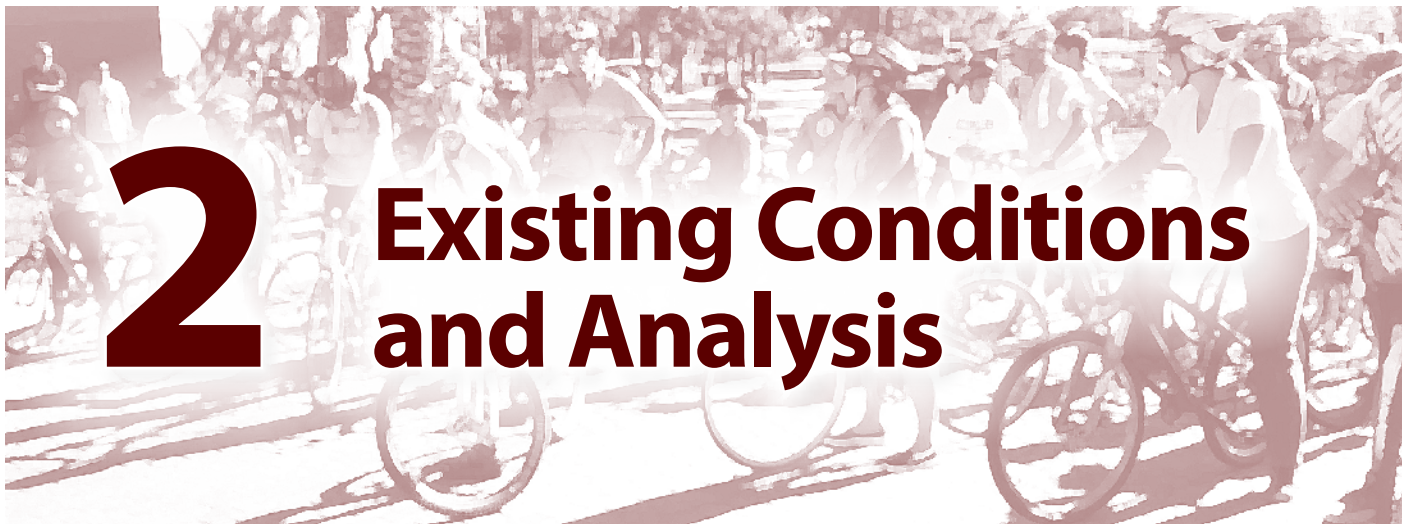
The directive goes on to mention the environmental, health and economic benefits of more Complete Streets.

Federal Legislation

Safe Streets Act (S-2004/HR-2468)

HR2468 encourages safer streets through policy adoption at the state and regional levels, mirroring an approach already being used in many local jurisdictions, regional agencies and states governments. The bill calls upon all states and metropolitan planning organizations (MPOs) to adopt Safe Streets policies for federally funded construction and roadway improvement projects within two years. Federal legislation will ensure consistency and flexibility in road-building processes and standards at all levels of governance.





2 Existing Conditions and Analysis

2.1 Existing Plans

This bicycle master plan finds ample support for its facilities and program recommendations in existing adopted plans. The following goals, policies, objectives, programs and facilities establish the framework City staff and decision makers will use to enhance and improve cycling in Moreno Valley. The plans and excerpts included are those most relevant to the bicycle master plan.

City of Moreno Valley General Plan

The General Plan's goals are to achieve a community which:

V. Provides recreational amenities, recreation services and open space, including, but not limited to, parks, multi-use trails, community centers and open space.

VI. Enjoys a circulation system that fosters traffic safety and the efficient movement of motor vehicles, bicycles and pedestrians.

VII. Emphasizes public health and safety, including, but not limited to, police, fire, emergency and animal services and protection from floods and other hazards.

V3. Recognizes the need to conserve natural resources while accommodating growth and development.

Community Development Element

The Community Development Element of the General Plan sets forth the goal of fostering:

"...an organized, well-designed, high quality and functional balance of urban and rural land uses that will meet the needs of a diverse population, and promote the optimum degree of health, safety well-being and beauty for all areas of the community, while maintaining a sound economic base."

To accomplish this balance of urban and rural lands, the plan calls for the provision of:

"...adequate land for present and future urban and economic, while retaining the significant natural features and the rural character and lifestyle of the northeastern portion of the community."

The Community Development Element also states that the City shall:

"...discourage costly 'leap-frog' development patterns by encouraging in-fill development wherever feasible, thereby reducing overall housing costs."

Parks, Recreation and Open Space Element Goals, Objectives, Policies and Programs

Goal 4.2

To retain an open space system that will conserve natural resources, preserve scenic beauty, promote a healthful atmosphere, provide space for outdoor recreation, and protect the public safety.

Objective 4.2

Provide safe, affordable and accessible recreation facilities and programs to meet the current and future needs of Moreno Valley's various age and interest groups and promote the provision of private recreational facilities.

Policies:

4.2.1 Neighborhood parks shall serve as the day-to-day recreational areas of the City; Neighborhood parks should be within a reasonable walking distance of the population served. Community parks may also serve day-to-day recreation needs. That portion of the community and/or regional facilities that provide similar amenities to those found in neighborhood parks shall also be considered as meeting this objective.

4.2.5 Work in conjunction with private and public school districts and other public agencies to facilitate the public use of school grounds and facilities for recreational activities. The City shall also encourage the development of park sites adjacent to school facilities to maximize recreational opportunities in Moreno Valley.

4.2.13 Provide recreation programs and access to facilities at reasonable costs.

4.2.14 Establish linear parks in agreement with public and private utilities, including the State of California along the California Aqueduct, for the use and maintenance of utility corridors and rights-of-way for recreational purposes.

4.2.15 Work closely with Riverside County Parks Department in its open space program to ensure that trail systems within Moreno Valley effectively link open space components.

Objective 4.3

Develop a hierarchical system of trails which contribute to environmental quality and energy conservation by providing alternatives to motorized vehicular travel and opportunities for recreational equestrian riding, bicycle riding, and hiking, and that connects with major regional trail systems.

Policies:

4.3.1 The City's network of multiuse trails, including regional trails, community trails, and local feeder trails, shall (1) be integrated with recreational, residential and commercial areas, schools and equestrian centers; (2) provide access to community resources and facilities, and (3) connect urban populations with passage to hillsides, ridgelines, and other scenic areas.

4.3.2 The City shall establish an agreement with public and private utilities for the use and maintenance of utility corridors and rights-of-way for trail purposes.

4.3.8 The City should facilitate the development of a multiuse regional trail system.

4.3.14 Where feasible, use drainage courses, utility rights-of-way and other such opportunities to incorporate trail and open space elements in the design of major development projects.

4-10 Prepare a comprehensive plan of trails that clearly defines the routing of city trails and is part of the General Plan.

Circulation Element Goals, Objectives, Policies and Programs

Goal 5.2

Maintain safe and adequate pedestrian, bicycle, and public transportation systems to provide alternatives to single occupant vehicular travel and to support planned land uses.

Policy 5.3.5 Transportation Demand Management

The region cannot build its way out of congestion; it has neither the financial resources nor the willingness to bear the environmental impacts of such a strategy.

Objective 5.10

Encourage bicycling as an alternative to single occupant vehicle travel for the purpose of reducing fuel consumption, traffic congestion, and air pollution. (*The Moreno Bikeway Plan is shown in Figure 9-4.*)

Policies:

5.10.1 Bikeways shall link residential neighborhood areas with parks, employment centers, civic and commercial areas, and schools.

5.10.2 Integrate bikeways, consistent with the Bikeway Plan, with the circulation system and maintain Class 2 and 3 bikeways as part of the City's street system.

5.10.3 Support bicycle safety programs, and active enforcement of laws relating to the safe operation of bicycles on City streets.

5.10.4 Link local bikeways with existing and planned regional bikeways.

Objective 5.12

Promote efficient circulation planning for all school sites that will maximize pedestrian safety, and minimize traffic congestion and neighborhood impacts.

Policy:

5.12.1 Coordinate with school districts to identify suggested pedestrian routes within existing and new subdivisions for school children to walk to and from schools and/or bus stops.

Programs:

5-10 Support regional projects that improve access to Moreno Valley.

5-11 Work with RCTC, Caltrans, County of Riverside, adjacent jurisdictions and other affected agencies to plan and develop a multi-modal transportation system.



5-12 Coordinate with Caltrans to redesign and reconstruct the SR-60 interchanges with Day Street, Perris Boulevard, Nason Street, Moreno Beach Drive, Redlands Boulevard, Theodore Street and Gilman Springs Road.

5-13 Implement Transportation Demand Management (TDM) strategies that reduce congestion in the peak travel hours.

5-16 Implement programs that mitigate on-street hazards for bicyclists.

5-17 Pursue regional, State and federal grant opportunities to fund design and construction of the City bikeway system.

5-18 Pursue grant funding that supports traffic safety at and in the vicinity of school facilities.

5-19 Work with school districts and private schools to identify school site locations and designs that will minimize traffic impacts and promote traffic safety.

5-21 Work with school districts and private schools to develop and promote traffic safety education programs.

Objective 6.6

Promote land use patterns that reduce daily automotive trips and reduce trip distance for work, shopping, school, and recreation.

Policies:

6.6.1 Provide sites for new neighborhood commercial facilities within close proximity to the residential areas they serve.

6.6.2 Provide multi-family residential development sites in close proximity to neighborhood commercial centers in order to encourage pedestrian instead of vehicular travel.

6.6.3 Locate neighborhood parks in close proximity to the appropriate concentration of residents in order to encourage pedestrian and bicycle travel to local recreation areas.

Objective 7.5

Encourage efficient use of energy resources.

Policies:

7.5.2 Encourage energy efficient modes of transportation and fixed facilities, including transit, bicycle, equestrian, and pedestrian transportation.

Bicycle Transportation Plan

The 2006 plan does not overtly state goals, policies and objectives, but does demonstrate implicit support for bicycle programs in Moreno Valley. It begins with a reference to Section 890 of *California Streets and Highway Code*:

"It is the intent of the Legislature, in enacting this article, to establish a bicycle transportation system. It is the further intent of the Legislature that this transportation system shall be designed and developed to achieve the functional commuting needs of the employee, student; business person, and shopper as the foremost consideration in route selection, to have the physical safety of the bicyclist and bicyclist's property as a major planning component, and to have the capacity to accommodate bicyclists of all ages and skills."

It also states that the main purpose of the plan to ensure eligibility for State funding:

"The State has provided a funding program to help implement the bicycle transportation system called for by the above legislation. The program is called "AB1020" for the assembly bill in which it was passed. The AB1020 fund pays a maximum of 90 percent of the cost of an eligible project and each jurisdiction is eligible to receive up to 25 percent of the funds available for any given year. To be eligible to apply for the fund, a jurisdiction must have an approved regionally consistent, Bicycle Transportation Plan. This is the City of Moreno Valley's Bicycle Transportation Plan."

Bicycle Mode Share: Though not stated as a goal, the plan states that *"upon completion of the bikeway system and build-out of the General Plan, staff estimates that there will be approximately 13,000 daily bicycle commute trips in Moreno Valley,"* based on projections from 1998 commute data. The General Plan's Community Development – Land Use Element estimates that by build-out, Moreno Valley's population will have increased to more than 304,000, roughly a 52 percent increase. The current mode share (0.12 percent, which considers only commuters) was calculated from the following Moreno Valley census data:

Total commuters: 37,355

Estimate of cycling commuters: 45

Margin of Error: 38

Considering a consistent commute rate and the projected commute share 6,500 (half of 13,000 trips), the plan estimates a projected commute mode share of approximately 11.45 percent.

	Current	"At Build Out" (Projected)
• Number of Bicycle Commuters	45	6,500
• Commute Share	37,355	56,780
• Total Population	200,000	304,000
• Bicycle Commute Mode Share	0.12%	11.45%

The City's 2006 *Bicycle Transportation Plan* also states several objectives related to bicycle programming. It calls for the shared use of "Safe Moves City" in Van Nuys, a training facility for bicycle/pedestrian knowledge and skills. It also directs the school district to incorporate bicycle and pedestrian safety into its curricula and law enforcement to provide bicycle training, including bike rodeos and helmet giveaways. These policies are aligned with this plan's program recommendations. (See Chapter 3: Recommendations.)

Non-Motorized Transportation Plan, Western Riverside Council of Governments (WRCOG)

WRCOG's *Non-Motorized Transportation Plan* calls for the agency to support local jurisdictions in updating their General Plans to ensure compliance with AB-1358, California's Complete Streets Act. More concretely, it states that such updates must:

"...address the provision of a balanced, multimodal transportation network that meets the demand of all users (including pedestrians, bicyclists, children, seniors, and public transit riders) in a manner that is tied to the context (rural, urban, and suburban)."

The *Non-Motorized Transportation Plan* emphasizes connections of regional significance and lends support for implementing a "sub regional back bone" by 2035. It does so through policies to maximize opportunities to fund bicycle and pedestrian improvements and by encouraging local jurisdictions to use their Measure A Local Streets and Road Funds for bicycle and pedestrian improvements.

All jurisdictions in western Riverside County have plans and policies in place for development of a system of routes for bicycling and walking throughout their communities. The *Sub-Regional Non-Motorized Transportation Plan* is intended to provide a framework for key routes and facilities that will ensure connections between communities, major transportation facilities, and nodes of activity. Several WRCOG routes of regional significance go through the City of Moreno Valley, specifically Alessandro Boulevard, Davis Road, Eucalyptus Avenue, Graham Street, Heacock Street, Iris Avenue, Ironwood Avenue, Lasselle Street, Moreno Beach Drive, Redlands Boulevard and Theodore Street.

March JPA - Lifecare Campus Specific Plan No. 7

This specific plan represents a comprehensive approach to the planning and development of a sustainable and integrated health care campus on approximately 236 acres within a portion of the former March Air Force Base now under the jurisdiction of the March Joint Powers Authority (JPA). The plan provides text and exhibits describing the proposed campus, including guidance on land use, urban design, multimodal circulation and parking. The plan calls for providing for the convenient and safe movement of private and transit vehicles, pedestrians and cyclists within the campus.

This includes a bicycle circulation element, predicated on accommodating a diversity of users, and a bicycle circulation system based on a two-tiered approach. Experienced cyclists and bicycle commuters may share the travel lane with slow moving vehicular traffic on internal streets.

North of Meyer Drive where a higher volume of traffic is anticipated, a multi-use trail provides an off-street loop for recreational cyclists and those less comfortable riding on the street. Class 1 off-street paths will be provided on the north side of Meyer Drive, east side of March LifeCare Drive, and the west sides of 'CC' Drive and 6th Street. These will connect to Moreno Valley's proposed trails on the south side of Cactus Avenue and on the west side of Heacock Street.



Bicycle Master Plan, City of Riverside

This plan's objectives and policies were developed from existing bicycle-related objectives and policies contained in the Riverside General Plan 2025 and reflect public input. The goals, objectives and policies cover bicycle facility development, bicycle education and encouragement, system maintenance and regional connections.

Relevant existing and planned bicycle facilities in the City of Riverside include those that make direct connections and those adjacent to Moreno Valley including Alessandro, Sycamore Canyon and Van Buren Boulevards, Eucalyptus and Central Avenues, Meridian Parkway, Box Springs Road and Watkins Drive.

City of Perris Trail Master Plan

This plan was developed to implement the City's General Plan goals, in particular, Goal IV in the Circulation Element:

"Safe and convenient pedestrian access and non-motorized facilities between residential neighborhoods, parks, open space and schools that service those neighborhoods."

In support of this goal, the plan established objectives, policies and actions.

Relevant existing and planned bicycle facilities in Perris include those that make direct connections and those adjacent to Moreno Valley, such as Evans Road, N. Perris and Harley Knox Boulevards, Redlands, Patterson, Webster and Indian Avenues, Markham and Rider Streets, and Lake Perris Drive. Other relevant planned facilities include flood control paths just west of Lasselle Street, just north of Harley Knox Boulevard and adjacent to Lake Perris Drive.

Alessandro Boulevard Corridor Vision Plan

This plan provides a blueprint for a mixed use, mixed income, multi-modal corridor, with special emphasis on activity nodes. It states that streets are multi-modal and that the corridor is designed for both efficient traffic flow and pedestrian and commercial activity. The study area included the Alessandro corridor and the properties within a half mile between the Interstate 215 and Nason Street. The plan vision is as follows:

"Alessandro Boulevard is a thriving multi-modal boulevard that connects neighborhoods and employment centers with regional, community and neighborhood-serving retail and services spaced along the corridor in activity nodes. Residents, employees and visitors can walk to the corridor for a variety of needs ranging from personal services to restaurants and groceries."

2.2 Existing Facilities and Programs

Roadway System

Moreno Valley's roadway system is primarily an arterial grid defining "superblocks" of residential streets that rarely connect across the surrounding arterials. Instead, these residential streets often form loops or terminate as cul-de-sacs. In addition, State Highway 60 cuts east-west through the northern portion of Moreno Valley with crossing points limited to a few north-south arterials. Interstate 215 runs along a portion of the western City limit.

Existing Bikeway Facilities

There are substantial east-west Class 3 bicycle route segments and Class 2 bicycle lanes on some arterials, as well as some segments of Class 1 multi-use paths along flood channels. Buffered bicycle lanes have been installed on a portion of Nason Street and the City has been upgrading its lanes when resurfacing streets. Instead of measuring five feet from the curb face, newly repainted lanes are six feet wide measured from the edge of the gutter pan, with the additional width converted from adjacent vehicle travel lanes. Even so, the existing system provides limited connectivity since the facilities are relatively piecemeal (See Figure 2).

Bicycle Programs

A Safe Routes to School (SRTS) program is in place at seven elementary and three middle schools in Moreno Valley. The program consists of walking school buses, parent and community volunteers posted along walking paths and volunteer crossing guards. The City also provides suggested route maps online for all elementary schools. According to the school district website, this program has encouraged almost 9,000 students and their parents to walk or bicycle to school.

The City of Moreno Valley provides flexible work schedules, as well as Inland Empire Commuter Incentives through the Riverside County Transportation Commission (RCTC) to reward those switching from single occupancy vehicle trips to other modes, such as bicycling.

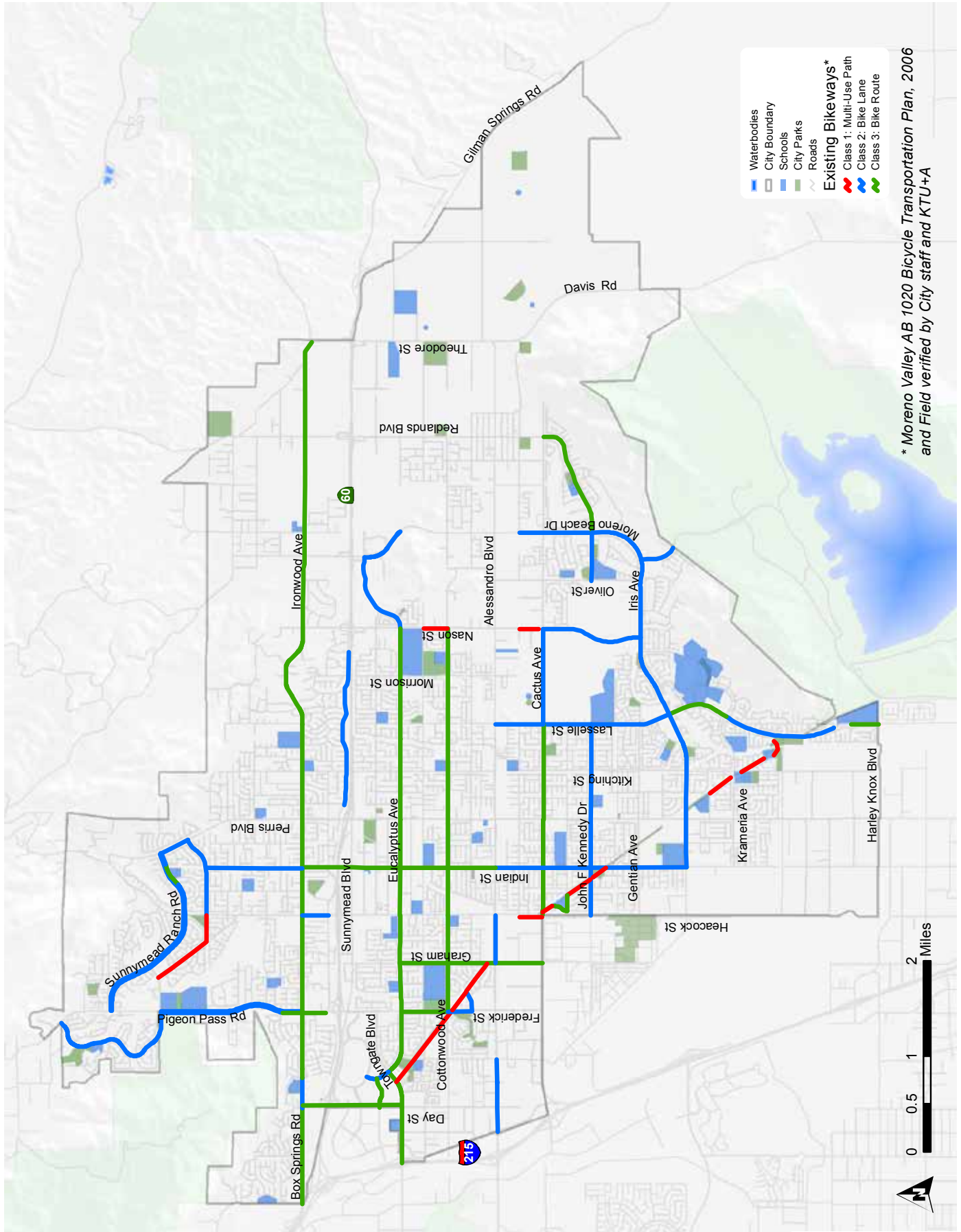
Finally, the City and the Inland Empire Biking Alliance's (IEBA) inaugural "Ride MoVal" event in the fall of 2013 consisted of four routes, ranging in distance from five miles to a metric century (62 miles), with proceeds going to Moreno Valley Unified School District sports programs. Organizers plan to make this an annual event along with a possible cyclocross race series. The IEBA also recently initiated a Bicycle Ambassador program.

Regional Bikeways

WRCOG maintains a regional bikeway system plan that includes routes within Moreno Valley and connections between it and the surrounding communities and unincorporated areas of Riverside County. Within Moreno Valley, designated WRCOG routes include Davis Road, Alessandro Boulevard, Iris Avenue, Moreno Beach Drive, and segments of Heacock, Graham and Lassalle Streets, Ironwood and Eucalyptus Avenues and Redlands Boulevard.



Figure 2: Existing Bicycle Facilities



* Moreno Valley AB 1020 Bicycle Transportation Plan, 2006 and Field verified by City staff and KTU+A

2.3 Trip Origins and Destinations

California Streets and Highways (S&H) Code Section 891.2 specifies the required components of a city's bicycle transportation plan that make it eligible for the Caltrans approval needed before the city may apply for federal grant funding for bike-way projects. Among the required items is:

"(b) A map and description of existing and proposed land use and settlement patterns which shall include, but not be limited to, locations of residential neighborhoods, schools, shopping centers, public buildings, and major employment centers."

These components are described further in the following paragraphs and accompanying maps on the following pages.

Land Use

Moreno Valley's land use follows a typical pattern, with most office, commercial and retail functions focused along major arterial corridors and freeways. Single family residential development occupies the bulk of the superblocks between the arterials, but this is interspersed with substantial multi-family zoning. In general, residential density is lower in the eastern reaches of the City compared to the western, where there are significant areas zoned for 15 and 20 dwelling units per acre. There is also a swath of medium density residential zoning of primarily 10 units per acre along the southern City boundary adjacent to open space bordering Lake Perris State Recreation Area (See Figure 3).

There are large swaths of business park/light industrial zoning immediately north and east of March Air Reserve Base in the southwest portion of the City, as well as along the eastern City limit and adjacent to SR-60 on the south side of the freeway. There is also a substantial amount of office zoning immediately north of the freeway in this area.

Open space is concentrated around the outskirts of the City, with the largest area bordering Lake Perris State Recreation Area to the south, as well as an area to the northeast. Other open space areas are scattered across the City, including one in close proximity to Riverside County's Box Springs Mountain Park to the northwest. Parks are distributed across the City.

Planned land use is not expected to change in the near future, but it should be noted that in an eastern portion of Moreno Valley zoned for business park/light industrial uses, a distribution complex is being planned that will occupy an area large enough to drive localized street reconfiguration.

Population and Employment Density

Moreno Valley's relatively low overall population density reflects its largest land use of single family residential distributed fairly evenly across the City. However, the western half has higher density than the eastern half and contains substantial multi-block areas with densities exceeding 15 persons per acre (See Figures 4 and 5).

Employment density is more variable, but concentrated within the western half of the City, particularly between March Air Reserve Base and State Route 60. There are a few small employment pockets scattered across the eastern half of the City, but these are very limited compared to the concentrations within the western half.

Activity Centers

The California Streets and Highways Code Section 891.2 requirement to account for "...schools, shopping centers, public buildings..." is addressed in most plans as "activity centers," since these are all entities that currently or could potentially draw and supply bikeway system users.

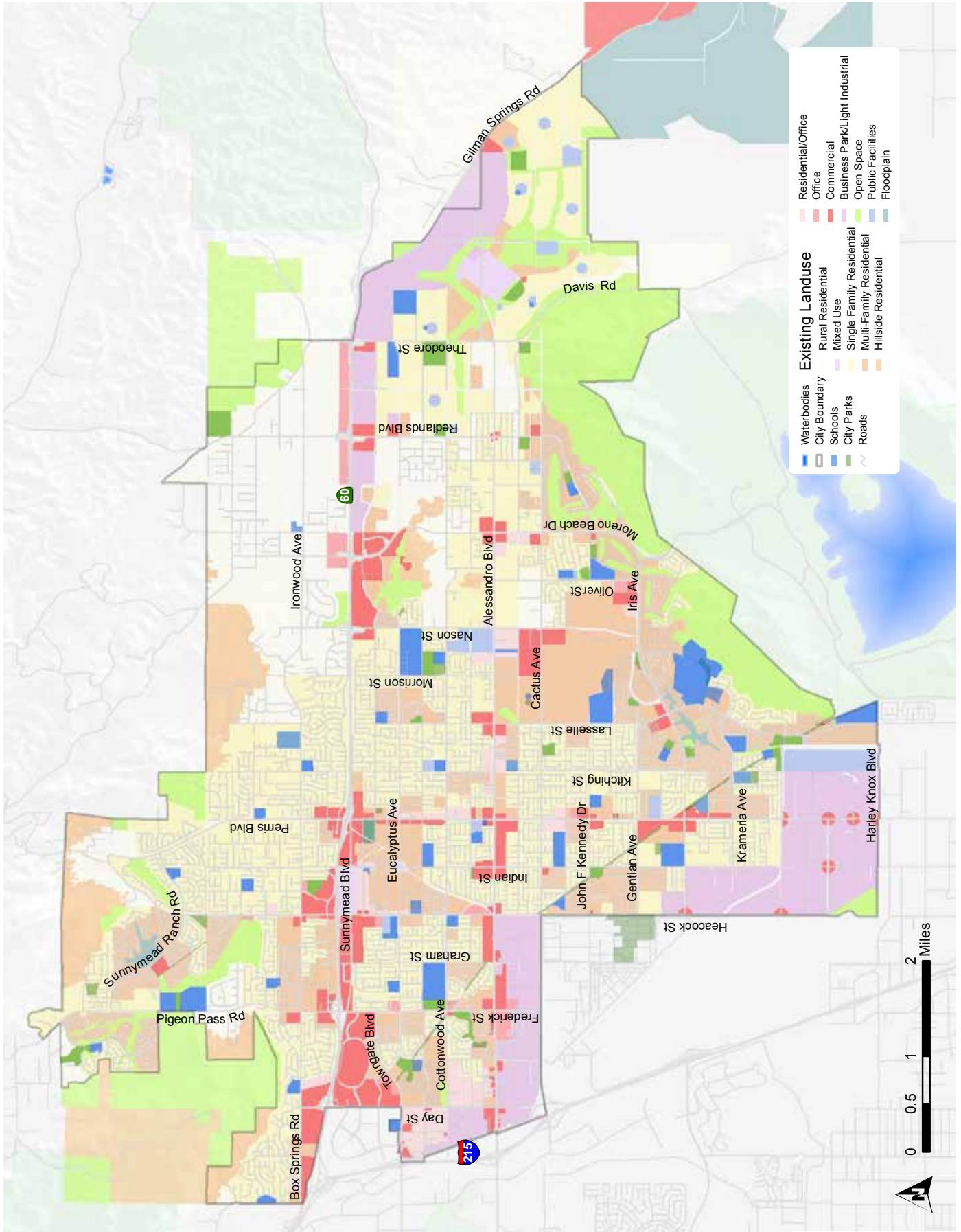
Activity centers are defined as a community's major employers, office buildings, industrial sites, government sites, retail centers, hospitals, major attractions, colleges, universities, schools or parks and open space. The commercial and retail activity centers can also be regarded as employment centers because, in addition to the customers that constitute typical activity center users, they also represent significant numbers of employees. The civic activity centers include Moreno Valley's parks and schools (See Figure 6).

These centers particularly define trip origins and destinations, and generally include residential areas, employment centers, parks, schools and civic centers.

Within Moreno Valley, most retail and other consumer service centers, major employers, office complexes and industrial sites are clustered in specific areas generally associated with major thoroughfares. In relation to this, employment density can be an indicator of bikeway facility demand in terms of commuting trips, but it is also an indicator for shopping trips, especially to areas with concentrations of retail and service businesses. Taken as a whole, activity centers are fairly evenly distributed across the City.



Figure 3: Land Use



2 Existing Conditions and Analysis

Figure 4: 2000 Population Density

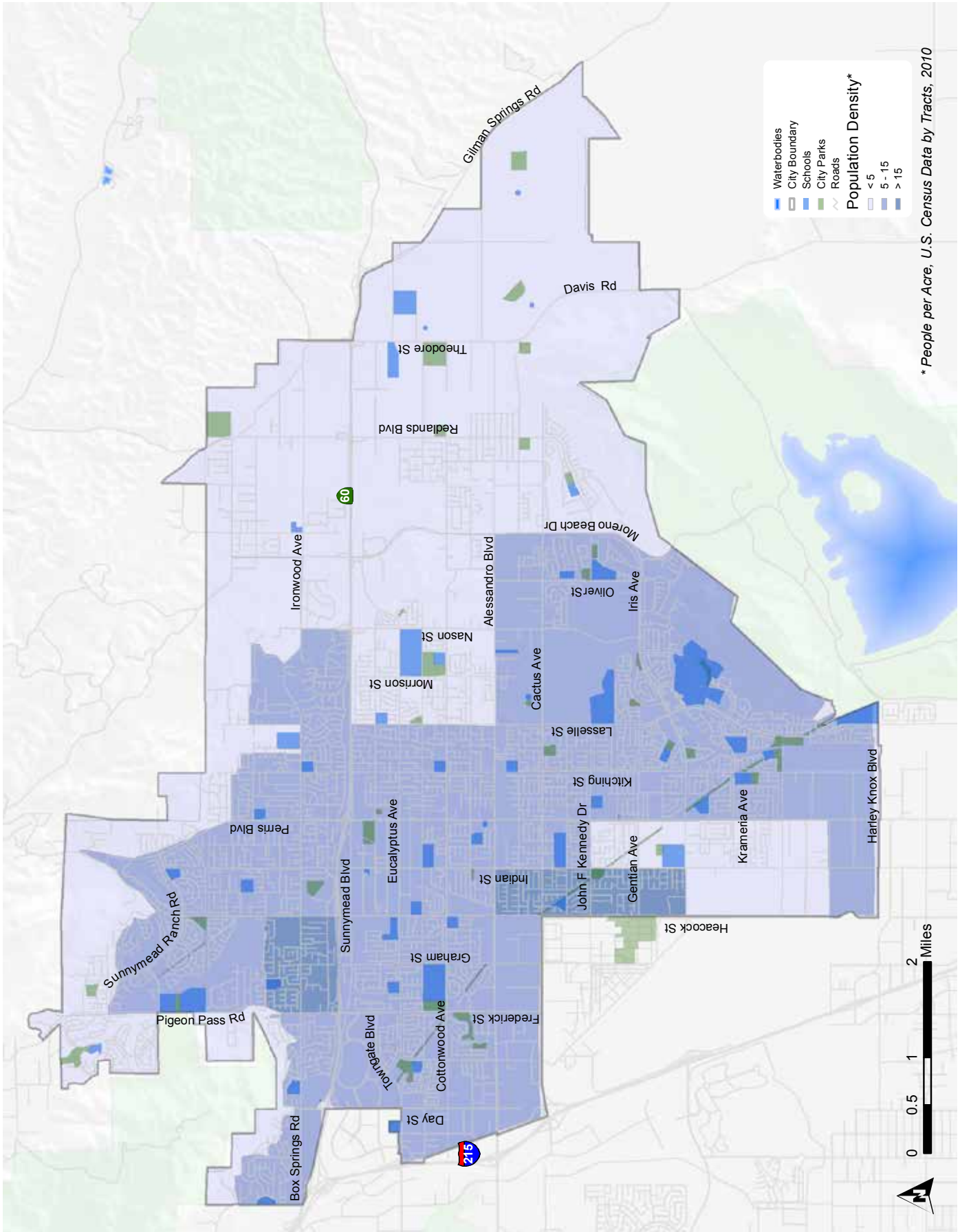
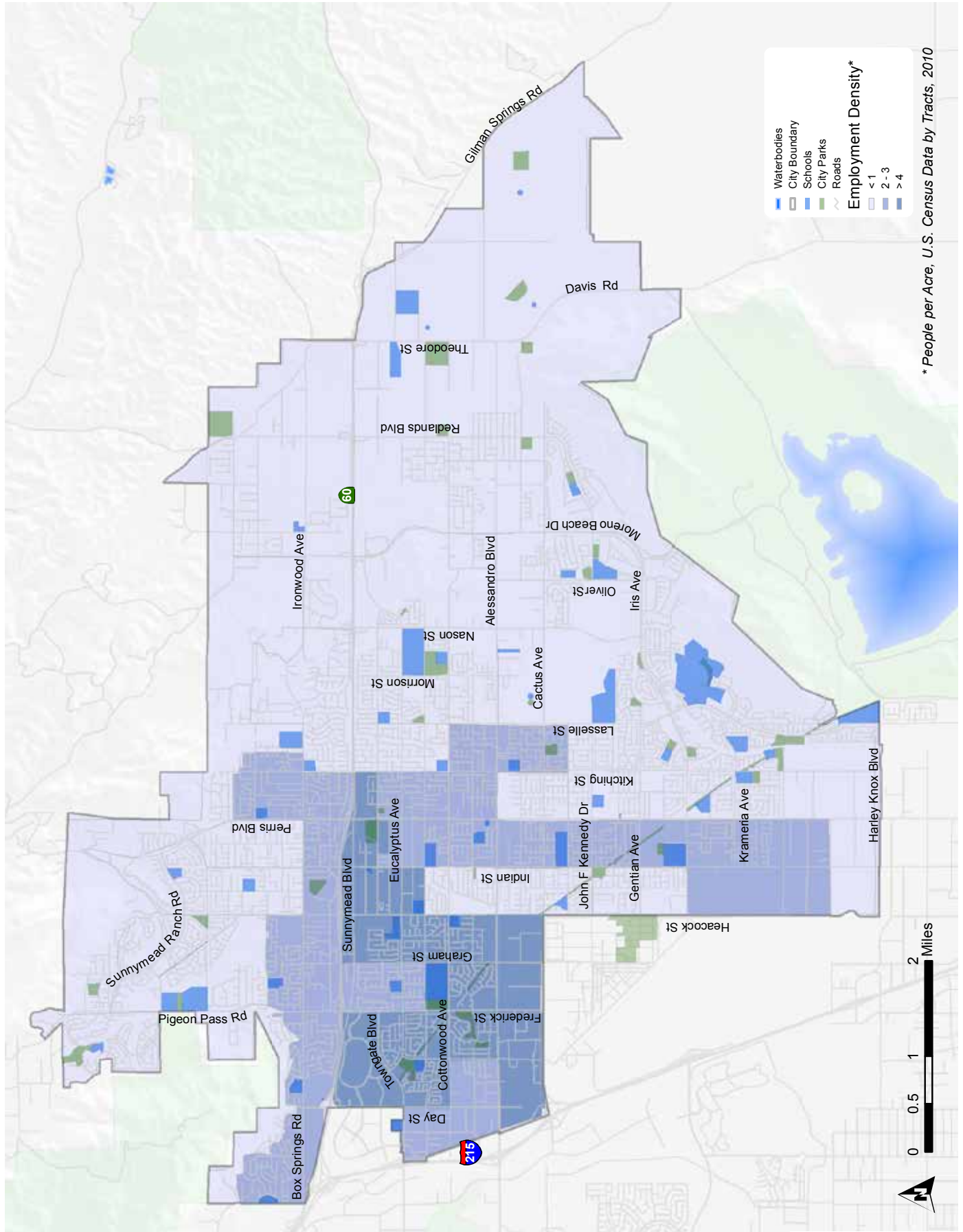


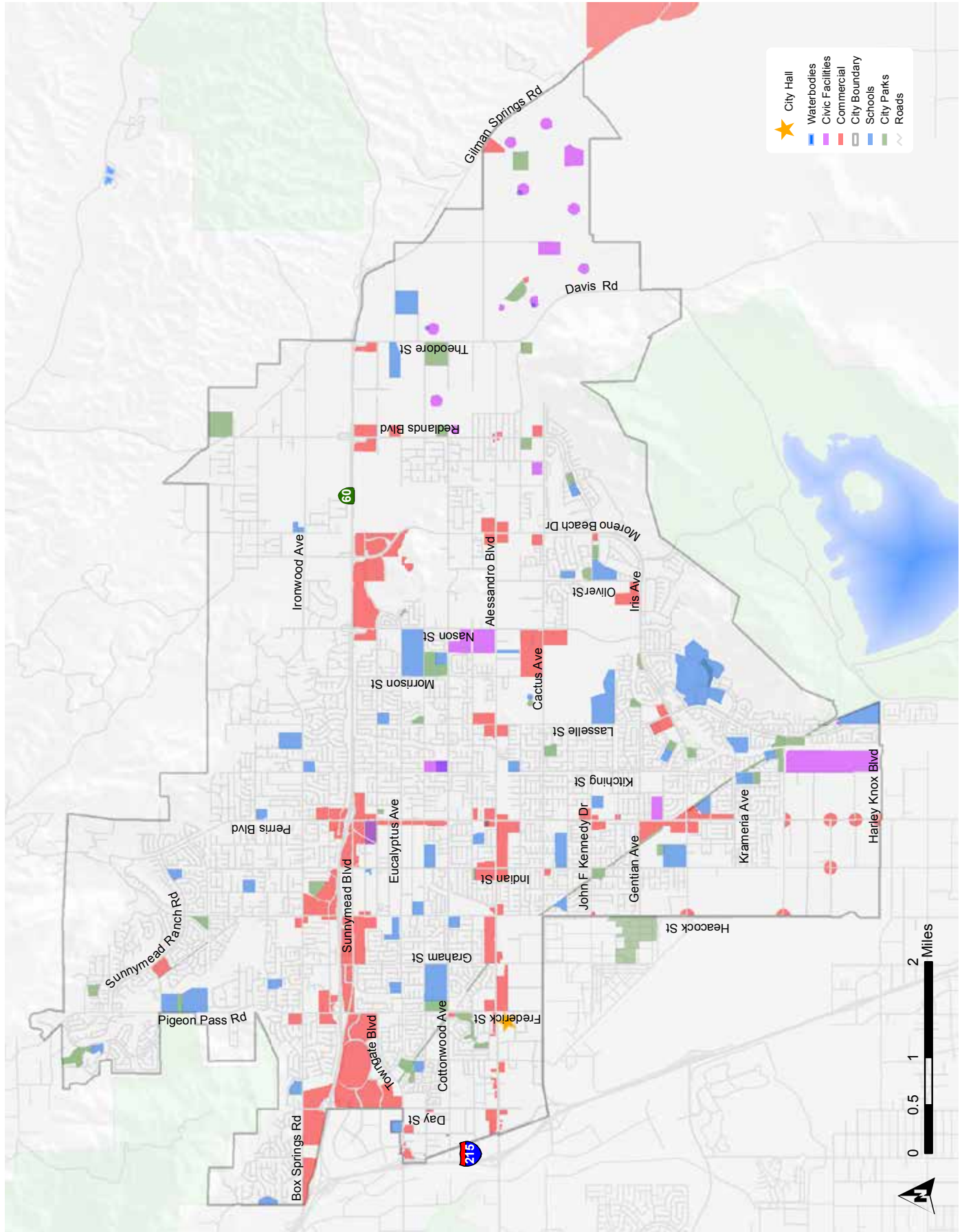


Figure 5: 2000 Employment Density



2 Existing Conditions and Analysis

Figure 6: Activity Centers





Employment Centers

Employment centers include the retail complexes along major arterials and the office and commercial complexes primarily along State Route 60. Other employment centers include the education sites such as Moreno Valley College campus, and medical complexes such as the Riverside County Regional Hospital on Nason Street near the City center and the Moreno Valley Community Hospital on Iris Avenue.

Though not within the City limits, another significant employment center is March Air Reserve Base at the southwest corner of Moreno Valley abutting the City of Perris and Interstate 215. Another potentially significant employment center is planned for the eastern edge of the City just north of the San Jacinto Wildlife Area. The World Logistics Center development will encompass almost 4,000 acres. According to the project website:

“Vehicles will be directed to utilize specific lanes and access points, and will use the dedicated internal streets, minimizing overlap with existing streets.”

Parks/Schools/Civic Centers

The Moreno Valley Parks and Community Services Department maintains 30 park facilities distributed across the City, from small neighborhood parks to large sports parks with lighted fields.

Lake Perris State Recreation Area borders the City on the southeast. Other open space areas within and immediately adjacent to Moreno Valley may represent opportunities for expanded bikeway connections. In particular is the Lake Perris State Recreation Area’s paved route that nearly encircles the lake and plans to complete the loop that will make this even more popular as a recreational and training route. A number of natural surface trails crisscross the recreation area, ranging from wide equestrian-oriented paths on the lower slopes to challenging singletrack trails further up the sides of the hills.

Moreno Valley supports 23 elementary schools, six middle schools, five high schools, six alternative schools and a community college. These make up a significant portion of the overall activity center mapping, second in total acreage to the commercial category.

Origin and Destination Summary

A number of factors drive bikeway facility recommendations and this chapter’s maps illustrate factors analyzed for this plan and required by the bicycle master planning statute, California Streets and Highways Code Section 891.2. Besides required factors such as land use, existing and future population and employment density and activity centers, this plan’s analysis also addressed public transit availability and overall safety (See following sections).

In general, Moreno Valley represents a typical southern California suburban development pattern since it is primarily made up of fairly low density single family development on generally discontinuous residential streets within an overlay of arterial superblocks, as well as two freeways.

Overall, the locally generally flat topography that probably drove development of the conventional suburban street grid also provides opportunities for multiple routes between typical destinations, such as housing and employment. However, within the current system, not all activity centers are within a reasonable distance of bicycle facilities.



Popular destinations: Schools and parks

2.4 Transit Connections

Physically linking bicycle infrastructure and transit services helps to expand travel options and mobility for cyclists, extending potential trip distances beyond a typical cycling range. These connections also enhance overall mobility and can encourage residents to make more trips using alternative modes of transportation. Recognizing the mobility benefits that come from improving connections between bicycles and transit, this section details a series of recommendations and best practices to encourage and improve active transportation connections to transit.

Improving these connections, and in turn local and regional mobility, is a key objective in the 2012 *Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS)* prepared by the Southern California Association of Governments (SCAG). SCAG has also placed a specific focus on improving active transportation access to and from transit stations and stops, focusing on extending the access shed for transit services. As part of the bicycle master plan, Moreno Valley is focused on improving access to local and regional transit opportunities in the community as the City looks to contribute its fair share towards regional goals for reducing vehicle miles traveled (VMT) and greenhouse gas (GHG) emissions. Linking bicycle routes and infrastructure to transit services expands the potential travel distance for cyclists and can help to encourage increased cycling and transit usage for commute and non-commute trips.

There are a range of local, regional and inter-regional transit services available to Moreno Valley residents, providing connections between attractions and destinations within the City and into adjacent communities in western Riverside County. Existing and planned transit services include the following:

- The Riverside Transit Agency (RTA) is responsible for providing local and regional bus service within the City.
- The Southern California Regional Rail Authority (SCRRA) operates Metrolink commuter rail services currently to downtown Riverside. SCRRA plans to extend commuter rail service from its existing location in downtown Riverside to Perris by 2015 and this extension will include a Moreno Valley station.
- Amtrak thruway bus service provides long-distance travel services with a stop in Moreno Valley along a route connecting Bakersfield and Hemet.

Riverside Transit Agency

RTA is the local and regional bus provider for Western Riverside County, responsible for operating 36 fixed routes, eight CommuterLink express bus routes, and Dial-A-Ride services using 266 vehicles. In 2013, the agency served 9.3 million riders. RTA routes 11, 16, 18, 19, 20, 35, 41, 208 and 210 service Moreno Valley. Figure 7a depicts the RTA routes that currently operate in Moreno Valley. Figure 7b shows the bus stops locations, as well as major transfer points between routes. Table 1 identifies the frequency, span of service, and key destinations served by these bus routes.

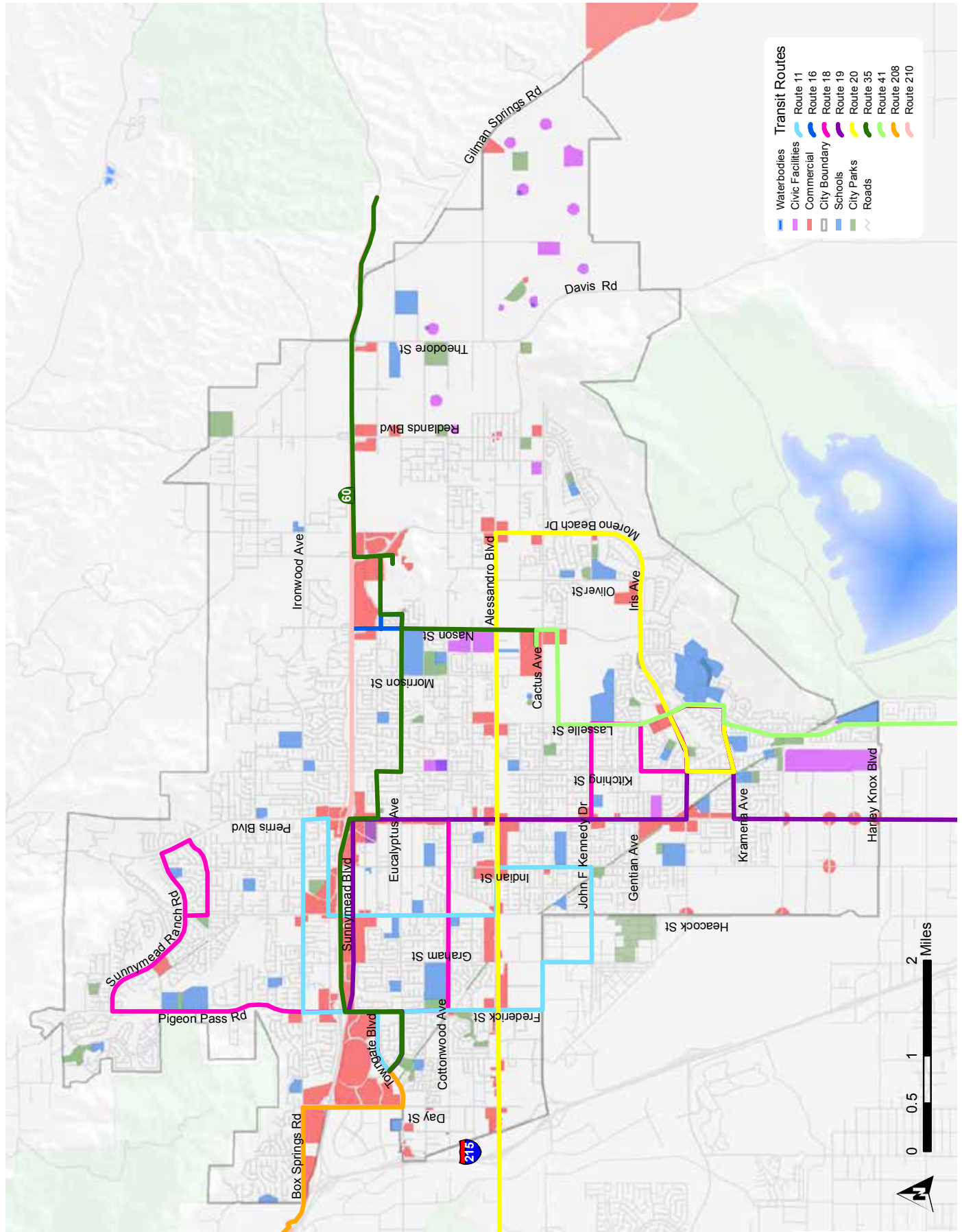
The following list presents the total monthly ridership by route for the month of February 2014. Note that this information is for the full route, and many routes include sections outside Moreno Valley:

- Route 11 - Moreno Valley Mall, March ARB, Alessandro and Ellsworth: 15,861 riders monthly
- Route 16 - Riverside Downtown Terminal to Moreno Valley Mall: 62,335 riders monthly
- Route 18 - Sunnymead Ranch to Moreno Valley College: 17,714 riders monthly
- Route 19 - Moreno Valley Mall to Perris Station Transit Center, Trumble Road: 45,751 riders monthly
- Route 20 - Magnolia Center, RCR Med Center, Moreno Valley Community Hospital, Moreno Valley College: 25,647 riders monthly
- Route 35 - Beaumont/Banning to Moreno Valley Mall: 5,623 riders monthly
- Route 41 - Mead Valley Community Center to Moreno Valley College and RCRMC: 9,382 riders monthly
- Route 208 - (Commuter Link) Temecula, Murrieta, Sun City, Perris, Moreno Valley, Riverside-Downtown Metrolink Station, Downtown Riverside: 3,846 riders monthly
- Route 210 - (Commuter Line) Palm Desert, Thousand Palms, Morongo Casino, Banning, Beaumont, Moreno Valley, UCR, Riverside-Downtown Metrolink Station, Downtown Riverside: 598 riders monthly

Figure 8 illustrates the level of public transportation to work based on responses from the 2010 U.S. Census.



Figure 7a: RTA Bus Routes in Moreno Valley



2 Existing Conditions and Analysis

Figure 7b: Bus Stops

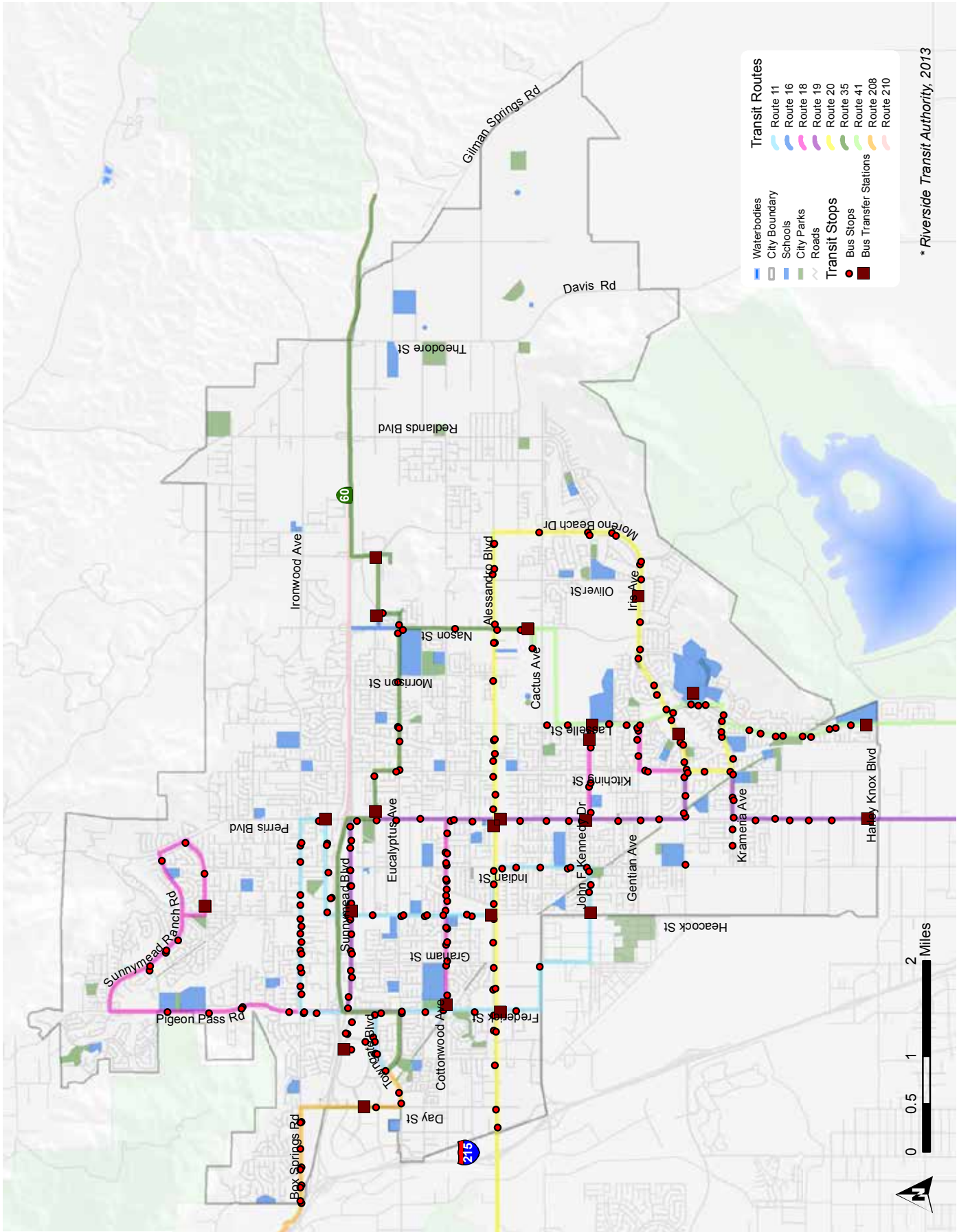
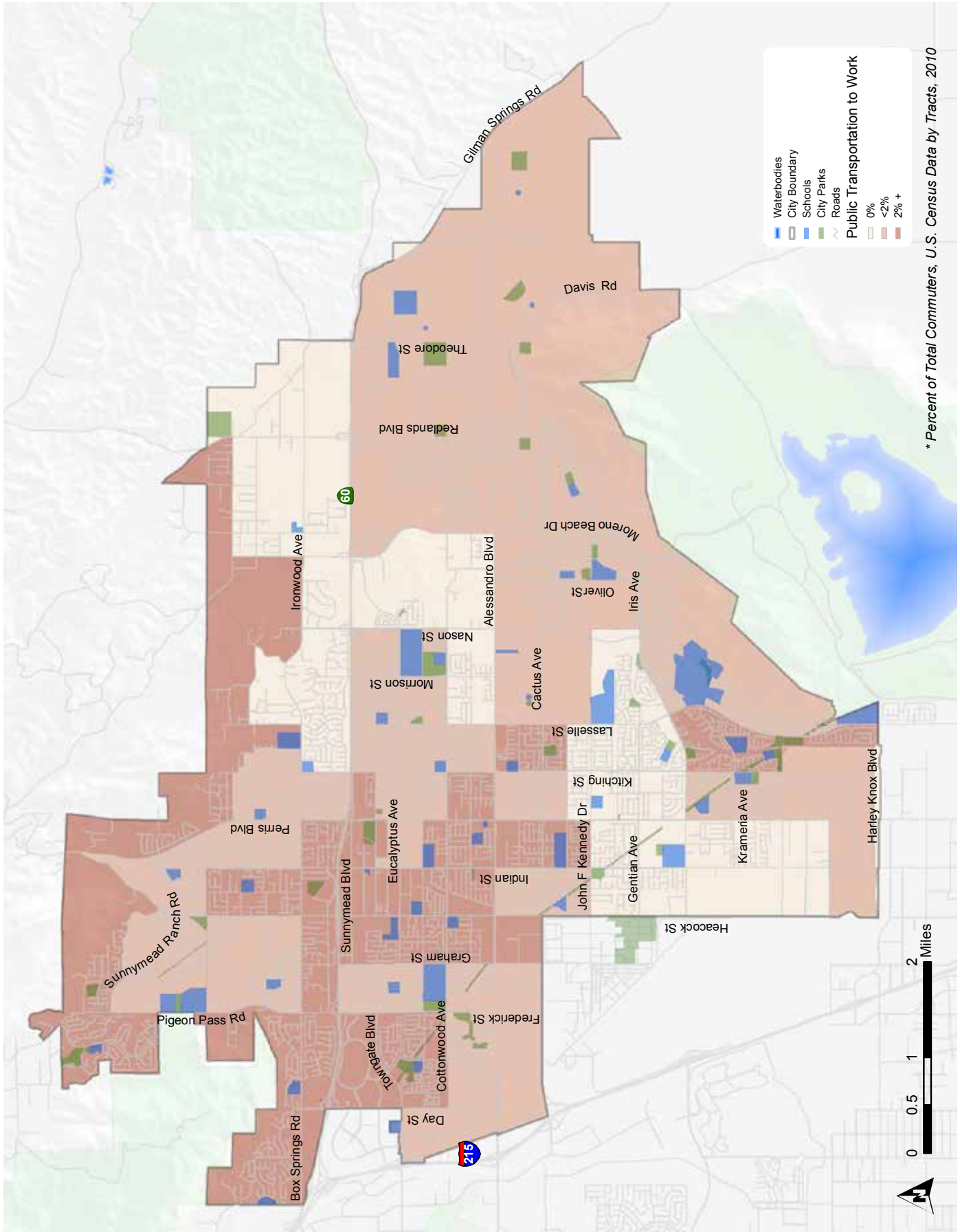




Table 1: Bus Route Details

Route #	Route Name		Weekday	Weekend	Transfer Stops
11	Moreno Valley Mall, March ARB, Alessandro & Elsworth	Frequency (min)	60	60	Moreno Valley Mall
		Span of Service	5:30am - 10pm	8:30am - 7:45pm	Perris & Hemlock
					Alessandro & Heacock
					Meyer Dr & 6th St
					Frederick & Alessandro
				Moreno Valley Mall	
16	Riverside Downtown Terminal to Moreno Valley Mall	Frequency (min)	30	30	Riverside Downtown Terminal
		Span of Service	4:15am - 11:15pm	6:30am - 9:00pm	Riverside-Downtown Metrolink Station
					UCR at Campus Dr
				Moreno Valley Mall	
18	Sunnymead Ranch to Moreno valley college	Frequency (min)	60	60	Moreno Valley College
		Span of Service	6:00am - 10pm	7:45am - 7:45pm	Lasselle & JFK
					Alessandro & Perris
					Cottonwood & Frederick
					Moreno Valley Mall
				Heacock & Manzanita	
19	Moreno Valley Mall to Perris Station Transit Center – Trumble Road	Frequency (min)	50	50	Trumble Rd at Exceed
		Span of Service	4:00am - 10:45pm	6:15am - 8:45pm	Perris Station Transit Center
		Sunday span of service		6:15am - 8:15pm	Ross/Lowe's/Starcrest
					Perris & Ramona Exp.
					Moreno Valley College
					Alessandro & Perris
					Sunnymead & Heacock
				Moreno Valley Mall	
20	Magnolia Center, RCR Med Center, Moreno Valley Comm Hospital, Moreno Valley College	Frequency (min)	50	50	Magnolia & Elizabeth
		Span of Service	5:20am - 9:45pm	7:00am - 9:00pm	Mission Grove at Social Security
		Sunday span of service		7:15am - 8:00pm	Alessandro & Frederick
					Alessandro & Perris
					RCRMC (nason and Brodiaea)
					Iris at Kaiser Permanente Hospital
					Moreno Valley College
				Iris & Peninsula	
35	Beaumont/Banning to Moreno Valley Mall	Frequency (min)	65	N/A	Moreno Valley Mall
		Span of Service	6:15am - 7:30pm	N/A	Moreno Valley Senior Center
					RCRMC Moreno Valley
					Super Walmart at Moreno Beach Dr
				Banning Kmart Sun Lakes	
41	Mead Valley Community Center to Moreno Valley College and RCRMC	Frequency (min)	60	45	Mead Valley Community Center
		Span of Service	5:00am - 7:00pm	8:00am - 7:00pm	Ross/Lowe's/Starcrest
					Perris & Ramona Expressway
					Lasselle & Via DeAnza
					Moreno Valley College
					JFK College
					JFK & Lasselle
				RCRMC Moreno Valley	
208	(Commuter Link) Temecula, Murrieta, Sun City, Perris, Moreno Valley, Riverside-Downtown Metrolink Station, Downtown Riverside		Northbound	Southbound	Promenade Mall
		Frequency (min)	60	70	Los Alamos & Whitewood
		Span of Service	6:45am & 2:30pm	5:00am - 8:15pm	Cherry Hills & Bradley
					Perris Station Transit Center
					Moreno Valley Mall
					Sycamore Canyon & Eastridge
					UCR Lot 30 & Canyon Crest
					Riverside-Downtown Metrolink Station
				Riverside Downtown Terminal	
210	Palm Desert, Thousand Palms, Morongo Casino, Banning, Beaumont, Moreno Valley, UCR, Riverside-Downtown Metrolink Station, Downtown Riverside	Frequency (min)	60	20	Beaumont Walmart
		Span of Service	3:45am - 6:15am	6:00pm - 7:30pm	Fir & Nason
					Moreno Valley Mall
					UCR Lot 30 & Canyon Crest
					Riverside-Downtown Metrolink Station
				Riverside Downtown Terminal	
220	Palm Desert, Thousand Palms, Morongo Casino, Banning, Beaumont, Moreno Valley, UCR, Riverside-Downtown Metrolink Station, Downtown Riverside	Frequency (min)	80	15	Town Center Way & Hahn
		Span of Service	4:40am - 8:15am	5:15pm - 9:00pm	Monterey & Dinah Shore
					Casino Morongo
					Beaumont Walmart
					Fir & Nason
					Moreno Valley Mall
					UCR Lot 30 & Canyon Crest
					Riverside-Downtown Metrolink Station
				Riverside Downtown Terminal	

Figure 8: Public Transportation to Work Density





2.5 Safety Analysis

Metrolink

Metrolink plans an extension of the Riverside 91 Line commuter rail service from its current terminus in Downtown Riverside to Perris, via Moreno Valley. This 24 mile addition will connect Perris to the Downtown Riverside Metrolink station with four new stations located at Riverside Hunter Park, Moreno Valley/March Field, Downtown Perris and South Perris. Completion of this extension is expected in late 2015.

The planned stop at the Moreno Valley/March Field Station will provide service to the Meridian Business Park, UC Path Center and March Air Reserve Base. The station is planned to be located at Alessandro Boulevard just west of Interstate 215.

Amtrak Bus Service

Amtrak provides an intercity thruway bus service in Moreno Valley connecting Bakersfield and Hemet. The Moreno Valley stop is located on Alessandro Boulevard west of Interstate 215.

Bicycle Collisions

Bicycle collision data were obtained from the City of Moreno Valley for reported bicycle/vehicle-related and bicycle/pedestrian-related collisions from 2007 through 2012. Collisions on off-street paths are not included in the data. Collisions involving cyclists, whether they involve vehicles, other cyclists, or pedestrians, are generally under-reported, so bicycle collisions are likely to have occurred that were not included as part of this data.

There were 226 bicycle/vehicle-related collisions during this five year period. Of these reported collisions, five were fatal. The data were reviewed in terms of collision volume at intersections and on road segments. This data was used to assist in prioritizing projects in later phases. Cycling collisions were also summarized to identify other trends that may help to determine where and what type of physical treatment or education program can be recommended.

Bicycle collision history was considered when developing both infrastructure and programmatic recommendations. While the official causes of bicycle collisions are almost always attributed to the behavior of either the cyclist or another roadway user (typically a vehicle driver), both physical roadway changes and educational programs can have a corrective influence over the behavioral causes of bicycle collisions. In the following chapter, infrastructure improvements are recommended at high collision intersections and roadway segments wherever possible. In other cases, improvements to the citywide bicycle network will provide cyclists with alternatives to problematic intersections or roadway segments.

Table 2: Bicycle Collisions by Day of Week

Day	Collisions
Monday	42
Tuesday	45
Wednesday	33
Thursday	22
Friday	38
Saturday	28
Sunday	18

2 Existing Conditions and Analysis

Table 3: Bicycle Collisions by Time of Day

Time of Day	Weekday	Weekend	Collisions
12am - 3am	2	0	2
3am - 6am	0	1	1
6am - 9am	35	2	37
9am - Noon	15	13	28
Noon - 3pm	40	8	48
3pm - 6pm	49	9	58
6pm - 9pm	33	11	44
9pm - Midnight	6	2	8

Note: There is a higher rate of bicycle collisions during the week and during commuting hours. This may correlate with higher vehicular traffic, as well as higher numbers of cyclists on the road. In either case, this may indicate commuter cyclists should be the focus of safety efforts.

Table 5: Bicycle Collisions by Year

Year	Collisions
2007	29
2008	33
2009	31
2010	30
2011	47
2012	52

Note: There has been a generally steady increase in bicycle collisions in the six years studied.

Table 7: Bicycle Collisions by Road Segment

Road Segment	Collisions
Perris Blvd	24
Alessandro Blvd	23
Lasselle St	19
Heacock St	14
Eucalyptus	12
Sunnymead Blvd	12
Iris Ave	10
Dracaea Ave	7
Hemlock Ave	7

Table 4: Bicycle Collisions by Light Conditions

Lighting	Collisions
Dark - Street Lights	39
Daylight	177
Dusk - Dawn	10

Table 6: Bicycle Collisions by Severity

Severity	Collisions
Fatal	5
Injury - Complaint of Pain	95
Other Visible Injury	94
Property	23
Severe Injury	8

Table 8: Bicycle Collisions by Intersection

Intersection	Collisions
Lasselle St and Iris Ave	7
Alessandro Blvd and Graham St	6
Perris Blvd and Sunnymead Blvd	4
Alessandro Blvd and Alessandro Plaza	3
Alessandro Blvd and Indian St	3
Alessandro Blvd and Perris Blvd	3
Dracaea Ave and Perris Blvd	3
Hemlock Ave and Pigeon Pass Rd	3
Iris Ave and Lasselle St	3
Sunnymead Blvd and Graham St	3
Sunnymead Blvd and Perris Blvd	3

Note: 89 percent of bicycle collisions occurred at intersections.



Table 9: Bicycle Collisions by Bicyclist Age

Age Group	Collisions
0-9	10
10-14	58
15-18	54
19-64	80
65+	10
Unknown	14

Note: 58 percent of all cyclists involved in collisions were 18 or under.

Table 10: Bicycle Collisions by Time of Day and Age

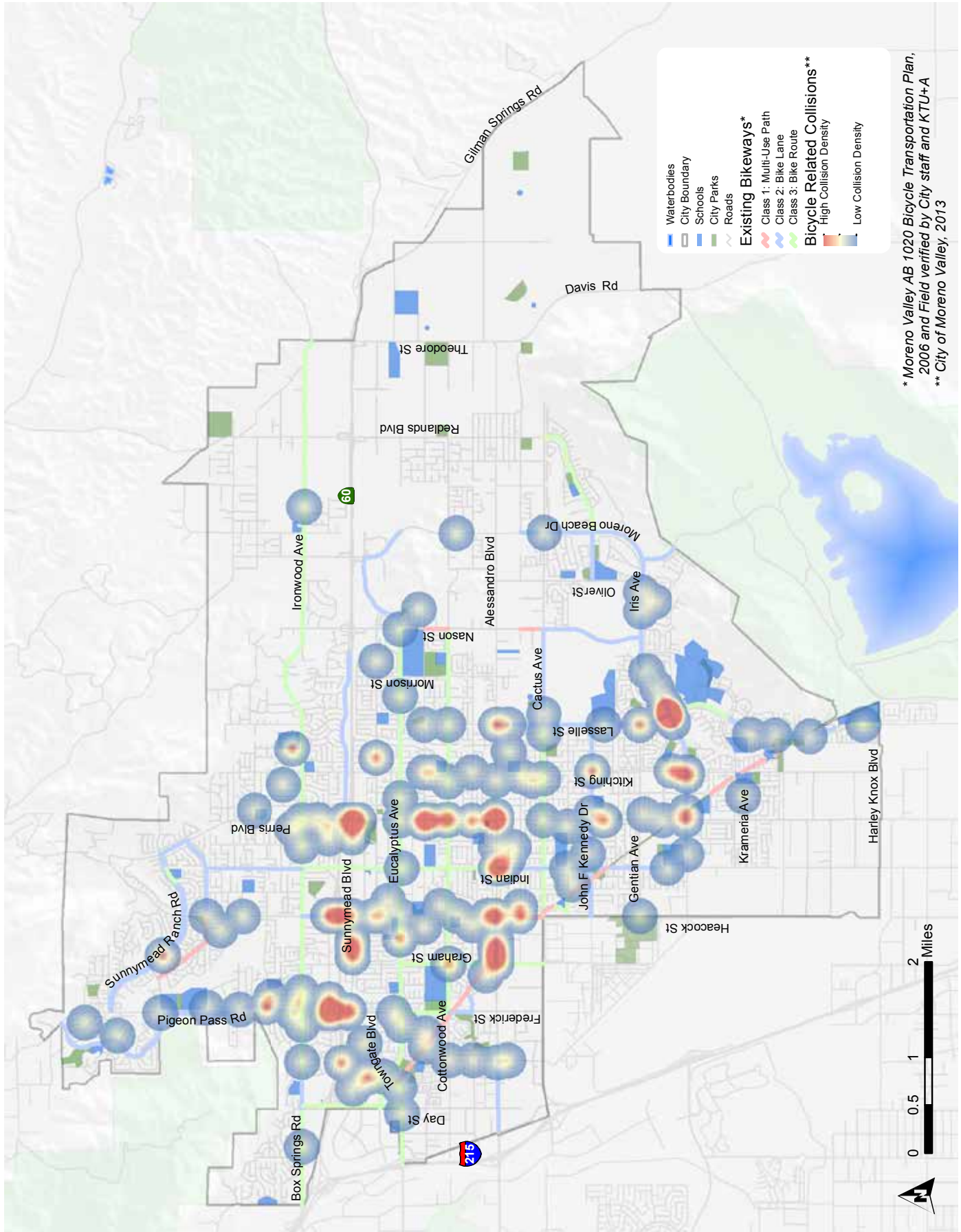
Time of Day	< 18	19 +	Collisions
12am - 3am	-	2	2
3am - 6am	-	1	1
6am - 9am	25	11	37
9am - Noon	11	16	28
Noon - 3pm	23	25	48
3pm - 6pm	28	30	58
6pm - 9pm	28	16	44
9pm - Midnight	2	6	8

Table 11: Bicycle Collisions by Vehicle Code Violation

Primary Collision Factor	Collisions
Wrong Side of Road	56
Auto R/W Violation	44
Improper Passing	25
Other Improper Driving	23
Traffic Signals and Signs	21
Other	16
Unknown	14
Driving Under Influence	7
Unsafe Speed	4
Other Hazardous Movement	4
Unsafe Starting or Backing	2
Pedestrian Violation	2
Pedestrian R/W Violation	2
Other Than Driver	2
Unsafe Lane Change	1
Pedestrian or Other Under Influence	1
Other Equipment	1
Impeding Traffic	1

Note: Many of these violations occurred due to incorrect roadway positioning or drivers and cyclists not following the rules of the road.

Figure 9: Bicycle-Related Collisions



* Moreno Valley AB 1020 Bicycle Transportation Plan, 2006 and Field verified by City staff and KTU+A
 ** City of Moreno Valley, 2013



Typical Constraints to Cycling

Studies show that most cyclists tend to prefer roadways with relatively low motor vehicle traffic volumes and speeds. Regular bicycle commuters are probably the least likely to be deterred from using more heavily traveled routes, especially if they are the most direct available. However, when given a choice, even these riders are likely to choose quieter, less traveled routes as long as they do not take them too far out of their way. Recent studies have also shown that women, in particular, are more likely to go somewhat out of their way to avoid uncomfortably high vehicle volumes and speeds.

For this reason, average daily vehicle trips (ADVTs) and posted speed limits are routinely mapped for bikeway planning purposes and were also analyzed for Moreno Valley and illustrated on the next two pages.

Within the context of bicycle and pedestrian facility planning, the FHWA defines high traffic volumes as more than 12,000 vehicles per day. In addition, it is generally discouraged to have cyclists share the roadway with vehicles where posted speed limits exceed 35 mph.

Some of the Moreno Valley's major roadways have both the highest volumes and posted speed limits, but do not have bicycle facilities. While experienced cyclists are generally not deterred by adjacent motor vehicle speeds and volumes where bicycle lanes are available, having to share the roadway becomes a concern where facilities do not exist. Less experienced cyclists are more likely to find such conditions very uncomfortable and may be less likely to use high volume streets. They will tend to ride on alternative streets, preferably adjacent to and parallel with the more heavily trafficked routes they are trying to avoid, provided such routes are available.

2 Existing Conditions and Analysis

Figure 10: Average Daily Vehicle Trips

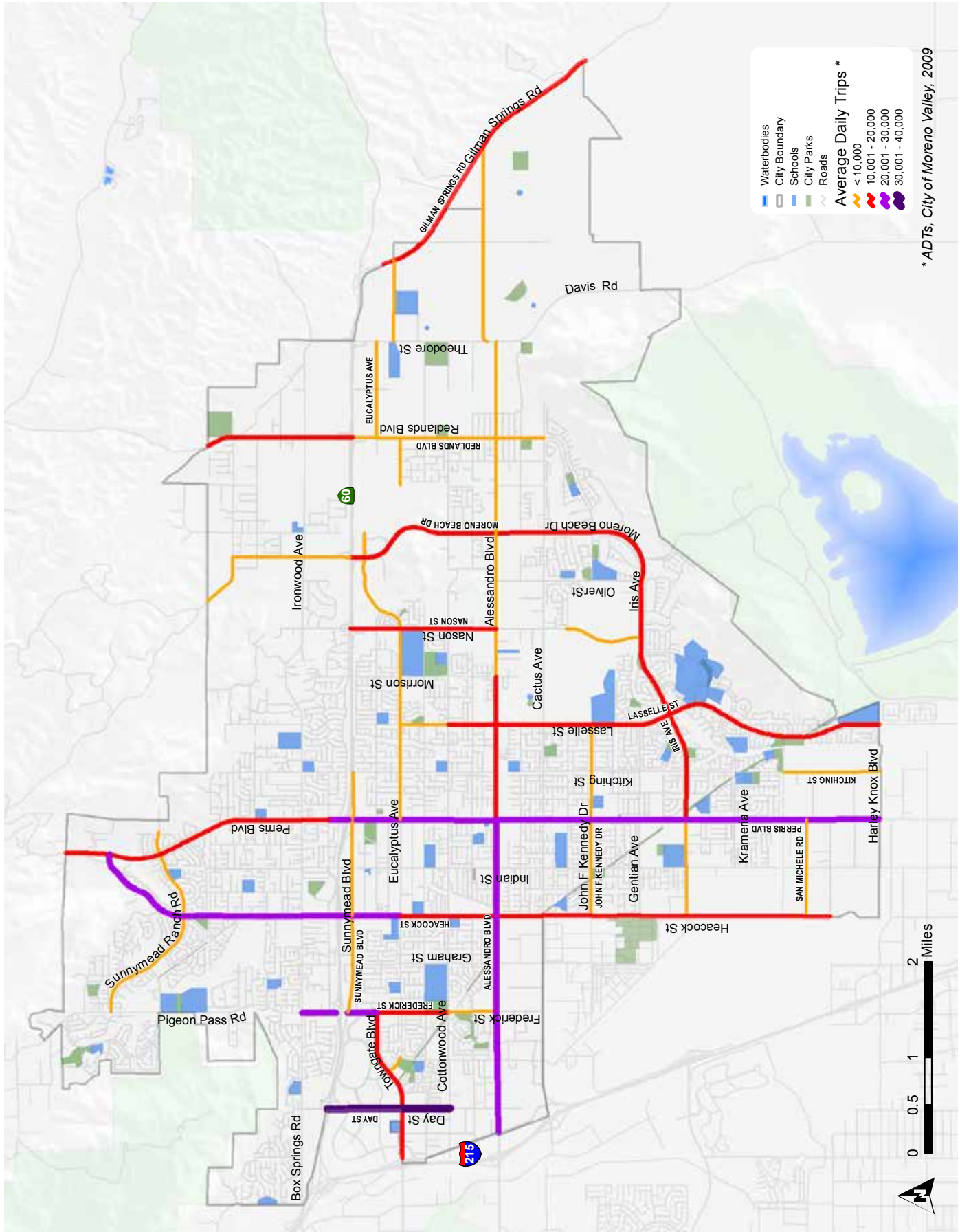
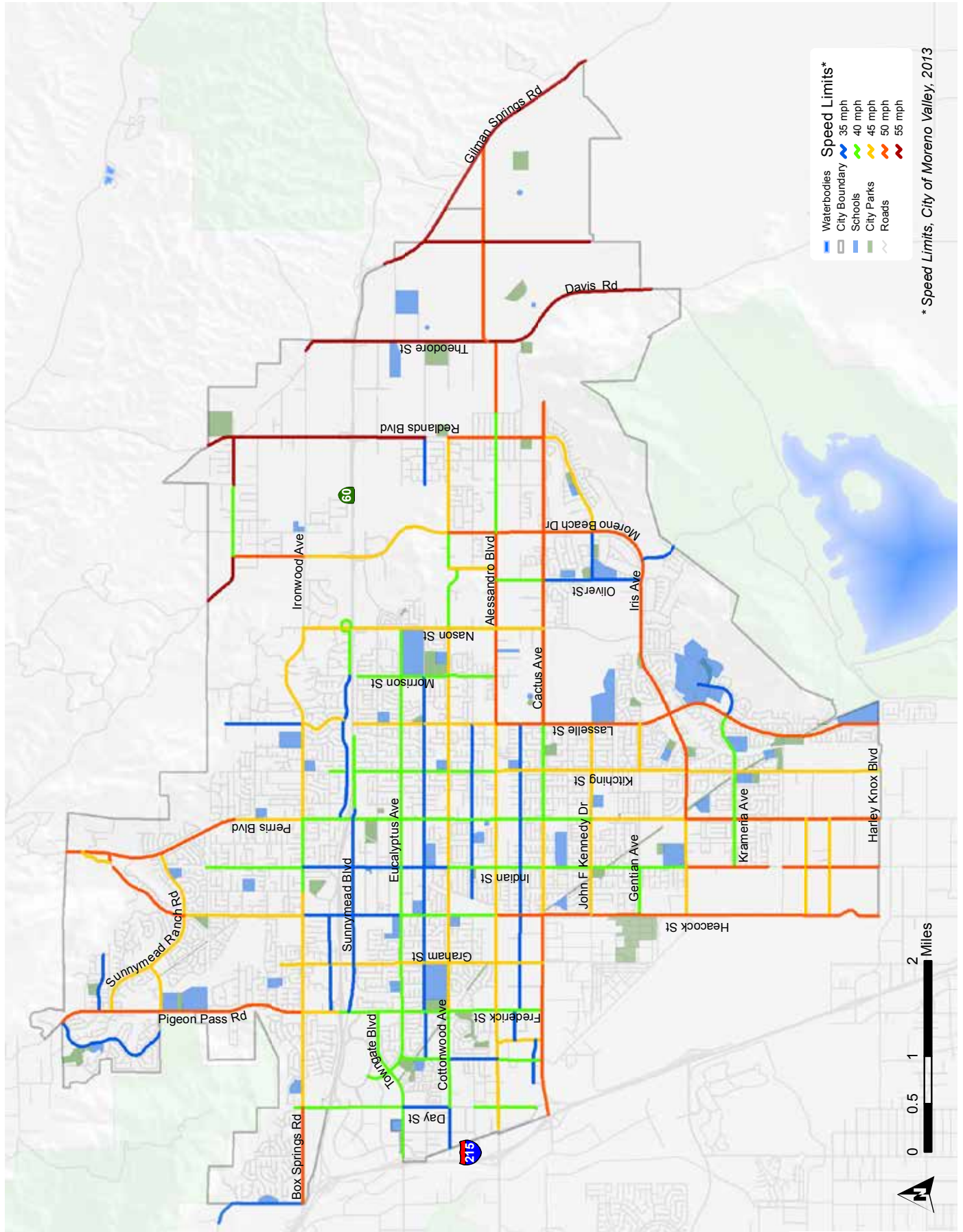




Figure 11: Speed Limits



Facility Criteria Analysis and Feasibility

A list of proposed bicycle facilities was developed with the goal of improving connectivity and generally expanding the dedicated bicycle network. Existing conditions, field observations and public input were all considered. The proposed facilities were then assessed for feasibility and split into the four following categories:

- Class 1 Multi-use Paths – dedicated off-street facilities
- Class 2 Bicycle Lanes – marked and signed lanes in roadways
- Class 3 Bicycle Routes – signage (and lane markings) indicating that cyclists may share roadway space
- Bicycle Boulevards – long roadway segments featuring modifications to improve bicycle flow that do not also increase vehicular flow

The facilities were assessed against criteria specific to the facility type they represented. In some cases, they were assessed against other facility types to determine if a facility could be upgraded. The criteria are described in the follow sections.

Class 1 Multi-use Paths

The typical width and horizontal clearance were measured using high-resolution aerial photos for segments where there appeared to be constraining factors. This data collection was then supplemented with on-site field work. The minimum width for a Class 1 path was considered to be 10 feet for this study, with at least two feet of clearance from obstructions on each side. Crossings at streets or physical barriers were also assessed and special considerations noted.

Class 2 Bicycle Lanes

Feasibility was determined by comparing the actual curb-to-curb roadway width with the minimum width necessary to support the current number of lanes plus five foot bicycle lanes in each direction. For this analysis, the minimum lane widths were considered to be 10 feet for through/turn lanes, and 12 feet for lanes adjacent to curbs. Where parking was permitted, eight feet was added to the total lane width. Painted medians and two-way left turn lanes were considered to be through/turn lanes in most cases. Raised medians and curb lines were considered to be static. These analyses assume that no physical construction or demolition would occur.

Through this comparison, it was determined whether bicycle lanes can be installed along a roadway segment without decreasing the number of lanes or eliminating any parking. The analysis typically broke proposed segments into smaller segments depending on changes in layout or physical characteristics. This meant that a bicycle lane may be feasible within one block and infeasible within the next block if lanes were added or total width changed.

Class 3 Bicycle Routes

Bicycle routes were typically selected where connectivity could be improved by filling gaps in the system, but there was not sufficient space to install bicycle lanes. For this analysis, the total widths of the proposed bicycle route streets were compared to the minimum widths necessary for bicycle lanes (as outlined previously) to ensure that a full Class 2 facility could not be implemented instead as an upgrade.

Bicycle Boulevards

Feasibility was assessed based on the number of intersections currently requiring cyclists to stop along the route. Bicycle boulevards were differentiated from standard Class 3 route facilities by having an increased flow rate for cyclists, so the number of stops or conflicts was a key factor. Since it is assumed that all bicycle boulevards would be considered Class 3 facilities, total width was also recorded to assess the feasibility of sharing the lanes.



2.6 Opportunities and Constraints Summary

Based on this chapter's analysis of existing conditions, survey responses and GIS data, specific factors tended to drive the recommendations in the next chapter.

An important step in the planning process for any transportation project is the assessment of needs. Existing and planned land use, current and projected traffic levels and the special needs of the area population were examined. In addition, bicycle and pedestrian counts were conducted at ten locations identified through GIS modeling and City input. There are circumstances in which a portion of the transportation need might be served by non-motorized means, as well as locations where existing bicycle demand would be better served by improved facilities. Using the following land use and location factors help to highlight the potential for non-motorized travel and to determine cyclists' needs at the street level. The roadway may be suitable for bicycle travel if it:

- Serves an activity center, which could generate bicycle trips
- Is included on a regional, county or municipal bicycle master plan
- Provides continuity with or between existing bicycle facilities, including those of adjacent municipalities
- Is located on a roadway that is part of a mapped event or club bicycle route or utilized regularly by local bicycle clubs
- Passes within two miles of a transit center
- Passes within two miles of a high school or college
- Passes within a half mile of an elementary school or middle school
- Passes through an employment center, especially if there is a significant residential area within a three mile radius
- Provides access to a recreation area or otherwise serves a recreation purpose

If any one of these factors exists, the roadway has the potential to attract cyclists of various types and should be considered as potentially appropriate for designation as a bikeway.

This assessment also addresses other factors such as safety, public input, GIS modeling and field work. These topics all relate to one another and help identify what is needed for a complete bikeway system. For example, safety concerns were analyzed by identifying bicycle-related collision locations, frequencies and causes, and especially the frequency at a certain notable locations. Cross-referencing these collisions and locations helps to identify where it may be best to install a bicycle facility to connect with other facilities, as well as future development.

Four data-intensive exercises were conducted in the analysis phase:

- Bicycle Suitability Model
- Level of Traffic Stress
- Benefit-Cost Analysis
- Bicycle Collision Rates

These exercises are described in greater detail in the following sections.

Bicycle Suitability Model Overview

As discussed in the previous section, there are many factors that can combine to create a situation where a street becomes an important bicycle connection in a community. To help facilitate and automate this analysis, a Geographic Information Systems (GIS) model was created using maps of several of these factors. The Bicycle Suitability Model was developed to determine the most likely areas within the City where cyclists are likely to be, either currently or if improvements were made. The model was created to first prioritize areas to visit during field work and consider for projects and later to assist with ranking project implementation. The Bicycle Suitability Model identifies existing and potential bicycle activity areas citywide utilizing existing data within an extensive GIS database.

The overall model is comprised of three basic models: the Attractor, Generator and Detractor Models. When these three interim models are combined, they create the Bicycle Suitability Model.

Attractors: These are cycling-related geographic features likely to attract cyclists. Examples of these features are schools, transit and shopping centers.

Generators: These are demographic data indicating potential cyclist volume based on how many people live and work within the cycling activity areas identified in the Attractor Model. Examples of generators are population and employment density, age density and primary mode of transportation to work.

Detractors: These are features likely to discourage or detract people from cycling. These are generally physical limitations such as areas with high numbers of bicycle related collisions, limited lane widths or high posted speed limits.

The model identifies the characteristics of each particular area in geographic space and assigns a numeric value for each of these characteristics. The score per area is then added to create a ranking for that particular area in geographic space. Figure 12 displays the results of the model. For details on the inputs and methodology of the model, see Appendix B: Suitability Model and Project Prioritization.

Benefit-Cost Analysis

The benefit-cost analysis measures the financial benefits associated with a corridor, normalized by the number of anticipated users (in turn a product of the facility type and length), and divided by rough order of magnitude construction cost estimates.

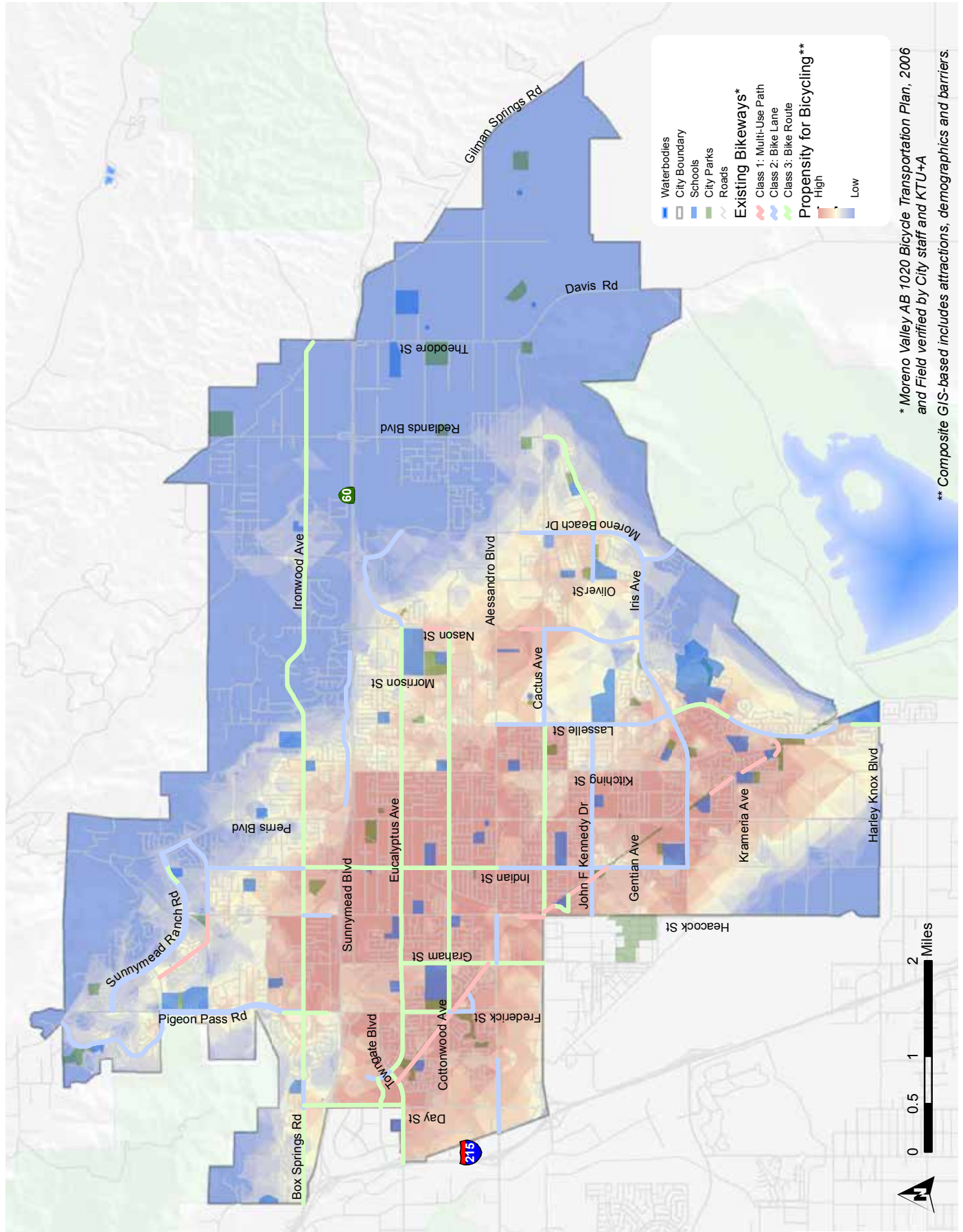
Using NCHRP Report 552 methods, quarter, half and one mile buffers were drawn around each corridor to obtain American Community Survey (ACS), population and journey to work mode share data. An extrapolation of all bicycle trips was made and estimates of potential ridership developed based on Class 1 path or Class 2 bicycle lane attractiveness functions defined in the NCHRP research. Cost saving benefits were calculated using existing and estimated ridership, annual mobility, health, recreation and reduced auto use.

Bicycle Collision Rates

Bicycle collisions rates address safety through five years of reported data, normalized by crashes per mile. Unlike automobile crashes, the lower bicycle crash volumes and lack of robust, long-term exposure data (such as the number of cyclists using each corridor) means that this dataset is not as statistically sound. However, it is still commonly reported, easily understood and useful. For each corridor, a 100 foot buffer was defined and all reported collisions for the five year period up to February 2013 counted. The total reported collisions were divided by corridor length in miles and segments with higher collisions per mile were prioritized for treatment.



Figure 12: Bicycle Suitability Model Analysis



Level of Traffic Stress

Level of Traffic Stress (LTS) is a fairly recently developed analysis method that addresses the perceived safety related to traffic speed, number of lanes and existing bikeway facility type. In addition to serving as a proxy for safety, the existing bikeway factor is a measure of existing network supply.

Stress increases with traffic speed, number of lanes and lack of existing bikeways. LTS scores can range from 1 (low stress) to 4 (high stress). The tables below are from the Mineta Transportation Institute's *Low-Stress Bicycling and Network Connectivity Report*. The first table describe the four stress level categories and the second defines what stress levels will result when bicycle lanes or routes are applied to specific roadway configurations and speed limits. The model was created using City data, including speed limits, number of lanes and the presence or absence of bicycle facilities (See Figure 13).

High stress and low stress routes are prioritized for treatment, and streets with either a low stress (LTS 1) or high stress (LTS 4) were given an equal scoring value. The reasoning behind this is that both are ideal for increasing ridership based on their existing condition (LTS 1) and improvements to be made for high stress streets (LTS 4). In the case of high stress streets, many arterials are direct travel routes while local, low-stress streets tend to be residential connectors to schools and parks. For transportation purposes, arterials can better serve the needs of people who bicycle to work, providing a more direct route, and can often be improved with facility enhancements.

Stress Category	Stress Indicator
LTS 1	Suitable for almost all cyclists, including children trained to safely cross intersections.
LTS 2	Suitable to most adult cyclists but demanding more attention than might be expected from children.
LTS 3	Welcome to many people currently riding bikes in American cities.
LTS 4	A level of stress beyond LTS3.

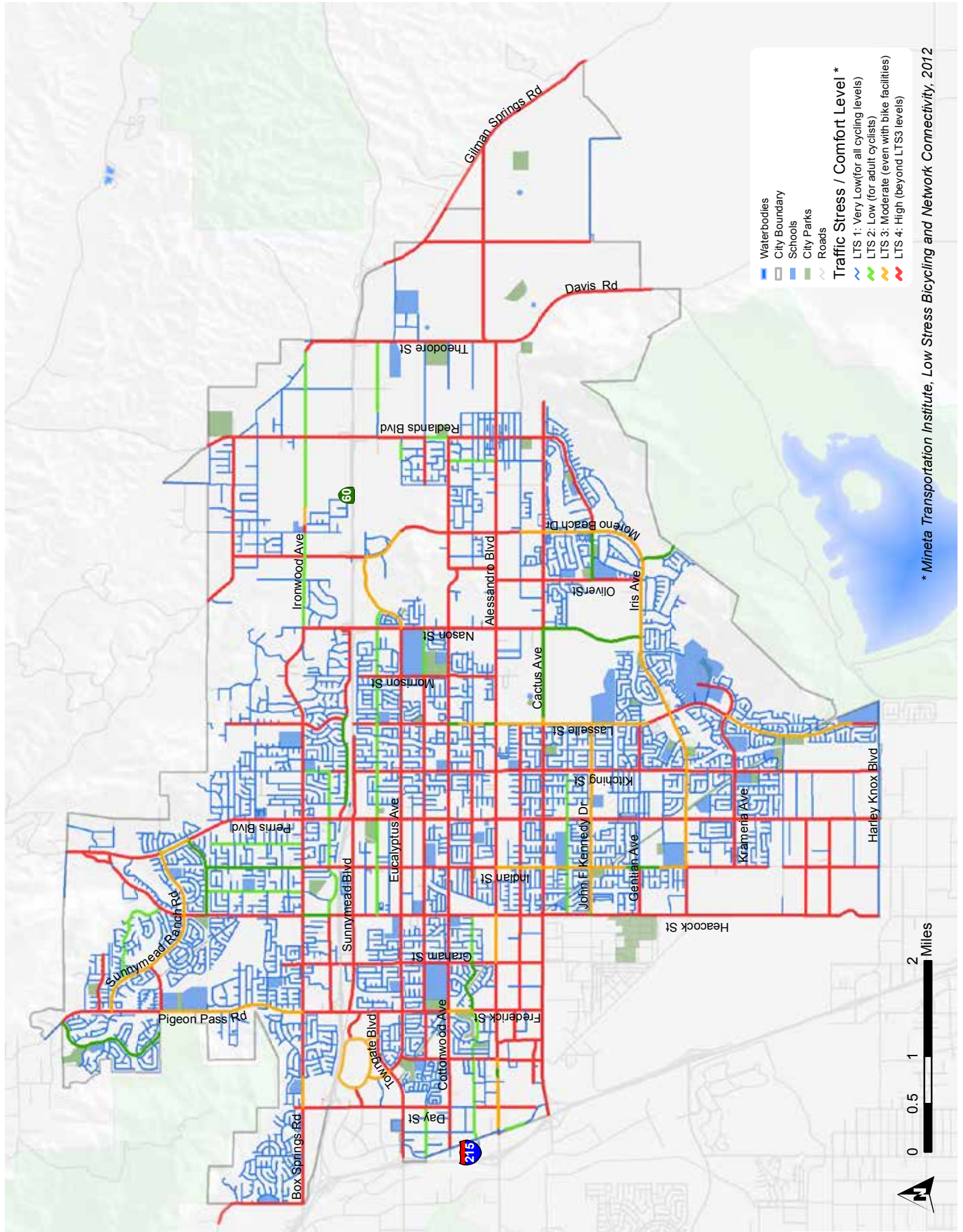
Shared Facilities (Bike Route)				
Speed Limit	Number of Lanes			
	2	3 (2+1)	4-5 (4+1)	6+
25	1	2	3	4
30	2	3	4	4
35+	4	4	4	4

Bike Lanes (With On-Street Parking)		
Speed Limit	Number of Lanes	
	2	3+
25	1	1
30	1	1
35	2	2
40+	3	3

Bike Lanes (Without On-Street Parking)				
Speed Limit	Number of Lanes			
	2	3	4+	Buffered
25	1	1	1	1
30	1	2	1	1
35	2	3	2	2
40+	3	3	3	2



Figure 13: Level of Traffic Stress Model







3.1 Recommended Goals, Policies and Objectives

The following goals, policies and objectives have been developed for this plan in accordance with previous planning efforts and relevant State legislation governing air quality, public health and equitable access. This plan capitalizes on many of the goals, policies and objectives included in Section 2.1: Existing Plans.

Increased Park Space

The General Plan states that neighborhood parks and recreation are to be provided within walking distance and at a reasonable cost, but many Moreno Valley residences lie beyond reasonable walking distance from parks and recreation opportunities. This bicycle master plan therefore proposes facilities with the potential to help mitigate this issue, and at no cost to the user.

Bicycle facilities increase park usage by offering improved access to existing parks, and by creating new, linear parks from existing neighborhood corridors, such as paths along flood control channels. By accommodating speedier travel, bicycle facilities help to shrink space, essentially bringing parks closer to residents. Bicycle boulevards or, as they are now often called, neighborhood greenways, have the potential to calm traffic and “green” the neighborhood, providing a linear park-like atmosphere. Class 1 multi-use paths facilities are another type of facility recommended in this plan that would contribute to increased park space. The General Plan offers strong and explicit support for the use of existing drainage courses, utility rights-of-way and other areas of opportunity for multi-use paths. The Riverside County Flood Control and Water Conservation District generally supports such use, but implementation of projects located within their jurisdiction will require agency coordination.

Freeway Interchange Redesign

This bicycle master plan reiterates the General Plan’s call for freeway interchange redesign, but takes it a step further since interchanges often represent the “highest stress” link of a bicycle facility and, as such, require special effort to accommodate cyclists of all ages and abilities.

Programs

This bicycle master plan calls for the implementation and expansion of many programs included in the City’s 2006 *Bicycle Transportation Plan*, including the creation of a traffic garden and its integrated use by local school children, as well as the involvement of law enforcement officers in bicycle/pedestrian and traffic safety education efforts.

Goals

- Create a network of Complete Streets.
- Make cycling an attractive and safe mode of transportation for people of all ages and abilities.
- Alternative text: Create a bicycle network and complementary menu of programs that make cycling a viable transportation option for people of all ages and abilities.

3.2 Recommended Facilities

Policies

- Address AB-1358, California’s Complete Streets legislation, by implementing a layered network of transportation facilities, in which the bicycle network proposed in this plan is one layer.
- Transportation planning efforts must evaluate impacts to all users and acknowledge the economic, environmental, health and social trade-offs involved in providing for each mode.
- Corridors and facilities identified by the bicycle master plan are seen to improve access for non-motorized travel. As such, and per the 2009 Proposed Guidelines Amendments for the California Environmental Quality Act, which removes vehicular Level of Service as an environmental impact and permits jurisdictions to adopt their own measures of performance, these corridors are exempt from considerations of vehicular level of service.

Objectives

- Create a Bicycle and Pedestrian Working Group.
- In conjunction with City Staff, this group shall develop targets regarding the implementation of the facilities and programs proposed in the bicycle master plan. Important targets include network completion, program implementation, mode share and safe cycling/collision reduction.
- This group shall meet as much as once per month and no less than quarterly.
- Efforts should be made to assemble a group that is diverse with respect to gender, race, socioeconomic status and age. The group should include a Safe Routes to Schools delegation.



Typical flood control channel

This chapter’s recommended facilities identify improvements to the existing bikeway system. These projects will have a significant impact, such as closing major gaps and extending or developing multi-use paths, bicycle lanes or routes along major transportation corridors. The numbering used to identify projects within each bikeway facility class in the following sections does not necessarily imply priority beyond the facility category. Bicycle facility implementation has no specific time line, since the availability of funds for implementation is variable and tied to the priorities of the City’s capital projects.

This chapter’s tables list recommended projects and the associated figures identify their locations and project ranking. If there is desire, proposed projects can be re-ranked within the five year bicycle master plan update cycle at whatever interval best fits funding cycles or to take into consideration the availability of new information, new funding sources, updated crash statistics, updated CIP lists, etc. Bikeway facility prioritization and implementation should be fine-tuned and adjusted accordingly based on future circumstances. More information regarding the ranking process can be found in Appendix B: Suitability Model and Project Prioritization. Cost estimates for these projects are included in Chapter 4: Bikeway Funding.

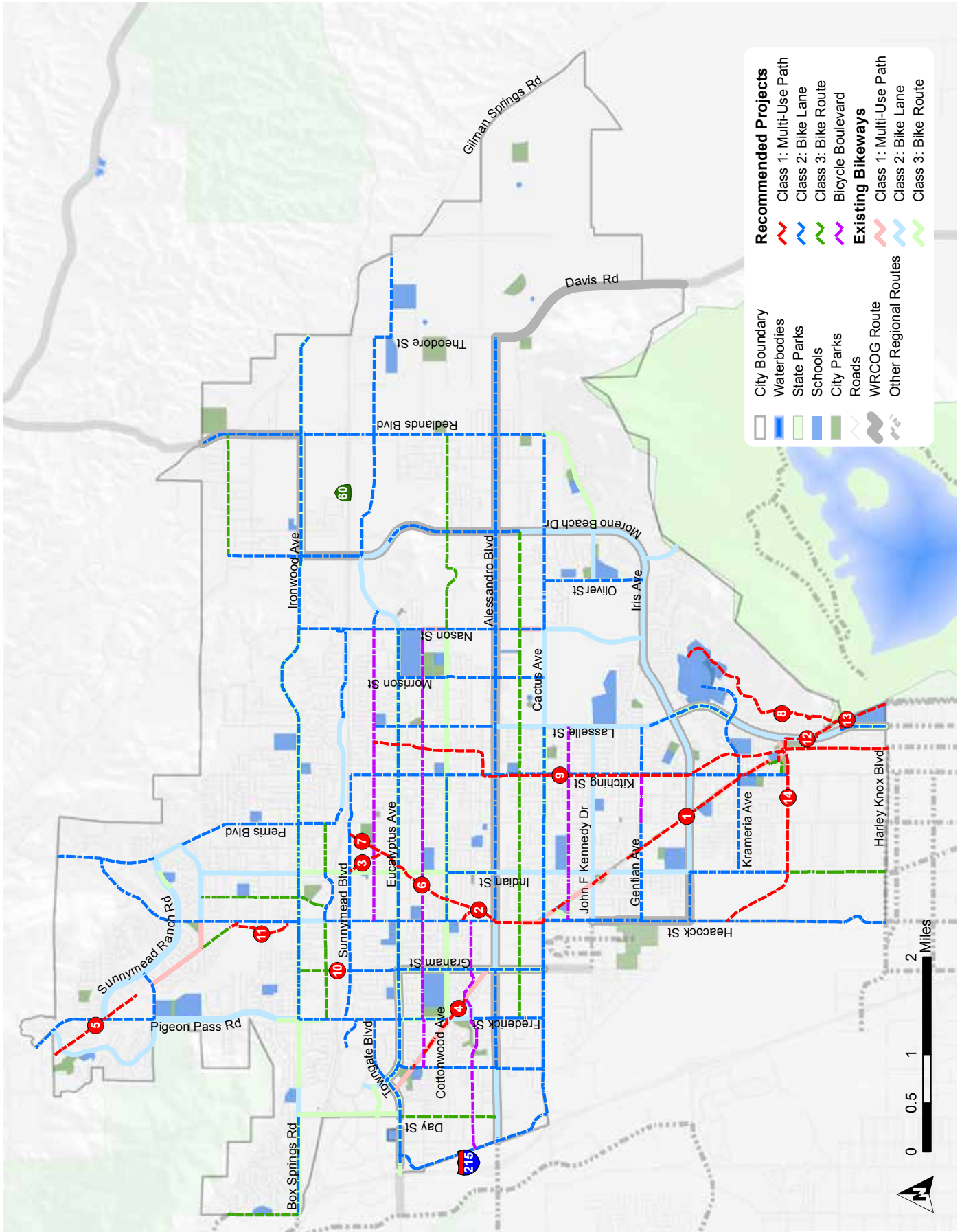
Class 1 Multi-use Paths

Because they are constructed independently of existing or programmed motor vehicle facilities, Class 1 paths are by far the most expensive of all bicycle facilities. Typical costs per mile can vary a great deal due to possible right-of-way acquisition, bridges and other potential major expenses such as extensive grading due to hilly topography and facility width. For example, a Class 1 facility being converted from a former rail roadbed across flat terrain will require far less grubbing, grading and structural enhancements than a facility being constructed through an undeveloped area with hilly topography and stream crossings (See Figure 14).

Additional multi-use paths are primarily recommended along the flood control channels to provide off-street connections throughout the City. These routes provide bicycle facilities separated from vehicular traffic and connect to parks, schools and other existing and proposed bicycle facilities.



Figure 14: Recommended Class 1 Multi-Use Paths (“Bicycle Paths”)



3 Recommendations

Table 12: Recommended Class 1 Multi-Use Paths

					Recommended Improvements	
Rank	Length (Miles)	Facility	From	To	Crosswalks	Enhanced Crosswalks
1	2.9	Juan Bautista De Anza Trail (P8)	Alessandro and Heacock	Portrero Park	<ul style="list-style-type: none"> • Minor crossing: Unity Ct • Minor crossing: Sun Valley Rd • Minor crossings: Filaree and Fay Ave • Requires use of some enhanced Class 3 facilities (see notes) 	<ul style="list-style-type: none"> • Alessandro and Heacock • Brodiaea and Heacock Ave • Cactus and Heacock Ave • John F Kennedy Dr • Mid-block: at Indian Ave and Class 1 • Improve existing Home Depot crossing • Iris Ave • Krameria Ave • At Kitching St
2	0.41	Juan Bautista De Anza Trail (P4)				<ul style="list-style-type: none"> • Connecting to Creekside Elementary School
3	0.5	Juan Bautista De Anza Trail (P6)			<ul style="list-style-type: none"> • Minor crossing: Webster Ave 	<ul style="list-style-type: none"> • Sunnymead Blvd
4	0.67	Juan Bautista De Anza Trail (P3)	Eucalyptus	E Alessandro	<ul style="list-style-type: none"> • Balboa Ln • Minor crossing: Baywood Dr and PanAm Blvd • Minor crossing: Caspian Way and Bay Ave 	<ul style="list-style-type: none"> • Elsworth • Cottonwood Ave and Frederick St intersection, esp. western and southern legs • Alessandro • Graham
5	1.06	Juan Bautista De Anza Trail (P1)	Hidden Springs	Class 1	<ul style="list-style-type: none"> • Three at Hidden Springs and Pigeon Pass • Three at Pigeon Pass and Old Lake • Minor crossing: Village Rd, Mendoza Rd 	<ul style="list-style-type: none"> • Pigeon Pass • Old Lake
6	1.28	Juan Bautista De Anza Trail (P5)			<ul style="list-style-type: none"> • Minor crossings: Dracaea, Atwood, Indian, Eucalytpus and Meyers 	<ul style="list-style-type: none"> • Cottonwood Ave
7	0.29	Juan Bautista De Anza Trail (P7)				
8	1.73	Moreno Valley College Path	Water Tower	Rancho Verde High School/ southern extent of "Segment 9"		
9	4.47	Kitching Aqueduct Path	Fir	Portrero Park	<ul style="list-style-type: none"> • Minor crossings: Fir Ave • Minor crossings: Dracaea and Bay 	<ul style="list-style-type: none"> • Eucalyptus • Alessandro • Cactus • John F Kennedy • Iris & Kitching • Vista Verde Middle School



Bicycle Master Plan			
Median Refuges	Curb Extensions	Other Enhancements	Notes
<ul style="list-style-type: none"> • Alessandro and Heacock • John F Kennedy Dr • Mid-block: at Indian Ave and Class 1 • Iris Ave • Krameria Ave • At Kitching St 	<ul style="list-style-type: none"> • Cactus Ave and Heacock Ave • John F Kennedy Dr 		<ul style="list-style-type: none"> • Straightening out path to better suit utilitarian use is also recommended • May potentially fill gaps through enhanced Class 3 projects with Aqueduct Trail • Wayfinding recommended throughout
<ul style="list-style-type: none"> • Connecting to Creekside Elementary School 			
<ul style="list-style-type: none"> • Sunnymead Blvd 			
<ul style="list-style-type: none"> • Elsworth • Alessandro • Graham 	<ul style="list-style-type: none"> • Widen sidewalk to Class 1 extent northern edge of Cottonwood Ave and eastern edge of Frederick St • Widen sidewalk along eastern edge of Frederick 		<ul style="list-style-type: none"> • Mid-block crossing • Potentially recommend 2-way cycle track • Use Alessandro Blvd bicycle lanes here
<ul style="list-style-type: none"> • Pigeon Pass • Old Lake 			
<ul style="list-style-type: none"> • Cottonwood Ave 			
		<ul style="list-style-type: none"> • Through Sunnymead Blvd 	
			<ul style="list-style-type: none"> • Requires paving, but leaving ROW for equestrian path
<ul style="list-style-type: none"> • Eucalyptus • Alessandro • Vista Verde Middle School 			<ul style="list-style-type: none"> • May require enhance due to crossing location and orientation • Connects with southern end of Juan Bautista de Anza trail

3 Recommendations

					Recommended Improvements	
Rank	Length (Miles)	Facility	From	To	Crosswalks	Enhanced Crosswalks
10	0.1	Graham St Bicycle/ Pedestrian Bridge	N edge of SR-60	South edge of SR-60		
11	0.73	Juan Bautista De Anza Trail (P2)	Class 1	Kernwood	<ul style="list-style-type: none"> • Minor crossings: un-named intersection, Sandpiper Ct and Cockatiel Dr 	
12	0.53	Juan Bautista De Anza Trail (P9)	Portrero Park	Class 1 (Segment 11)	<ul style="list-style-type: none"> • Minor crossing: Equestrian Way 	<ul style="list-style-type: none"> • Avenida de Plata and Lasselle St
13	0.47	Rancho Verde High School Path	Rancho Verde High School/ southern extent of Segment 9	Southern City Limit		
14	3.21	South City Aqueduct Path	Heacock	Kitching		<ul style="list-style-type: none"> • Heacock • Perris



Median Refuges	Curb Extensions	Other Enhancements	Notes
			Future Opportunity
		<ul style="list-style-type: none"> • Shared Lane Markings 	<ul style="list-style-type: none"> • Enhanced Class 3 recommended • Though improved path already exists along Parkland Ave along median, several intersections present issues in terms of convenience and safety
	<ul style="list-style-type: none"> • Avenida de Plata and Lasselle St 		
<ul style="list-style-type: none"> • Perris 	<ul style="list-style-type: none"> • Perris 	<ul style="list-style-type: none"> • Improve north leg of Indian to provide network connection • Short leg of Class 1 required to connect (N) to Plumeria • Short leg of Class 1 required to connect (N) to Kitching 	<ul style="list-style-type: none"> • Could provide Class 1 bridge over adqueduct, to connect to south City

Class 2 Bicycle Lanes

Moreno Valley has bicycle lanes on some major arterials and additional recommended lanes are primarily gap closures and traffic calming installations. The latter applies in some cases to very wide streets without bicycle facilities, where bicycle lanes and associated buffering are recommended to both perceptually narrow streets to slow vehicular traffic and to provide better facilities for cyclists (See Figure 15).

Class 3 Bicycle Routes

Bicycle routes are recommended as additional gap closures and connections where the vehicular speed, geometry and traffic volumes allow cyclists to share the road with vehicles. In many cases, the gap closures are short segments that connect bicycle lanes, schools and parks in low volume, low speed residential streets. Where bicycle lanes cannot be accommodated because of available right-of-way, bicycle routes are recommended when safety criteria are met (See Figure 16).

Bicycle Boulevards

Bicycle boulevards are generally shared lane facilities with prominent pavement markings. Traffic diverters, roundabouts, traffic circles and other calming measures are all amenities that can make up a bicycle boulevard. However, the priority of bicycles over vehicles is what makes a street with bicycle facilities a bicycle boulevard. The recommended bicycle boulevards primarily connect schools near the downtown district and higher density population areas.

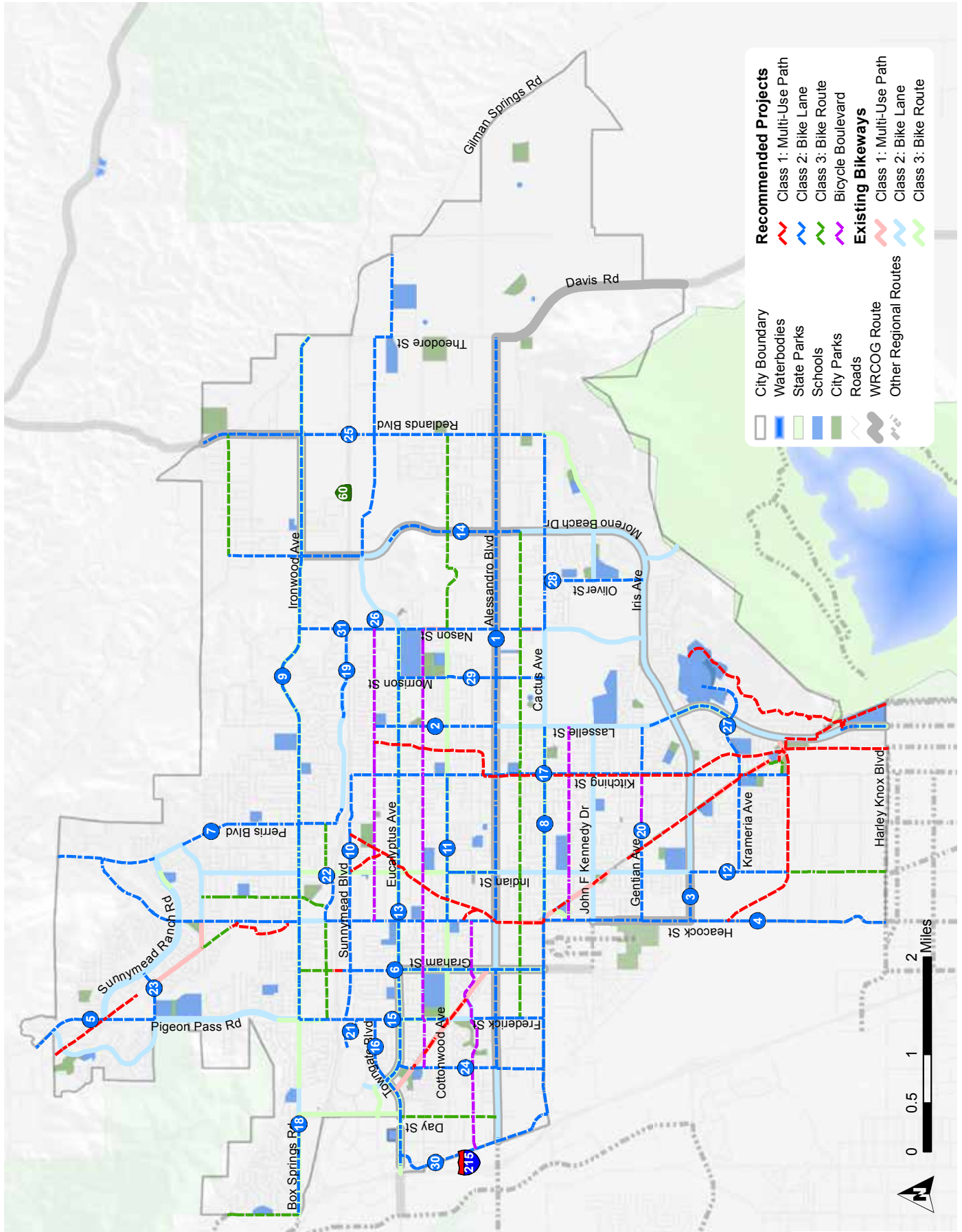
Bicycle boulevards require additional planning and engineering prior to implementation. Impacts to vehicular traffic flow, bicycle and pedestrian safety improvements at intersections and crossings, right-of-way acquisition, signage and utilities are examples of associated items that would require in-depth analysis. Education and enforcement of these facilities is also recommended to assist the community in correctly utilizing them following implementation. Examples of education programs are included in this chapter (See Figure 17).

The following maps and tables describe the recommended projects developed through project analysis and input from City staff, the community and advocacy groups.

The tables show the results of the analysis along with notes about facilities and any field observations. The "Notes" column provides additional information addressing the existing condition for each segment. This may include additional constraints, guidelines or other unique factors that should be considered prior to project development. Total width was verified in the field where it was within four feet of the minimum needed. The width columns illustrate the difference between the needed width and existing width for the recommended facility type. The "Delta" column employs a color coding system to summarize improvement feasibility. Green indicates feasible, red indicates infeasible and blue indicates a value within four feet of the minimum width needed.



Figure 15: Recommended Class 2 Bicycle Lanes



3 Recommendations

Table 13: Recommended Class 2 Bicycle Lanes

Rank	Length (Miles)	Facility	From	To	Delta	Future Opportunity	Notes
1	8.05	Alessandro Blvd	I-215	Day St	6		• Opportunity for buffering
			Day	Grant	6		• Opportunity for buffering
			Grant	Frederick	16		• Opportunity for buffering
			Frederick	Graham	10		• Opportunity for buffering
			Heacock	Kitching	16		• Opportunity for buffering
			Kitching	Nason	6		• Opportunity for buffering
			Nason	Redlands	8		• Opportunity for buffering
			Redlands Blvd	Davis	-8	X	
2	2.63	Lasselle St	Fir	Eucalyptus	-4		
			Eucalyptus	Ute Drive	10		• Opportunity for buffering
			Ute Drive	Dracaea	18		• Opportunity for buffering
			Dracaea	Alessandro	-2		• Road undulates • Some places, wider than 30' • Potentially City-owned ROW
			Gentian	Krameria	6		• Opportunity for buffering
			Camino Quinta	Harley Knox	8		• Opportunity for buffering
3	3.84	Iris Ave	Heacock	St. Croix	4		
			St. Croix	Indian	4		• Road widens to 56' approaching Indian; becomes much wider further east
			Indian	Perris	3		
			Perris	Kitching	7		• Opportunity for buffering
			Kitching	Via del Lago	14		• Opportunity for buffering
4	7.64	Heacock St	Perris	Lake Summit	4		
			Lake Summit Dr	Ironwood	10		• Opportunity for buffering
			Just North of Ironwood	Ironwood	4		
			Ironwood	Meyer	3		
			Meyer	Atwood	-5		
			Atwood	Alessandro	9		• Opportunity for buffering
			Alessandro	Cactus	8		• Opportunity for buffering
			Cactus	Meyer Dr	8		• Opportunity for buffering
			Meyer Dr	Poppystone	2		
			Poppystone	Gentian Ave	18		• Opportunity for buffering
			Gentian Ave	Revere Pl	-2		
			Revere Pl	Iris Ave	18		• Opportunity for buffering
			Iris Ave	San Michele Rd	-6		
			San Michele Rd	Nandina Ave	-12		
Nandina Ave	Harley Knox Blvd	-8					
5	1.72	Pigeon Pass Rd	Hidden Springs Drive N	Hidden Springs Drive S	-1		



Rank	Length (Miles)	Facility	From	To	Delta	Future Opportunity	Notes
6	2.08	Graham St	Olivewood Plaza	Sunnymead	12		• Opportunity for buffering
			Sunnymead	Cactus	-1		• Striped median does not run along entire length of project • Possible road diet candidate
7	2.64	Perris Blvd	Heacock	Canyon Vista	5		
			Canyon Vista	Sunnymead Ranch	5		
			Manzanita	Jaclyn	18		• Opportunity for buffering
			Jaclyn	Ironwood	-8		
			Ironwood	Elder	1		
8	5.97	Cactus Ave	I-215	Veterans	15		• Opportunity for buffering
			Veterans	Ellsworth	27		• Opportunity for buffering
			Ellsworth	Heacock	9		
			Heacock	Lasselle	1		
			Lasselle	Hospital	-8		
			Hospital	Nason	7		• Opportunity for buffering
9	6.15	Ironwood Ave	Pigeon Pass	Perris	-4		
			Perris	Tuscola	8		• Opportunity for buffering
			Tuscola	Champlaign	0		
			Champlaign	Vista de Cerros	31		• Opportunity for buffering
			Vista de Cerros	Redlands	-2		• Roadway largely unimproved
			Redlands	Theodore	-8	X	
10	2.52	Sunny-mead Blvd	Frederick St	Perris	4		
11	1.5	Cotton-wood Ave	Heacock	Perris	2		
			Perris	Kitching	-2		

“Delta” column represents difference between required right-of-way width for bicycle lanes versus existing width. Range between -2 or greater (per side) indicates possibility of bicycle lane installation with some additional design considerations.

Color coding indicates improvement feasibility: Green indicates feasible, red indicates infeasible and blue indicates field-verified value within four feet (two feet per side) of minimum required.

6	Green = feasible
-3	Red = infeasible
2	Blue = value within four feet of minimum

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Rank	Length (Miles)	Facility	From	To	Delta	Future Opportunity	Notes
12	1.5	Indian St	Cottonwood	Alessandro	-6		
			Iris	Mariposa	-8		
13	9.85	Eucalyptus Ave	Memorial	Elsworth	9		• Opportunity for buffering
			Ellsworth	Frederick	-1		
			Frederick	Graham	12		• Opportunity for buffering
			Graham	Heacock	-1		
			Heacock	Kitching	16		• Opportunity for buffering
			Kitching	Montecello	10		• Residential areas are walled with no arterial access
			Montecello	Golden Lantern	2		
			Golden Lantern	Morrison	-1		
			Morrison	Nason	5		
			Moreno Beach Drive	End of Road	-5		
			End of Road	Redlands	12		• Opportunity for buffering
			Redlands	Gilman Springs	5	X	• Bicycle lanes exist in front of Skechers warehouse
14	3.79	Moreno Beach Blvd	Ironwood	Eucalyptus	-8		
			Eucalyptus	Automall Drive	11		• Opportunity for buffering
			Automall Drive	Bend in road	32		• Existing bicycle lanes
			Where street bends south	Cottonwood	8		• Shoulder, but no bicycle lanes
			Cottonwood	Bay	32		• Opportunity for buffering
			Bay	Alessandro	5		
			Alessandro	Brodiaea	8		• ROW varies
			Brodiaea	Via del Lago	10		• Opportunity for buffering
15	1.87	Frederick St	Ironwood	Sunnymead	-1		
			Sunnymead	Centerpoint	2		
			Centerpoint	Brabham	9		• Opportunity for buffering
			Brabham	Towngate	5		
			Towngate	Eucalyptus	12		• Opportunity for buffering
			Eucalyptus	Dracaea	17		• Opportunity for buffering
			Dracaea	Cottonwood	12		• Opportunity for buffering
			Bay Ave	Alessandro	8		• Opportunity for buffering
			Alessandro	Resource	-6		
			Resource	Cactus	-1		
16	0.66	Towngate Ave	Eucalyptus	Frederick	4		



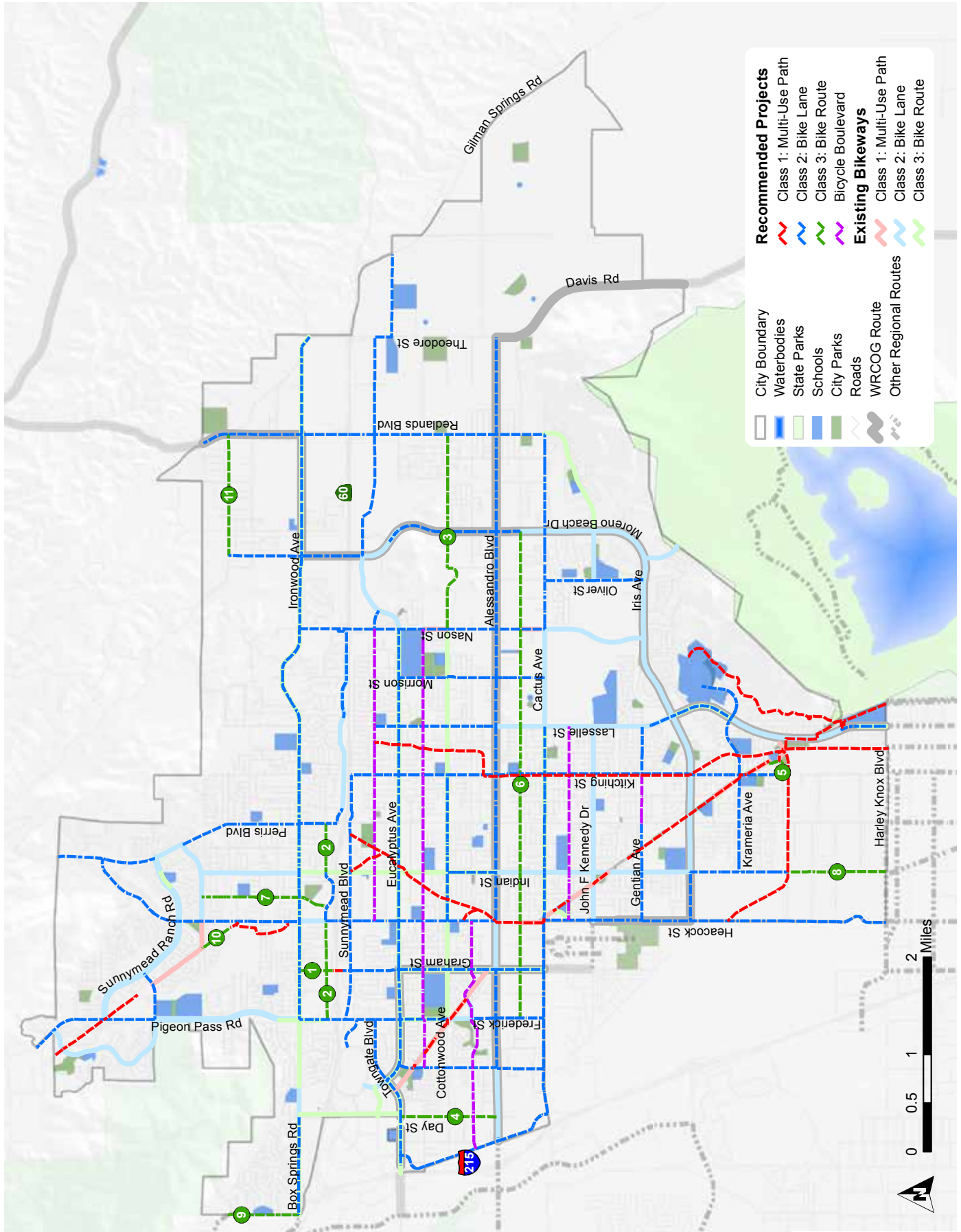
Rank	Length (Miles)	Facility	From	To	Delta	Future Opportunity	Notes
17	4.5	Kitching St	Sunnymead	Skybrook	10		• Opportunity for buffering
			Skybrook St	Fir	14		• Opportunity for buffering
			Fir	Cedarbrook	6		• Opportunity for buffering
			Cedarbrook	Cactus	2		
			Cactus	Gentian	0		
			Gentian	Mariposa	0		
18	1	Box Springs Rd	Morton Rd (or Riverside Rail Trail)	Just west of Pine Cone Lane	0		
			Just west of Pine Cone Lane	Day	7		• Opportunity for buffering
19	2.11	Elder Ave	Perris	Lorez Dr	3		• Can provide buffered facility if parking prohibited
			Lorez Dr	Brewster Drive	16		• Bicycle lanes exist • Buffering recommended
			Brewster	Morrison	3		• Buffering recommended
			Morrison	Nason	16		• Buffering recommended
20	1.48	Gentian Ave	Heacock	Megan	0		
			Megan	Indian	12		• Opportunity for buffering
			Indian	Perris	12		• Roadway largely unbuilt
			Parris	Kitching	-14		
			Kitching	Lasselle	10		
21	0.33	Center-point Dr	Town Circle Dr	Frederick St	5		
22	2.07	Hemlock Ave	Frederick	Heacock	-6		
			Heacock	Indian	8		• Opportunity for buffering
			Indian	Perris	4		
23	0.51	Old Lake Dr	Pigeon Pass N	Sunnymead Ranch	-1		
24	1.49	Elsworth St	Eucalyptus	Dracaea	-4		
			Dracaea	Cottonwood	-1		
			Cottonwood	Alessandro	0		
25	3.54	Redlands Blvd	Northern City Limit	Eucalyptus	0		
			Eucalyptus	Dracaea	-4		
			Dracaea	Bay	28		• Opportunity for buffering
			Bay	Alessandro	-8		
			Alessandro	Just south of Campbell Ave	10		• Opportunity for buffering
			Just south of Campbell Ave	Cactus	8		• Opportunity for buffering

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Rank	Length (Miles)	Facility	From	To	Delta	Future Opportunity	Notes
26	0.2	Fir Ave	Nason	Eucalyptus	-5		
27	2.23	Krameria Ave	Indian	Terano	19		• Walled residential areas with no arterial access
			Terano	Perris	-2		
			Perris	Just past Cahuilla / Lasselle ES	-1		• Candidate for road diet
28	1.02	Oliver St	Cactus	John F Kennedy	-4		
			John F Kennedy	Iris	0		
29	1.51	Morrison St	Eucalyptus	Cactus	-4		
30	1.75	Old 215/ Valley Springs Parkway	City Limit	Eucalyptus	10		• Opportunity for buffering
			Eucalyptus	Dracaea	18		• Opportunity for buffering
			Dracaea	Alessandro	18		• Opportunity for buffering
			Alessandro	Cactus	8		• ROW widens at Alessandro
31	2.52	Nason St	Ironwood	Fir	10		• Opportunity for buffering
			Fir	Eucalyptus	6		• Opportunity for buffering
			Eucalyptus	Dracaea	12		• Opportunity for buffering
			Dracaea	Cottonwood	33		• Opportunity for buffering
			Cottonwood	Alessandro	-1		
			Alessandro	Cactus	-11		• ROW undulates dramatically



Figure 16: Recommended Class 3 Bicycle Routes



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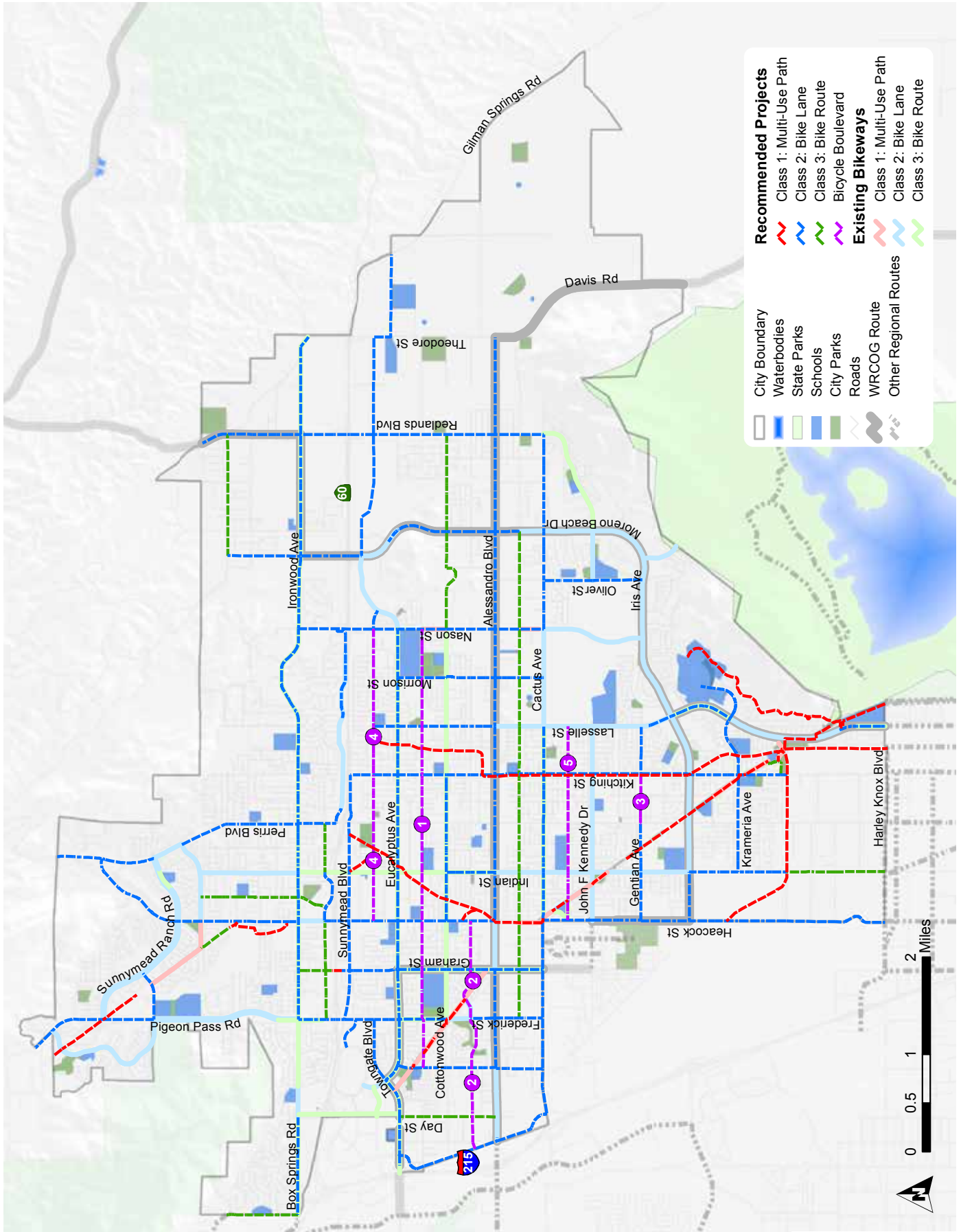
Table 14: Recommended Class 3 Bicycle Routes

Rank	Length (Miles)	Facility	From	To	Delta	Notes
1	0.35	Graham St	Ironwood	Olivewood Plaza	-4	• Recommended in conjunction with dedicated bicycle/pedestrian bridge over SR-60
2	1.52	Hemlock St	Pigeon Pass Rd	Heacock	-4	
			Indian	Perris	-12	
3	2.11	Cottonwood Ave	Nason	Redlands	-10	• ROW varies
4	1	Day St	Eucalyptus	Cottonwood	-7	
			Cottonwood	Sherman	-10	
			Sherman	Alessandro	5	
5	0.3	Camino Bellagio - Via Pamplona - Camino Marilena - Kitching	Class 1 Path (Seg 8)	Via Pamplona	-8	
			Camino Bellagio	Camino Marilena	-8	• Connects to existing Class 1 path - mid-block • Provide wayfinding throughout
			Via Pamplona	Kitching	-8	
			Camino Marilena	Class 1 (Seg 13)	-8	
6	5.01	Brodiaea Ave	Frederick	Moreno Beach Drive	-4	• Segments between Lasselle St and Moreno Beach Dr largely unbuilt
7	1.31	Davis St	Manzanita	Hemlock	-12	• Connect to Midland Elem School • Connects to Manzanita (Class 2) • Gap/unbuilt road may exist between Ironwood and Hemlock
8	1.01	Indian St	Mariposa Ave/ Flood Control Channel	Harley Knox	-1	• Industrial connection
9	0.73	Morton Rd	Penunuri Pl	Box Springs Rd	-4	
10	0.36	Parkland Ave	Southern end of Class 1, Segment 1	Mark Twain	0	
11	1.26	Locust Ave	Moreno Beach Drive	Redlands Blvd	-6	

“Delta” column represents required right-of-way width to upgrade to Class 2 facility. In some cases where short segments of right-of-way are not wide enough for bicycle lanes, it is recommended to maintain Class 3 status throughout the segment for consistency.



Figure 17: Recommended Bicycle Boulevards



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Table 15: Proposed Bicycle Boulevards

Rank	Length (Miles)	Facility	From	To	Existing Width (ft.)	On-street Parking	Notes
1	4.51	Dracaea Ave	Elsworth	Nason	44'	Yes	<ul style="list-style-type: none"> • Provide enhanced wayfinding at intersecting Class 1 path (Class 1; #3) • At Graham - enhanced crossing • At Running Deer - 4-way stop and yellow markings • At Indian - enhance existing 4-way crossing and 'T' NW corner of intersection • At Perris - enhanced crossing • At Kitching - enhanced crossing • At Lasselle - enhanced crossing • At Morrison - enhanced crossing • At Nason - green bike box
2	2.43	Bay Ave	I-215	Heacock	44'	Yes	<ul style="list-style-type: none"> • Several schools • Most signs already "flipped" • At I-215, median refuge to provide safe crossing between I-215 and Bay • At Ellsworth - use signage • At Frederick - use sensors/actuation and more prominent crosswalks • Past Frederick to Graham - use sharrows (too narrow for lanes) • At Heacock - green bike box
3	0.52	Gentian Ave	Perris	Kitching	44'	Yes	<ul style="list-style-type: none"> • Very short Bicycle Blvd connects what is otherwise Class 2 facility • Starts at Perris - include enhanced crossing and wayfinding there. • Ends at Kitching and would likely require bicycle/pedestrian bridge over Class 1, as well as enhanced crossing and wayfinding.
4	3	Fir Ave	Heacock	Nason	44'		<ul style="list-style-type: none"> • Connects to ball fields/schools • At Heacock - enhanced crossing • At Indian - enhanced crossing • At Perris - enhanced crossing • At two floodgate crossings - enhanced crossings • At Kitching - enhanced crossing • At floodgate - enhanced crossing • At Lasselle - enhanced crossing • At Morrison - enhanced crossing
5	1.99	Delphinium Ave	Heacock	Lasselle	44'		<ul style="list-style-type: none"> • Connects several schools and Juan Bautista de Anza Trail • At Lassell - enhanced crossing and median refuge • At Indian - enhanced crossing • At Perris - enhanced crossing • At Rio Bravo cul-de-sac - extension needed • At Class 1 - bridge needed • At Heacock - enhanced crossing



3.3 Future Opportunities

Based on City, County and public input, the following are long-term potential bicycle facilities that are generally a variety of project types that may hinge on future roadway development, adjacent jurisdictional actions, or legislative changes. Most represent connections with surrounding jurisdictions.

University of California Riverside (UCR)

A connection between Moreno Valley and the University of California Riverside (UCR) campus has been considered previously, including a specific plan over a decade ago. Several public meeting participants for this bicycle master plan suggested there is a continued need for a connection and that people are using this route. In fact, many cited the current, frequent use of an unimproved route along the railroad tracks to travel between Moreno Valley and the UCR campus. Anecdotal evidence also suggests that the northwestern area of Moreno Valley is becoming a preferred residential rental area for UCR students due to its proximity to the campus. Pending collaboration with the Southern California Regional Rail Authority (SCRRA), routing may employ adjacent rail right-of-way to provide a direct, low-stress route. Alternatively, routing may employ segments of Gernet Road and Watkins Drive.

Santa Ana River Trail

The aqueduct easement through the Sunnymead Ranch neighborhood of Moreno Valley is considered too steep for trail development. Instead, as part of a County proposed realignment of nearby Pidgeon Pass Road, the abandoned alignment may be retained as a trail route.

A route through this area is likely to continue northwest via Box Springs Mountain Park and the unincorporated Highgrove area, and is considered Moreno Valley's most direct connection with the Santa Ana River Trail, a major regional route. (At the time of this bicycle master plan, the County was preparing to develop a trails master plan for the Box Springs Canyon Mountain Park and vicinity.)

Redlands Boulevard

Redlands Boulevard entering Moreno Valley from the north-east is a planned WRCOG regional route. The County of Riverside is also proposing a trail separate but parallel with Redlands Boulevard along this segment.

Davis Road

Davis Road entering Moreno Valley from the southeast is a planned WRCOG regional route. The County has no plans for Davis Road, but supports its development as a trail route.

Lake Perris

The County strongly supports modifying the roadway around Lake Perris into a full loop around the lake since this would make it a much more desirable recreational, fitness and competitive route within easy reach of Moreno Valley.

Potential Cycle Tracks

The Governor signed Assembly Bill-1193 (Bikeways) in September 2014, which designates cycle tracks as an official bikeway type. Statewide guidelines are to be made available by January 1, 2016. The following routes were recommended for future cycle track consideration:

Alessandro Boulevard – Between Old 215 and Lasselle Street

Nason Street – Between Iris Avenue and Fir Avenue

Frederick Street – Between Alessandro and Sunnymead Boulevards

3.4 Improvements to Existing Facilities

Based on public input and field verification, the following are improvements recommended for existing bicycle facilities.

Multi-use Paths

Add distance markers. Also, along heavily used segments, a centerline stripe is recommended to identify right-of-way travel for all users.

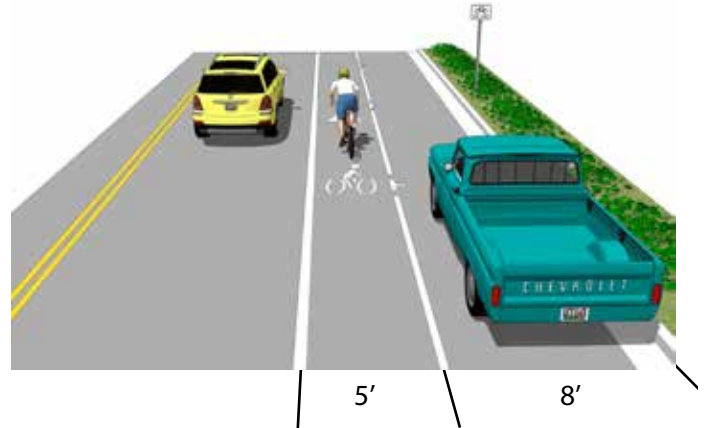
Bicycle Lanes

Whenever repaving projects occur, or repairs on streets with bicycle lanes, install bicycle detector loops or signal actuators.

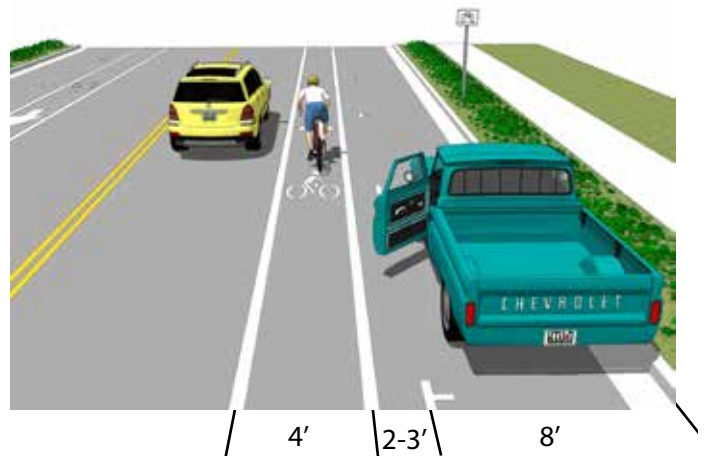
Wherever width is available, continue to add a buffer between the bicycle lane and parked cars or between adjacent travel lane and bicycle lane where on-street parking is not present.

Bicycle Routes

Add Shared Lane Markings or “Sharrows” to existing bicycle routes, particularly at transitions from bicycle lanes to shared travel lanes. Also install “Bikes May Use Full Lane” (CA MUTCD R4-11) signs along these routes.



Minimum standard width for bicycle lanes adjacent to on-street parking is five feet with eight foot parking stalls, for a total width of 13 feet. Lines on both sides of the bicycle lanes are recommended.



Where more than 13 feet is available, the extra space should be used for a buffer between the parking stalls and bicycle lanes. The bicycle lanes can be reduced to four feet minimum only when a buffer is provided between the bicycle lanes and parking stalls.



Bicycle Parking

Secure bicycle parking at likely destinations is an integral part of a bikeway network. Bicycle thefts are common and lack of secure parking is often cited as a reason people hesitate to ride a bicycle. The same consideration should be given to cyclists as to vehicle drivers, who expect convenient and secure parking at all destinations. Bicycle parking should be located in well-lit, secure locations close to the main entrance of a building, no further from the entrance than the closest automobile parking space. Bicycle parking should not interfere with pedestrian movement.

Bicycle racks should support the bicycle well and make it easy to secure it with a U-shaped lock through the bicycle's frame and the rack. The examples shown are a standard "inverted-U" rack and another art design rack that meets these criteria.

Adequate bicycle parking should be incorporated into any new development or redevelopment project. Bicycle parking should be given a balanced level of importance when considering car parking improvements or development. In commercial areas where bicycle traffic is more prevalent, as well as parks and shopping centers, increased bicycle parking is recommended. This provides an option for individuals who need to make a short trip to the local store to ride their bicycle rather than drive a car.

Increasing and providing secure bicycle parking will help promote and encourage kids to ride their bicycles to school if they know their bicycles will be safe. Bicycle parking should also be a standard amenity for existing and future parks.



Bicycle rack type plays a major role in the utilization of the bicycle racks. Only racks that support the bicycle at two points and allow convenient locking should be used. Racks that can secure the entire bicycle are preferred and recommended for installation in commercial areas, schools, parks and local businesses.

Custom racks that showcase local businesses may also be encouraged to improve aesthetics as long as the racks provide adequate security and reflect local context. For example, special districts may benefit from custom racks whose design aesthetic relates to other street furniture.

A successful bicycle rack design enables proper locking, which means the user must be able to secure a typically sized U-lock around the frame and one wheel to the locking area of the rack. Racks that support the bicycle, but either provide no way to lock the frame or require awkward lifting to enable locking, are not acceptable unless security is provided by other means, such as a locked enclosure or monitoring by attendants. See Appendix A and the Association of Pedestrian and Bicycle Professionals (APBP) *Bike Parking Guidelines* for more detailed information on bicycle parking design and placement.

Bicycle racks must be designed so that they:

- Do not bend wheels or damage other bicycle parts
- Accommodate high security U-shaped bicycle locks
- Accommodate securing the frame and wheels
- Do not trip pedestrians
- Are easily accessed yet protected from motor vehicles
- Are covered if users will leave their bicycles for long periods



To provide real security for the bicycle (with its potentially easily removed components) and accessories (lights, pump, tools and bags), either bicycle enclosures, lockers or a check-in service is required. Bicycle parking facilities are generally grouped into two classes:

Long-term - provides complete security and protection from weather. It is intended for situations where the bicycle is left unattended for long periods of time: apartments and condominium complexes, schools, places of employment and transit stops. These are usually lockers, cages or rooms in buildings.

Short-term - provides a means of locking the bicycle frame and wheels, but does not provide accessory and component security or weather protection unless covered. It is primarily for decentralized parking where bicycles are left for short periods of time and are visible and convenient to the building entrance.

To identify the number of bicycle parking at a specific land use, other cities have used various measurement methods such as a percentage of auto parking, unit count, proportion of building square footage and even building occupancy. There is a downside when determining bicycle parking spaces based on a percentage of vehicular parking spaces because when developments reduce the amount of parking spaces to create a more bicycle and pedestrian friendly environment, this reduction in the amount of vehicular parking also reduces the amount of bicycle parking. This then actually becomes a deterrent to increasing bicycle parking.

Determining bicycle parking demand is more appropriate when using the proportion of square footage or building occupancy. These units of measure are commonly used during plan check and can be easily integrated into the planning process.

The bicycle racks can be customized to incorporate an area's aesthetics, or designed to complement a specific building or business. For example, the City of Long Beach maintains a program funded by the American Recovery and Investment Act to help business owners install bicycle racks. Their program provides a range of rack designs, or business owners can provide their own custom designs.

Bicycle Corrals

Bicycle corrals are generally former vehicle parking stalls converted to bicycle parking. Most have been on-street conversions, but they are now being incorporated into shopping center parking lots as well. Corrals can accommodate up to 20 bicycles per former vehicle parking space. On-street bicycle corrals provide many benefits where bicycle use is high and/or growing:

- Businesses - Corrals provide a much higher customer to parking space ratio and advertise "bicycle friendliness." They also allow more outdoor seating for restaurants by moving the bicycle parking off the sidewalk. Some cities have instituted programs that allow local businesses to sponsor or adopt a bicycle corral to improve bicycle parking in front of their business.
- Pedestrians - Corrals clear the sidewalks and those installed at corners also serve as curb extensions.
- Cyclists - Corrals increase the visibility of cycling and greatly expand bicycle parking options.
- Vehicle drivers - Corrals improve visibility at intersections by preventing large vehicles from parking at street corners and blocking sight lines.

Especially where bicycle parking is very limited, an occasional parking space could be converted into a bicycle corral to increase the attraction of cycling to the commercial district instead of driving there. There is great variety in design including signage, protective barriers, curbs, custom paving or even simply striping.

In terms of placement, it is desirable to put bicycle corrals near intersections. Mid-block placement is not recommended because the corral can be hidden by parked motor vehicles, reducing visibility for both vehicle drivers and cyclists. Bicycle corral racks can be customized and have been designed and fabricated to complement specific locations, as well as available "off-the-shelf" designs sized to fit within a standard vehicle parking space. Refer to Appendix A: Design Guidelines and the APBP *Bike Parking Guidelines* for additional information.



3.5 Other Bicycle Facilities

Safe Routes to Transit

Best Practices in Bicycle Access to Transit

Integration of the bicycle master plan into the surrounding transportation and transit network improves the user experience by providing intuitive, safe and recognizable routes connecting active transportation and transit networks. Providing infrastructure for a broad range of users and mobility devices establishes a set of best practices for the development of a complete bicycle network master plan. The overarching goal of a bicycle master plan is to safely provide active transportation infrastructure to persons at all levels of cycling ability.

Improving bicycle access to transit helps to expand the sphere of influence for both cyclists and transit users, and can improve the transit rider and active transportation user relationship. A layered network enhancement of transit station area improvements allows for a connected multimodal transportation network. Improvements will be guided by a set of best practices as they apply to transit stops and stations, bicycle facilities and associated pedestrian improvements.

Transit Stop Improvements

Provide bus waiting areas with an improved level of comfort, encouraging transit use and creating a safer environment for users. Best practices include:

- Flush curb-to-bus boarding
- Ample seating spaces
- Shading
- Landscaping
- Lighting and public art where space permits

When feasible, include street furniture, trash cans and parking for mobility devices at transit stops.

Street side improvements at bus stations include dedicated bus-only lanes or bus pull-outs where transit stops offer direct bus access. Locate bus stops on the far-side of intersections where possible to ease pedestrian movement at intersections. Consider bus-only lanes or pull-outs near stops to prevent traffic congestion behind busses.

Bicycle Access Improvements

The improvement of access for bicycles to transit stations and stops should be centered around three overall goals:

- Decreasing the average travel time of cyclists accessing transit - This is achieved by decreasing wait times at intersections and by increasing speed and capacity along bicycle routes. Bicycle prioritized signal timing improvements decrease waiting times for cyclists and the provision of improved bicycle facilities increases the average users' speed.
- Decreasing point-to-point distances - This is achieved through the utilization of strategic short-cuts and increased street crossing opportunities. Off-street routes through utility easements and flood control channels or parks and mid-block crossings can be used to significantly reduce point to point distances.
- Supporting multi-modal transfer activity - Strengthen links between modal access points, such as bus stops and stations, or bicycle share kiosks and stations, by providing easily identifiable safe and efficient access routes between modes.

Modifying the allocation of street space near transit stations and stops is another key element in encouraging access to transit by bicycle. Elements include the following:



Reduced Lane Width

- Reduce vehicular lane widths, where possible, to help promote slower driving speeds, reduce the severity of vehicular crashes, and reduce crossing distances. Gain underutilized space for more transit-friendly uses, such as bus access, extended sidewalks, buffer-zones, protected bicycle lanes and bulb-outs.
- Where traffic volumes and bus usage permits, do not use lanes wider than 11 feet and ideally 10 feet. Use striping to channelize traffic and create buffer zones or delineate parking from travel lanes.
- Confirm lane width requirements for efficient operations.

Enhanced Bicycle Facilities

- Provide bicycle facilities separated and/or protected from vehicular traffic.
- Convert existing standard bicycle lanes or shared lanes into protected facilities where feasible, to protect cyclists from vehicular traffic.
- On streets with heavy traffic, multiple lanes, high parking turnover, double parking, and existing or potential high bicycle ridership, consider installing separated cycle tracks to protect cyclists and make cycling more comfortable and inviting to all users.
- On streets with high speeds, few driveways or cross streets and high demand for bicycle access, consider installing raised cycle tracks at the same level as the adjoining sidewalk.
- On streets where cyclists are already riding the wrong way, where direct access is very difficult for cyclists, where two way connections are needed, and where traffic is low-speed and low volume, consider installing contraflow bicycle lanes or routes that cut through blocks.
- Other protected facilities and bicycle enhancements recommended for transit zones can include buffered bicycle lanes, bicycle boxes, bicycle signal heads and bicycle signal detection.
- For separated facilities, use paint on the street surface to conform to bundled improvements.
- Consider signage, both directional and wayfinding.

Signal Modifications

- Slow vehicular speeds within transit zones.
- Give crossing priorities to pedestrians and cyclists.
- Time signals to ease traffic and minimize conflicts between pedestrians, cyclists and vehicles.
- Establish safe “transit zones” around major bus stops and transit station areas.
- Set vehicular signal timing for moderate progressive speeds, rather than aggressive speeds along bicycle routes.
- Time signals to provide pedestrians and cyclists lead time for crossing before vehicular travel.
- Use bus and bicycle detection at traffic signals for prioritization of bicycles.
- Add bicycle detection to traffic signals for crossings.

Bicycle Lanes

- Shift the balance of the roadway so that it caters more to cyclists of all types near major bus stops and transit station areas.
- Increase safety and comfort in the roadway for cyclists.
- Provide a passing lane for faster riders.
- Convert existing bicycle lanes into buffered bicycle lanes or cycle tracks within a quarter or half mile radius of the major bus stops or transit stations, where feasible. These facilities would be dedicated lanes, wider than standard bicycle lanes that welcome cyclists of varying speeds and abilities.
- Paint fast/slow indicators in the lane, giving ample room for passing at conflict points such as crosswalks and hills.
- Ideally provide buffers, such as painted, or raised planter, parking, or bollards, to comfortably separate cyclists from vehicular traffic.
- Incorporate informational signage, traffic markings, and dedicated signalization through intersections.
- At conflict zones, apply paint on streets.



3.6 Issues and Solutions

The following section describes typical bicycle safety issues, briefly discusses them and provides possible solutions. The graphic below and Table 16 illustrate issues that may be commonly experienced by regular cyclists. See Table 17 and the following pages for examples of possible solutions.

Figure 18: Typical Issues

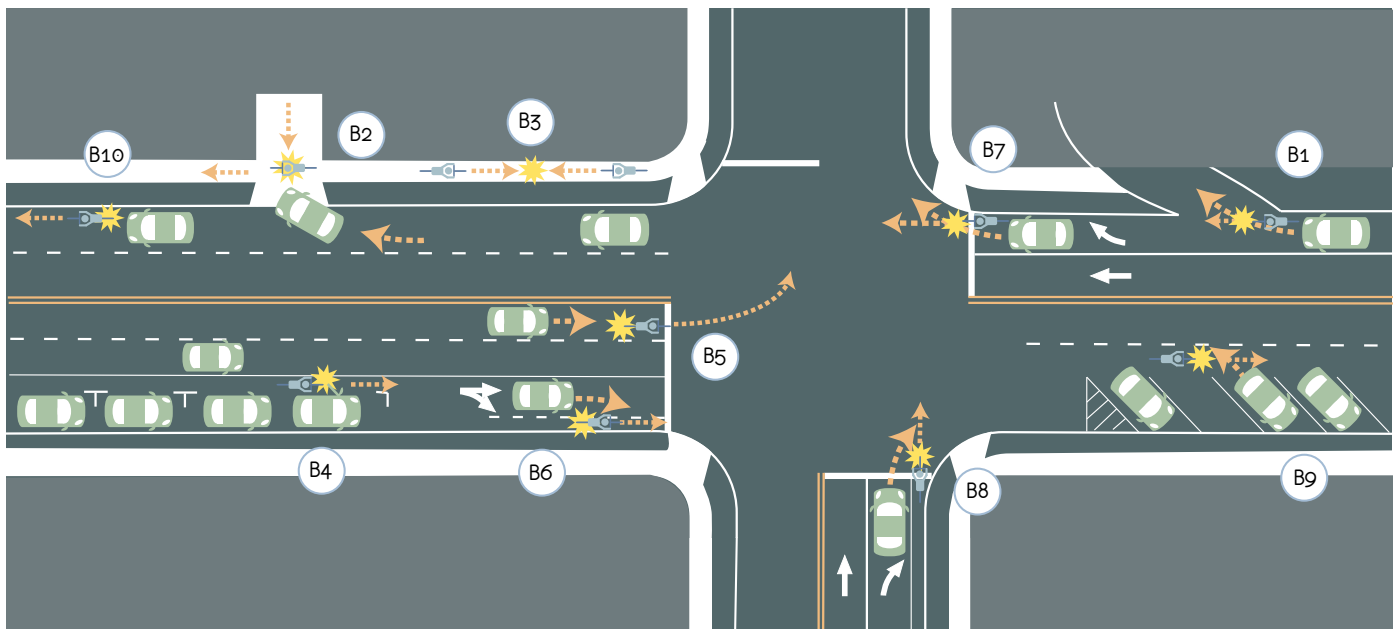


Table 16: Typical Issues

B1 - Crossing freeway on-ramps: Bicycle facilities that cross freeway on-ramps put cyclists in conflict with crossing traffic accelerating to highway speeds.	1B, 8B, 9B
B2 - Alley conflicts: Cyclists that use alleys for travel must be aware of visibility problems for drivers, pedestrians and other cyclists.	1B, 2B
B3 - Sidewalk conflicts: Cyclists riding on sidewalks may not be operating at pedestrian speeds and are at risk of collision with pedestrians and with vehicles at every driveway, intersection, alley and business entrance.	1B, 2B, 3B, 14B
B4 - Door zone: Cyclists riding adjacent to parallel parked vehicles can not be expected to ride closer than three feet to parked vehicles. They are at risk for being hit or running into an opening car door. This type of collision between a car door and a cyclist is often referred to as “dooring,” and is especially hazardous because cyclists can be thrown into travel lane.	4B
B5 - Left turning conflicts: Cyclists needing to turn left must navigate their way to left turn lane (or left lane) are at risk for being hit because they are no longer where they are more likely to be seen.	7B, 8B
B6 - Right turning vehicles: Cyclists proceeding straight through intersection are at risk for being hit by right turning vehicles. This type of collision is often referred to as a “right hook.”	9B, 10B
B7 - Right turn only lanes: Cyclists proceeding straight through an intersection are at risk for being hit by right turning vehicles. Bicycle lanes or shared lanes end before intersections without providing a facility to allow cyclists to continue through safely.	9B, 11B, 12B
B8 - Bicycle lanes improperly positioned at intersection: Bicycle lanes are installed to right of Right Turn Only Lanes. Cyclists proceeding straight through intersection are at risk for being hit by right turning vehicles. This type of collision referred to as a “right hook.”	9B, 11B
B9 - Angled parking: Cyclists riding behind angled parking are vulnerable to being backed into due to impeded visibility from adjacent vehicles.	10B
B10 - Outside lane too narrow: Outside travel lane too narrow for bicycle lanes to be installed and to share with vehicles.	1B, 4B, 8B, 13B

Table 17: Potential Solutions

1B: Use caution, yield to slower users
2B: Ride in designated bicycle lanes, routes or streets
3B: Ride bicycle at pedestrian speed
4B: Mark proper lane placement with Shared Lane Markings or “Sharrows”
5B: Install a bicycle lane (6’ preferred)
6B: If space is available, install 3’ striped buffer between bicycle lanes and parking lane edge
7B: Install bike box
8B: Increase bicycle awareness signage, “Share the Road” or “Bikes May Use Full Lane” or “Shared Road”
9B: Add color to the bicycle lane at conflict points
10B: Install reverse angled head-out parking for improved sight lines and increased safety
11B: Install bicycle lanes between through travel and right-turn-only (RTL) lane
12B: Follow Caltrans MUTCD Figures 9C-4 and 9C-5
13B: Install Sharrows in through lane to direct cyclists through intersection
14B: Create districts where cycling is not allowed on sidewalks



1B) Sign and enforce appropriately when pedestrians and bicycles share sidewalks - Sacramento, CA



2B & 5B) Bicycle lanes on Pacific Coast Highway - Huntington Beach, CA



3B) Enforce reasonable cycling speed limits on facilities used by large numbers of pedestrians - Huntington Beach, CA



4B) Shared lane markings or "Sharrows" remind vehicle drivers to expect cyclists and help cyclists to properly place themselves within the roadway away from parked car doors. On streets with very high bicycle volumes, both purposes can be enhanced by supplementing markings with green paint - Oceanside and Long Beach, CA

3 Recommendations



6B) Buffering repurposes extra space from travel lanes to provide more distance between cyclists and vehicular parking or traffic. Extra space converted to buffering should be diagonally striped so it is not mistaken as a travel lane - Huntington Beach, CA



7B) Bike boxes are advanced stop bars for cyclists that provides them room to cue up in front of other vehicles waiting at a red light. While this treatment is still considered experimental, it is thought to increase cyclists' visibility, and therefore safety - Cambridge, MA



8B) Supplemental signage reminds vehicle drivers of bicycle traffic on the street - San Clemente, CA



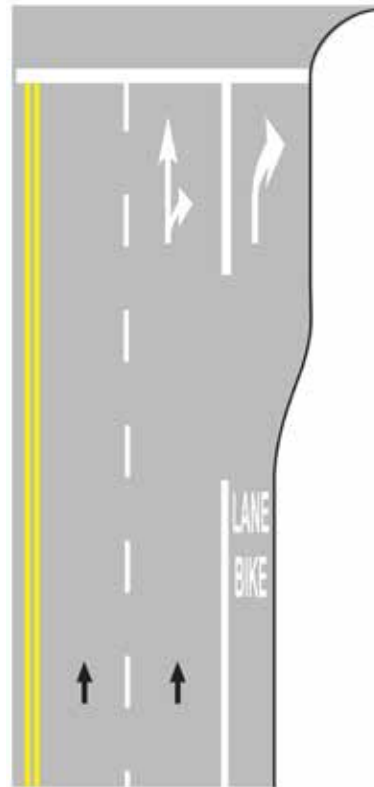
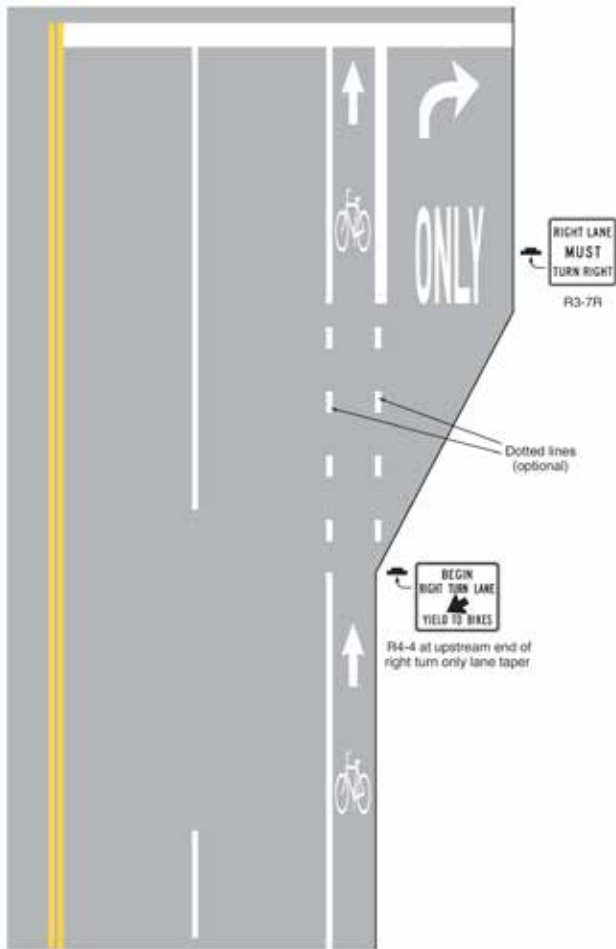
9B) Color in the bicycle lane, especially in transition zones where vehicle drivers must cross bicycle lanes, is a highly visible reminder to expect cyclists there - Seattle, WA



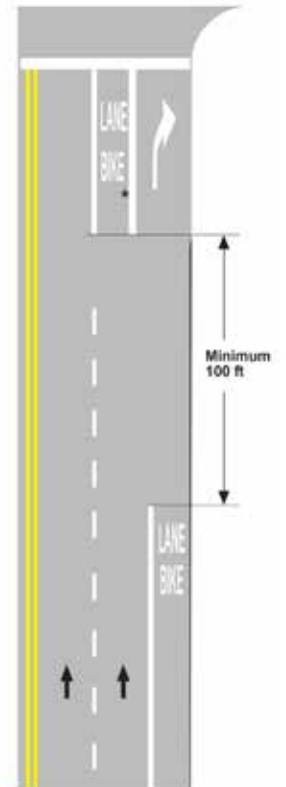
10B) Reverse angled parking greatly improves visibility of oncoming traffic, including cyclists, for vehicle drivers exiting parking stalls



11B) Bicycle lane properly installed between through travel lane and right-turn-only lane - Huntington Beach, CA



a - Optional Through-Right and Right-Turn-Only Lanes



b - Right Lane Becomes Right-Turn-Only Lane

12B) Examples of Bicycle Lane Treatment at Right Turn Only Lane (2012 CA MUTCD)



13B) Shared lane marking directing cyclists through intersection - Philadelphia, PA



14B) Commercial district sign enforcing sidewalk policies - Coronado, CA

Bikeway Maintenance and Operations

Motor vehicle traffic tends to “sweep” debris like litter and broken glass toward the roadway edges where it can accumulate in bicycle lanes. Maneuvering to avoid such hazards can cause a cyclist to fall. In this way, proper maintenance directly affects safety and street sweeping must be a priority on roadways with bicycle facilities, especially in curb lanes and along the curbs themselves. Law enforcement can assist by requiring towing companies to fully clean up crash sites to prevent glass and debris from being left in place or simply swept to the curb or shoulder after collisions.

When any roadwork repairs are done by the City or other agencies, the roadway must be restored to satisfactory quality with particular attention to surface smoothness suitable for cycling. Striping must be restored to the prior markings, or new markings if called for in a project. Bicycle facilities also sometimes seem to “disappear” after roadway construction occurs. This can happen incrementally as paving repairs are made over time and are not promptly followed by proper re-striping. When combined with poor surface reconstruction following long periods out of service due to road work, bikeway facilities can be “lost,” which can discourage cycling in general.

Construction projects that require the demolition and rebuilding of adjacent roadways can cause problems maintaining and restoring bikeway function. Construction activities controlled through permits, such as driveway, drainage and utility work, can have an important effect on roadway surface quality where cyclists operate in the form of mismatched pavement heights, rough surfaces or longitudinal gaps in adjoining pavements, or other pavement irregularities. Permit conditions should ensure that pavement foundation and surface treatments are restored to their pre-construction conditions, that no vertical irregularities will result and that no longitudinal cracks will develop. Strict specifications, standards and inspections designed to prevent these problems should be developed. A five year bond should be held to assure correction of any deterioration that might occur as a result of faulty reconstruction of the roadway surface.

Bicycle facilities should be swept regularly, at least twice a month, and preferably more often for heavily traveled routes. Also, adjacent shrubs and trees should be kept trimmed back to prevent encroachment into the pathway or obstructing cyclists' views.



3.7 Recommended Bicycle Programs

There has been a shift away from the traditional, compartmentalized “Five Es” approach developed by the League of American Bicyclists (Engineering, Education, Encouragement, Enforcement and Evaluation and Planning) and toward a more fully integrated and complementary menu of initiatives. By offering a menu rather than a prescriptive list, bicycle programming can more accurately address existing conditions and the desired outcomes of a given context. This approach allows for increased targeting of the “interested, but concerned” population of would-be cyclists and provides the greatest return on investment.

In addition to changes in the content and organization of bicycle programs, there has also been a shift in implementation strategies. Bicycle programs are increasingly targeted at specific project areas, often in conjunction with bicycle facility project construction. The implementation of a capital project represents a unique opportunity to promote a city’s bicycle system and cycling as an attractive transportation option. According to the League of American Bicyclists’, (Engineering) projects represent “...*the most visible and perhaps most tangible evidence of a great place for bicycling*” because new bicycle facilities attract the attention of cyclists and non-cyclists alike. They represent great opportunities to reach out to the “interested, but concerned” within the neighborhood. Effect on this target group will be strongest by directly linking facility improvements and supportive programs. In this way, bundling bicycle programs with projects represents a much higher return on investment for both.

The programs recommended for the City of Moreno Valley are organized as a menu of initiatives, each listed under a broad category:

- Education/Encouragement/Marketing
- Education/Enforcement
- Monitoring and Evaluation

These categories are not definitive. They are merely intended to offer some level of organization to the many program initiatives, the majority of which fall into more than one category.

Education/Encouragement/Marketing

1. Smart Trips Program Bundle

Smart Trips is a generic name for community-based transportation demand management (TDM) programs that provide tools and incentives to make cycling (and often walking, ride-sharing and transit) the preferred mode for particular trips. Traditionally, TDM programs are implemented as employer-based programs targeting the commute trip. Smart Trips are intended to complement efforts aimed at commute behavior by targeting other household trips. This is important because while many people find the prospect of commuting by bicycle daunting, they may be enticed to try riding for shorter trips around their neighborhood. Smart Trip programs have been shown to result in two to 14 percent reduction in drive-alone car trips and a significant increase in cycling.

Implementation of a variety of initiatives, leveraged as part of a Smart Trips program and delivered as a “bundle,” has been important to the success of Smart Trips programs in other cities. The bundled delivery of Smart Trips initiatives (initiatives a-e, described below) allows for the saturation of a target audience within a target neighborhood and has been instrumental in maximizing limited outreach dollars.

a. Street Smarts Classes and Bicycle Ambassadors

This initiative promotes safe bicycling through community-based outreach, which helps bridge the gap between people who want to start riding and the availability of opportunities to help people learn to bicycle safely. Ideally, safety would be taught through bicycle safety courses delivered at the Cycling Education Center (described below) and on city streets, as appropriate. A Bicycle Ambassador program has recently been initiated by the Inland Empire Biking Alliance. The City should support this program through funding or, at least, in-kind contributions. While the Bicycle Ambassadors may serve the community at large, their impact would be greatest when working within neighborhoods targeted for Smart Trips program, where cycling facilities are planned. Bicycle Ambassadors could also offer great value in areas and among populations with a high latent demand for cycling and in areas with high collision rates.



Bicycle ambassador program logo - Ft. Collins, CO

b. Bicycle Friendly Businesses and Districts

The City can promote the League of American Bicyclists' (LAB) Bicycle Friendly Business program among local businesses to encourage cycling by their employees and customers. Businesses then use their bicycle friendliness as part of marketing. Benefits to employees often include attractive and secure bicycle parking, locker rooms, showers and reimbursement for trips made by bicycle, via the Bicycle Commuter Benefit Act. Under this Act, companies can reimburse employees on a tax-free basis for "reasonable expenses" incurred as a bicycle commuter. This can include the purchase of a bicycle and almost any type of accompanying equipment and accessories such as lights, racks and clothing, up to the annual limit of \$240, or however much a company chooses to offer. Benefits to customers can include secure parking and discounts. Bicycle Friendly Business Districts combine the efforts of individual businesses to offer a more supportive and coherent cycling environment.

Application of this initiative would involve the promotion of Bicycle Friendly Business and District designation among businesses within the bikeway project areas and in conjunction with project implementation. A goal of this initiative would be establishing a scalable model for implementation for future bikeway projects within the City of Moreno Valley.

c. Community Bicycle Programs

Community bicycle programs, also known as Bike Kitchens, are commonly formed as grass roots initiatives by community members within low income and underserved communities to provide bicycles, helmets, maintenance and safety instruction to people as a means of expanding their transportation options and providing people better access to work and services. Existing Bike Kitchens serving communities surrounding Moreno Valley are Bike BBQ in Redlands, Loma Linda Bike Hospital in Loma Linda and Viva La Bike in Rancho Cucamonga.

The City of Moreno Valley should support the creation of a Bike Kitchen within its boundaries and leverage its resources in coordination with the bicycle facilities prioritized in the bicycle master plan. This combination will help to encourage an increase in cycling mode share, serve as a missing link in the public transit system, reduce GHG emissions and provide additional "green" jobs related to system management and maintenance. While it is likely infeasible to have a Bike Kitchen for each Smart Trips target area, any local Bike Kitchens and their resources should be marketed within those areas and directed towards target audiences.

d. Expand Traditional TDM – Employer Incentives

Existing TDM measures within the City of Moreno Valley include flexible work schedules, as well as Inland Empire Commuter Incentives offered by the Riverside County Transportation Commission (RCTC). Incentives offered are available to those switching from single occupancy vehicle trips to alternative modes and include both short-term and long-term perks (\$2 per day for the first three months and premium coupon booklets for continuing participants, respectively). While the Commute Incentive program could certainly expand its offerings related to bicycle trips, this is largely beyond the purview of the City of Moreno Valley.

The City could, however, work with the RCTC and local major employers to expand the reach and marketing of its existing program. In addition to marketing to major employers, the City could deliver targeted marketing of available TDM benefits within Smart Trips target areas. The targeted marketing could be used to leverage participation in special challenges and competitions hosted by the City and regional planning agencies, such as Bike to Work/School Challenges). The City should also work with the RCTC to ensure the provision of appropriate TDM end-of-trip amenities for cycling like safe and secure bicycle parking and Safe Routes to Transit, particularly for bikeways identified by the bicycle master plan.

e. Events - Bike Month

Have the Mayor proclaim May as Bike Month and participate in Bike to Work Week events. Host pit stops during Bike to Work Weeks and Days. To increase encouragement, host Bike to Work days more often, such as monthly. Promote Bike Month or monthly Bike to Work days heavily within Smart Trips target areas and among target populations.



2. Safe Routes to School

a. Expand Moreno Valley's Safe Routes to School Program

Inactivity, and even obesity, among school-aged children is among the greatest public health crises in America. Encouraging children to walk or bicycle to school is one important means of combating this epidemic and has the potential to instill lifelong healthy habits. Successful Safe Routes to Schools (SRTS) programs not only provide encouragement and support for walking and cycling, but address legitimate safety concerns of many parents. SRTS programs tackle safety issues through education and infrastructure improvements. Wherever possible, SRTS efforts should be integrated into the larger processes of planning and project implementation.

Best practices in SRTS education programs combine more traditional print media and classroom tactics with experiential courses and clinics. For example, the Alameda County SRTS program provides an array of education and safety programs including Educator Guides, Skills Drills Bicycle Safety Course, Bicycle Clinics, Bicycle Safety Certification Program and Bike-mobile, a mobile repair clinic (<http://alamedacountysr2s.org/>).

Ideally, Moreno Valley's existing SRTS program could partner with a Traffic Garden (see Section 3.a.) to offer more comprehensive traffic safety education, teaching children the fundamental rules and responsibilities of all modes. Participating schools could make attendance for field trips to the Traffic Garden compulsory and recurring, a component of Physical Education, with activities tailored to age groups. Barring the

availability of a Traffic Garden, a makeshift streetscape could be created with chalk, for example. Supplemental exercises in the mechanics of actually riding a bike, from basic to advanced bicycle handling skills, could be provided as needed at the Cycling Education Center.

SRTS efforts at infrastructure improvement are unique in their incorporation of youth perspectives. Youth are encouraged to participate at all phases and even to serve as a Safe Routes to School liaison. Though Moreno Valley already has a SRTS program, further funding may be available through additional Safe Routes to Schools Grants, available at both the federal and State level. This funding can be used for a variety of activities including site-specific evaluation and planning, infrastructure costs and education programs. Assistance with funding applications and program facilitation is available from local non-profits. More information can be found at: <http://www.saferoutesinfo.org>.

b. Promote the Walking School Bus and Bicycle Train

These are volunteer-based programs in which children are chaperoned by adults as in they walk or bicycle to school. Parents often cite safety issues for their reluctance to allow their children to walk or ride to school. Providing adult supervision may help reduce those worries for families who live within walking or bicycling distance to school. The Temecula Bike Train, led by Inland Empire Biking Alliance Board Mem-



Bike to School event with police officer - Phoenix, AZ

ber Zak Schwank, is one highly successful Riverside County example. This Bike Train occurs every Friday with 25 to 100 schoolchildren. Moreno Valley can start with one school as a pilot program and expand to other school if there is demand. These programs and volunteer efforts require coordination and potential attention to other issues, such as safety training and liability. These efforts can coincide with other educational programs such as visits to the Traffic Garden and should be highlighted in conjunction with any project implementation in the area (<https://www.facebook.com/BikeTrain>).

c. Participate in Walk and Bike to School Day

This one-day October event in more than 40 countries celebrates the many benefits of safely walking and cycling to school. Walking and rolling to school embodies the two main goals of First Lady Michelle Obama's Let's Move! Campaign: to increase children's physical activity and to empower parents to make these kinds of healthy choices. The National Center for Safe Routes to School, which serves as the clearinghouse for the federal Safe Routes to School (SRTS) program, coordinates online registration efforts and provides technical support and resources for Walk to School Day. For more information, go to www.walktoschool.org.



Implement the Boltage Program at Schools

This program's goal is to increase the number of children regularly riding or walking to school using advanced technology to count and provide incentives. A solar-powered, Radio Frequency ID (RFID) tag reader called a Zap machine automatically registers RFID tags attached to backpacks or helmets. As they pass, the Zap machine registers the number of times children ride or walk to school and securely uploads the data to the Boltage web site so children can see how close they are to earning a prize. The Boltage program is not a competition, but simply an encouragement to get children to ride their bikes or walk to school more often. For more information on pricing and funding this program, go to www.boltage.org.

3. Cycling Education Center

Create a Cycling Education Center at the Civic Center Campus adjacent to City Hall and the Conference and Recreation Center. The Center would serve as a clearinghouse for cycling educational materials, electronic and printed, and host a variety of courses. Course material would be bicycle-specific and, in the case of the Traffic Garden (described below), cover general mobility. Bicycle-specific areas would include:

- Handling skills (balance, starting, maneuvering, stopping)
- Riding in traffic skills (riding predictably, signaling, merging, obeying applicable laws)
- Safety gear (helmets, lights, visible clothing)
- Other (basic maintenance, locking your bicycle)

The Civic Center Campus, with a substantial amount of unused brown-field land and its proximity to several compatible existing and future land uses, would serve as a logical umbrella organization for the cycling education center. Important existing facilities include schools, parks and other civic facilities. Important future facilities include the impending Metrolink transit station and the improved bicycle facilities proposed by this plan. The proximity of a Cycling Education Center to these uses represents a more integrated approach to bicycle programming, where facilities provide opportunities for education and where education enhances use of those facilities. The Center's proximity to many Moreno Valley schools would facilitate its use, as well as to several improved cycling facilities, including the yet-to-be-connected Aqueduct Trail. This type of synergistic land use not only allows for real world educational opportunities, but also promotion of the bicycle network and a better return on the City's investments.

Teaching skills courses will require the training of licensed cycling instructors. The training for League of American Bicyclists Cycling Instructors is done in groups as needed when the number of interested cyclists reaches a minimum number. The City, local bicycle club or the Bicycle Advisory Committee must coordinate efforts to gather interest from the Police Department, Engineering and Planning Departments, local volunteers, advocates and cyclists. In the case of a Traffic Garden, detailed knowledge of laws related to all modes would be required. For this reason, the City's designated law enforcement liaison (Initiative 9) may be the most suitable referee.



a. Build and Operate a Traffic Garden

Traffic Gardens are mini-streetscapes where elementary-age children operate pedal-powered vehicles. The goal is to teach them how to be responsible roadway users. They have been a fixture in European cities for decades and exist in several US cities as “Safety Towns.” Traffic Gardens are usually owned by their host cities and centrally located and the city’s schoolchildren take regular field trips to it. Once there, they all assume various roadway-user roles and are accordingly assigned different privileges and responsibilities. A big part of the appeal of this educational tool, especially for children, is the game aspect.

The game is based on the hierarchy of roadway users, where ambulances have top priority, followed by police vehicles, transit, cars/bikes and pedestrians. Everyone wants to drive the ambulance because it is the most powerful. No one wants to be a pedestrian. A police officer or school official stands watch over the children with a megaphone. If someone makes a poor decision or acts irresponsibly, they are called out and demoted, having to work their way back up the hierarchy. Children learn that they must earn their right to operate a vehicle and that, if they behave poorly, they will have that privilege taken away immediately and publicly.

While this tool is traditionally reserved for young children, it could just as easily be used to educate adults, particularly those charged with traffic violations. The recent proliferation of new pedestrian and bicycle facility types, such as bicycle boulevards, shared lanes, HAWK pedestrian crossings, etc., without adequate education increases the chance of violations by even conscientious roadway users.

Traffic Gardens are a powerful educational tool because they are experiential and they require participants to experience the roadway through all modes. Education efforts aimed at understanding the “other” modes would be far less necessary if everyone used each mode from time to time. Barring this reality, Traffic Gardens offer a great simulation. The 2009 International Scan Team, a federally-sponsored delegation of pedestrian and bicycle professionals, was so impressed with Traffic Gardens they included them in their official policy recommendations.



Dutch traffic garden



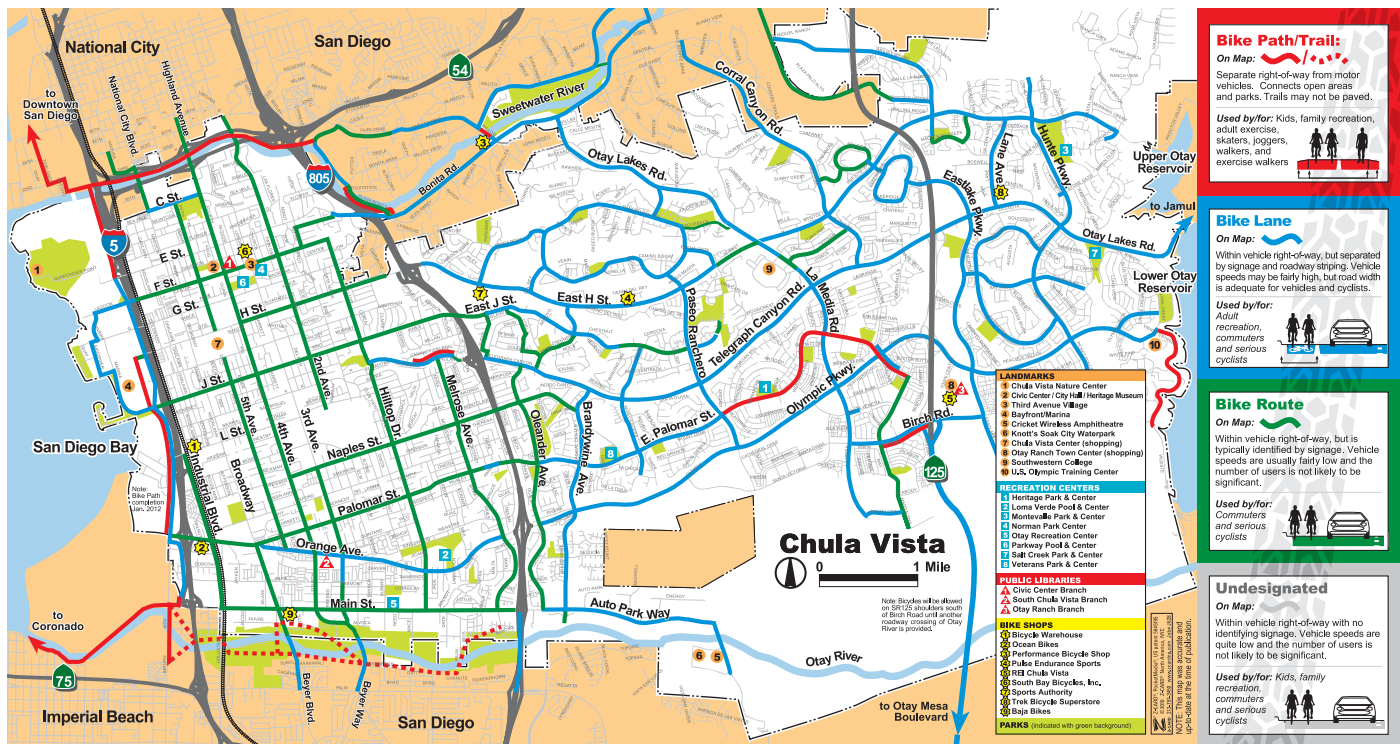
Washington Area Bicyclists Association traffic garden - Washington, DC

4. Maps and Signage

a. Produce an Updated Bicycle Facility Map

The bicycle system, built and planned, could be promoted through a publicity campaign and a user-friendly map that illustrates available utilitarian and recreational routes and their connection to regional routes. In addition to route location and distances, this map should include other essential information such as key destinations and rules of the road. While bicycle maps have traditionally included designations of facility type (Class 1, 2 and 3), the utility of this for the general public is increasingly questioned. Instead, information more directly related to preferred user experience, such as topography, traffic stress, the scenic or direct quality of a route, which varies from user to user, is seen as valuable.

The flip side of the map is an excellent place to locate education materials and sponsorship information. If printing costs are prohibitive, seeking funding through grants and sponsorship is recommended. The cartography and graphic design work of the map may be taken on by students of a local GIS or design class. The map should be made available in both hardcopy and digital format, with the latter available for download via the City website. Lastly, it is critical to update the map as new bicycle facilities are implemented or facilities are changed.



Example bicycle system map (<http://www.chulavistaca.gov/clean/conservation/climate/alternative.asp>)

Zmap Folding Maps

This is a proprietary folding map technology that allows users to quickly unfold and refold a map into an easy-to-carry pocket size package between cardstock covers.



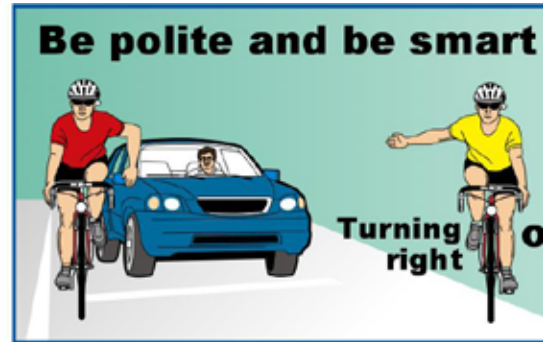


SHARING THE ROAD SAFELY

Please take a moment to read through these tips to learn more about cycling safely in Oceanside.

Be polite and be smart. Show respect for all road users and you'll get respect in return.

Remember: Cyclists and drivers share the same roads, have the same rights and responsibilities, and must follow the same rules.



Three legal ways for cyclists to make left turns

- 1 Like a vehicle by looking over your left shoulder, signaling, and moving into the left turn lane when it's safe, or
- 2 By going to the far side of the intersection, turning your bike, and using the roadway when it's safe, or
- 3 By going to the far side of the intersection, turning your bike, and then walking your bike in the crosswalk.

Be careful

Riding two abreast cyclists may not vehicle traffic.

You can help drive roads without bik

Never ride against traffic!

Ride on the right with the flow of traffic. NEVER ride against traffic on the road, in a bike lane or on a sidewalk. Drivers turning into the road from the side are not likely to look your way, and approaching drivers will not expect you to be coming from the wrong way.

ALWAYS!

NEVER!

NEVER!

Take the lane with care

You may "take the lane" if you feel it is too narrow for a car and a bike to pass each other safely.

Remember that you may "take the lane" if the lane is not wide enough for both a car and a bike to pass each other safely.

First, it's safe and to the past! to the

Be careful when passing parked cars

Watch for people in parked cars and ride in a straight line at least five feet from them. Someone could open a car door in front of you.

Be predictable...don't weave in and out between parked cars.

5 Foot

NEVER!

Be seen!

Riding at night without a headlight and rear reflector is illegal... and dangerous!

A front white headlight and rear red reflector are required when you ride at night. A red rear taillight is also highly recommended. Wear white or brightly colored clothing or even reflective clothing when riding after dark. Don't forget to make sure you're visible from the sides too. The most effective way to do that is with lights attached to your wheels, or at least reflectors.

Portion of example educational graphics from reverse side of bicycle system map (<http://www.ci.oceanside.ca.us/civica/filebank/blobload.asp?BlobID=23013>)

b. Partner with Google to Provide Better Bicycle Directions

Consistent with the effort to make cycling an easy choice for a broad range of people, bicycle maps should “break out of the cyclist silo” and become an integrated component of general mobility wayfinding. Google Maps is chief among general wayfinding applications, and currently includes the option of selecting bicycling for travel directions, but is limited in its utility. While driving directions and transit directions include a menu of options for preferred user experience (“avoid highways, avoid tolls, shortest travel time, fewest connections, etc.”), there are none for cycling. As suggested previously, tailored cycling directions, based on preferred user experience, offer the greatest value to the range of people who cycle. Moreno Valley may choose to share data generated for this bicycle master plan, such as stress level, network connectivity, etc., with Google to improve the interface and to promote cycling. This pilot project could serve to catalyze a nationwide upgrade of Google Maps.

c. Develop and Implement a Wayfinding System

Directional signage allows new cyclists and tourists alike to find their way to their destination or nearby landmark via a recommended route. Wayfinding signage directs people and provides information about destinations, directions and/or distances. A highly legible and well-executed wayfinding system has the potential to increase comfort and safety, through even diverse and chaotic environments. Wayfinding systems can also achieve community objectives, such as the promotion of local attractions and the resultant benefit of economic development. When applied on a regional level, wayfinding can link adjacent communities.

People are the single most important component in developing a wayfinding strategy. Public input on preferred routes, important destinations and the signage itself has proven invaluable. In designing a wayfinding strategy or system, the following questions need to be considered:

- What user types are likely to use the wayfinding system?
- Where are these users going?
- What do the users or visitors want to see and hear?
- What is the primary goal: navigation, directional information, orientation, location information, or interpretation?
- Is a clear message being sent by the signage?
- Based on the expected user types, what are the safest or most logical paths or routes?



Street/bicycle boulevard signage - Vancouver, B.C.



Bicycle wayfinding signage - San Antonio, TX

There is considerable variation in wayfinding signage legibility and utility. Wayfinding system development for Moreno Valley should begin with a thorough examination of best practices and should conclude with a clear set of guidelines related to actual signage design and design of the signage system.



Bicycle wayfinding sign - Portland , OR



d. Install Advisory Signage along Popular Routes

Alert drivers to the presence of cyclists, particularly on a shared facility, or where there is no dedicated bicycle facility. The message should serve to both advise motorists and legitimize the presence of cyclists. Cycling is an important component of the transportation system and should be respected by other modes. While the “Bikes May Use Full Lane” Sign (R4-11) is commonly accepted and generally conveys the intended message, current discourse suggests the use of stronger language (“Shared Road”) – and accompanying education – where appropriate. This phrasing is powerful because it is a statement of fact and implies legal consequence for violators, whereas “Bikes May Use Full Lane” and “Share the Road” sound more like pleading cautions. Regardless of the exact language used, this type of sign should accompany any Shared Lane Markings used. Ample education and marketing should be provided to explain all new signage.

5. Professional Development

Develop or facilitate the development of an Active Transportation Professional Development program for the Riverside County region. The program would be oriented toward professionals, advocates, and the members of the public who wish to further their education in bicycle and pedestrian planning and design. Professional affiliations to target for the program include engineers, planners, bicycle advisory committees, health professionals, teachers and school administrators and law enforcement.

Program coursework could provide continuing education units (CEUs) to some professionals. The curriculum could include the following courses:

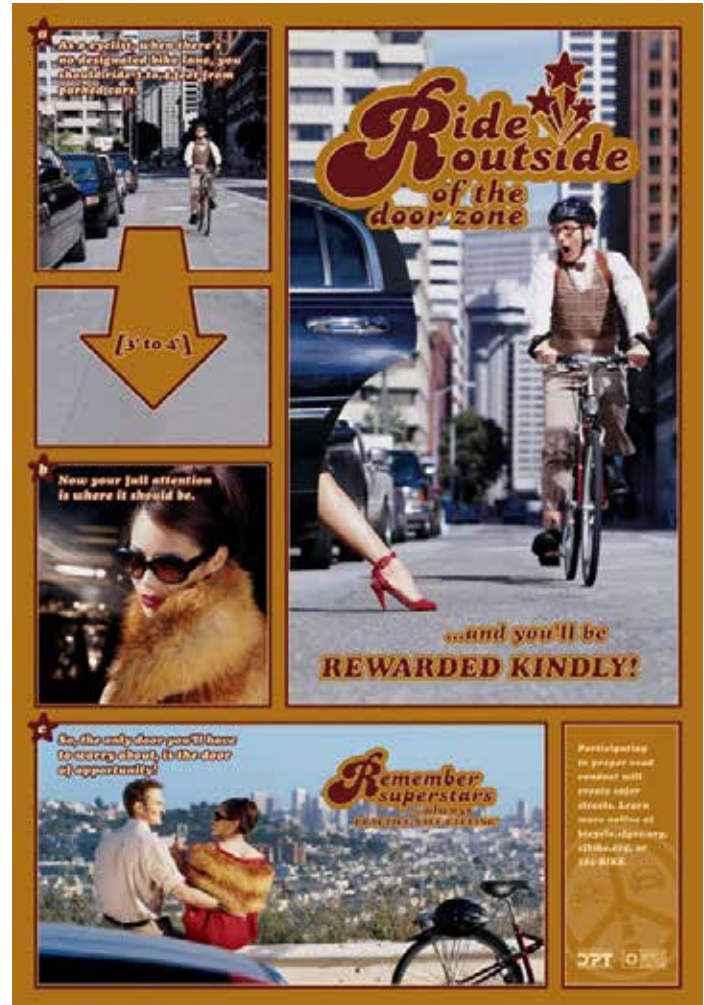
- Transportation Planning
- Bicycle Data Capture and Analysis
- Bicycle Planning
- Bicycle Facility Design
- Pedestrian Data Capture and Analysis
- Pedestrian Planning
- Pedestrian Facility Design
- Best Practices in Active Transportation Policies
- Instituting “Complete Streets” and “Routine Accommodation” Policies

The program could be developed in a largely self-sufficient manner, with student fees covering a majority of the costs.

6. Marketing Campaigns

Build awareness and general appeal of cycling as a safe and common mode of transportation. Marketing is about more than advertising. Communication and promotion play important roles. To get people to see cycling as a desirable mode choice, and to pay attention to safety, they must be engaged through effective marketing. More engaged people will lead to more people riding bicycles and it will lead to more aware cyclists, drivers and pedestrians and more people who care about bicycle safety.

Typical marketing campaigns, especially those initiated by government agencies, tend to be too information-laden and uninspiring. Lessons from the field of marketing point to the proven effectiveness of positive messages that inspire people and get out more to ride. The objective is not to get everybody to ride bicycles all of the time, but rather to target those most ready to change.



Bicycle safety campaign posters - San Francisco and Pittsburgh, PA



Messages should inspire people to move from “might” to “sometimes” and from “sometimes” to “often.” For example, a targeted message might be one directed at people who currently solely ride for recreation and have never considered a short errand trip within their neighborhood, but would be open to the suggestion. Good marketing would make that suggestion and inspire people in that market segment to try cycling in their neighborhood for short errands. Other messages might target the market of people ready to improve their riding techniques or even those who may never ride, but who might be encouraged to treat cyclists with more care and civility.



“Share the Road” banner - Newport Beach, CA

7. Host a Ciclovía and Other Signature Events

A Ciclovía (also ciclovía or cyclovía in English) is a Spanish word that translates into “bicycle path” and is used to describe either a permanently designated bicycle route or a temporary event where the street is closed to vehicles for use by people and non-motorized transportation. Ciclovía events are celebrations of livable streets and communities, encouraging citizens and businesses to get out in the street and enjoy their city through active participation. While Bogotá, Colombia is often credited with starting ciclovías, they have gained considerable popularity in the United States in the past five years.

While all Ciclovía events are alike in their creation of a people-oriented, car-free space, they are otherwise unique. In some cities, the event occurs once or twice a year, while in others it occurs every Saturday or Sunday throughout the entire summer. Some cities re-use routes, while others, like Portland and Chicago, host the events in different locations around the city each weekend. Some routes form a circuitous route, while others are linear. Most include parks or other open public spaces. Most include music, performance, games and other activities, some of which is scripted and some spontaneous. Ciclovías often have a theme of health, exercise and active transportation and include groups promoting free, healthy activities stationed along the route. Ciclovía routes can incorporate and highlight new bikeways and preferred routes, encouraging their use and maximizing investment.

In addition to Ciclovías, the City can promote cycling through more sport-oriented events such as road and cyclocross rides and races. By joining forces with a local bicycle coalition (Inland Empire Biking Alliance or IEBA) or club, the City can maximize resources and participation. The City and the IEBA did just this for their inaugural “Ride MoVal” event in the fall of 2013. The event consisted of four routes, ranging in distance from five miles to a metric century (62 miles), with proceeds directed to Moreno Valley Unified School District sports programs. Organizers plan on making it an annual event along with a possible cyclocross race series.

Events focused on the sport of cycling are important because they promote cycling and people who cycle for recreation may consider cycling for everyday, utilitarian trips. The very act of cycling, of course, carries important co-benefits of health and wellness, but utilitarian cycling provides additional benefits associated with converting vehicle trips to cycling trips such as cleaner air, increased savings (for both cyclists and the local government) and increased stimulation of the local economy.



Ciclovia events (CicLAvia) - Los Angeles, CA



Ride MoVal event - Moreno Valley, CA

Education/Enforcement

8. Educate All Police Department Staff Regarding Cycling Issues and concerns

If the ultimate aim is to promote cycling as a legitimate form of transportation, all officers should receive some form of bicycle training and should be offered LCI training, if possible.



Police bicycle patrol - Easley, SC

9. Designate a Law Enforcement Liaison Responsible for Cycling Issues and Concerns

This liaison would be the main contact for Moreno Valley residents concerning bicycle-related incidents. This liaison would perform the important function of communication between law enforcement and cyclists. The liaison would be in charge of the supplemental education of fellow officers regarding bicycling rules, etiquette and behavior. The liaison could be the same person as the referee for the Traffic Garden and should be LCI certified, as well as ride a bicycle while on duty, as appropriate. Allocate funding for the training and support of this duty, as well as for necessary bicycle equipment.



10. Targeted Enforcement

The Moreno Valley Police Department uses targeted enforcement to educate motorists and cyclists about applicable traffic laws and the need to share the road. These efforts are an effective way to expand motorist and cyclist education. Targeted enforcement should be expanded to warn and educate motorists and cyclists about laws, rules of the road and safety procedures. This could be in the form of a brochure or tip card explaining each user's rights and responsibilities. Targeted enforcement may help mitigate the following traffic safety problems:

- Speeding in school zones
- Illegal passing of school busses
- Parking violations – bus zone, crosswalks, residential driveways, time zones
- Risks to cyclists during drop-off and pick-up times
- Lack of safety patrol/crossing guard operations
- Unsafe cycling practices
- Other school zone traffic law violations

This approach has been successful in Los Angeles where four officers, one for each Police Department Traffic Division, have been dedicated solely to bicycle safety and outreach. Locally, the Riverside County Sheriff's Department garnered national attention with its "Gingerbread Man" crossing enforcement sting program. Its purpose is to educate drivers about the crosswalk laws and to make them more aware of the dangers of speeding and inattention, especially near schools. (<http://blog.pe.com/breaking-news/2013/09/26/moreno-valley-gingerbread-man-helps-nab-crosswalk-violators/>)



Riverside County Sheriff traffic enforcement - Moreno Valley, CA

11. Institute a Mobility Safety Program

Under this program, when stopping adult motorists, cyclists and pedestrians for minor traffic violations, law enforcement officers have the ability to issue an Adult Mobility Citation in lieu of a regular Traffic Citation. Under this program, individuals are offered two choices. They can either contest or ignore the citation, in which case it is forwarded to the courts and treated as a normal traffic citation, or they can attend a Mobility Safety Program to have the citation waived. A Mobility Safety Program should be conducted for a specific number of hours and be designed to decrease traffic collisions and encourage safe behavior for all modes.

12. Distribute Lights and Helmets to Cyclists

If law enforcement officers observe a cyclist riding at night without the proper reflectors or lights, they may give the cyclist a light along with a note or friendly reminder about the light requirement and its importance. This provides a positive and educational interaction rather than a punitive one. This program could be funded through a safety-oriented grant. Many cities have targeted the end of daylight savings as an ideal time to perform this function.

Helmet giveaway programs are another opportunity for positive education and interaction. Law enforcement departments have conducted public events to hand out helmets, as well as distributing them in the community during the course of patrol when an officer sees a child riding helmetless.



Helmet giveaway - San Diego, CA

Monitoring and Evaluation

13. Create City Staff Bicycle Coordinator Position

The creation of a Bicycle Coordinator position would demonstrate the City's commitment to cycling and "Complete Streets." A bicycle coordinator or program manager can help coordinate between City departments to ensure projects planning consistency and cooperation. A bicycle coordinator would manage programs and implement projects listed in the bicycle master plan, and would be responsible for updating the plan in a timely manner. This includes maintaining a prioritized list of improvements, updating cost estimates and identifying appropriate funding sources. This investment in staff is often returned since this position usually is responsible for securing State and federal funding for bicycle projects.

14. Bicycle Pedestrian Advisory Committee

A Bicycle Advisory Committee (BAC) assists the City with implementation of plan projects, policies and programs. The BAC allows City staff, volunteers and bicycle advocates to continue efforts to improve cycling throughout the City. This group acts as a community liaison and addresses issues concerning local cycling. The BAC can review the implementation and regularly evaluate the progress of improvements in the Bicycle Master Plan. City support is imperative for creating the committee, budgeting time and resources for City staff and elected officials to attend and to support these meetings. Some cities have developed bicycle and pedestrian or active transportation advisory committees.

15. Count Cyclists and Review Collision Data

Conduct regular cyclist counts throughout the City to determine baseline mode share and subsequent changes. Gathering cyclist counts would allow the City to collect information on where the most cycling occurs. This assists in prioritizing and justifying projects when funding is solicited and received. Counts can also be used to study cycling trends throughout the City. Analysis that could be conducted includes:

- Changes in volumes before and after projects have been implemented
- Prioritization of local and regional projects
- Research on clean air change with increased bicycle use

Counts should be conducted at the same locations and at the same times every year. Conducting counts during different seasons within the year may be beneficial to understanding the differences in bicycle traffic volumes based on weather. In addition, bicycle counts should be collected as part of any existing traffic counts. Results of the number of cyclists should be regularly recorded for inclusion in the bicycle report card (See section 17).

The Moreno Valley Police Department should continue to collect and track collision data. Regular reports of traffic collisions should be presented at the Bicycle Advisory Committee. Traffic collisions involving cyclists could be reviewed and analyzed regularly to develop plans to reduce their frequency and severity. Any such plans should include Police Department involvement and should be monitored to determine their effectiveness. Results of the number of bicycle-related traffic collisions should be recorded in the bicycle report card.

16. Law Enforcement Referral Process

Design a communication process that encourages students and parents to notify the school and police of the occurrence of a crash or near-miss during school commute trips involving auto, bus, pedestrian or bicycle transportation. Include not only the Police Department, but also the Traffic Safety Commission, the Planning Department and SRTS stakeholders in this reporting system to help better use data generated. Enlist the help of law enforcement with a number of traffic safety duties:

- Enforcement of traffic and parking laws through citations and warnings.
- Targeted enforcement of problem areas – an intensive, focused effort during the first two weeks of school, as well as a strategy for the rest of the year.
- Participation in traffic safety programs: Traffic Garden, SRTS Task Force, etc.

Los Angeles has a successful program called the LA Bike Map that allows cyclists to submit incidents, see them displayed instantly, and study the overall pattern, dynamically, in one place.



17. Develop a Bicycle Report Card

The City could develop a bicycle report card, a checklist used to measure the success of plan implementation, as well as effort made, within the City. The report card could be used to identify the magnitude of accomplishments in the previous year and general trends. The bicycle report card could include, but not be limited to, keeping track of system completion, user counts and bicycle related collisions.

The City can use the report card to track trends, placing more value on relative than absolute gains (in system completion, mode share and safety). For example, an upward trend in travel by bicycle would be viewed as a success, regardless of the specific increase in the number of cyclists. Safety should be considered relative to the increase in cyclists. Sometimes crash numbers go up simply because cycling increases, at least initially. Instead, measure crashes as a percentage of an estimated overall mode share count.

A major portion of the bicycle report card would be an evaluation of system completion. An upward trend would indicate that the City is progressing in its efforts to complete the bicycle network identified in this document. The report card could be developed to utilize information collected as part of annual and on-going evaluations, as discussed in the previous sections. The report card is not intended to be an additional task for City staff, but rather a means of documenting and publicizing the City's efforts related to bicycle planning. If a Bicycle Advisory Committee is appointed, it can be a task of the committee to review the report cards and adjust future plans and goals accordingly.

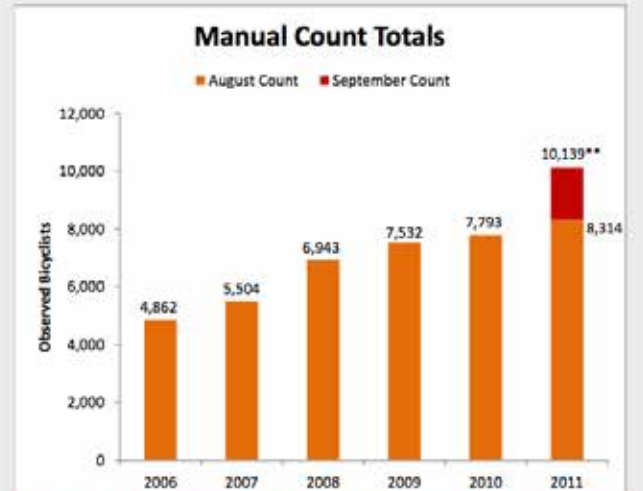
In addition to quantifying accomplishments related to the bicycle plan, the City should strive to quantify its efforts. These may be quantified as money spent, staff hours devoted or other in-kind contributions. The quantified effort should be submitted as a component of the bicycle report card. Some cities publish their bicycle report cards online.

18. Apply for Bicycle Friendly Community/ Neighborhood Designation

Bicycle Friendly Community/Neighborhood Designation is part of an official program offered by the League of American Bicyclists intended to provide communities with guidance on becoming more bicycle friendly and to offer recognition for their achievements. Like the report card described above, applying for Bicycle Friendly Community/Neighborhood Designation provides a standard by which Moreno Valley can measure its progress. From the LAB's own website:

Key Findings in San Francisco Bicycling for 2011

- Since 2006, counts have increased an impressive 71% and are up 7% since 2010.
- A sample of 10,139 riders (September) were manually counted in the peak 90 minutes; approximately 75,000 bike trips occur each day out of 2.2 million total trips across all modes
- SFMTA survey data in 2011 indicate that 3.5%³ of all trips in San Francisco are made by bicycle, a 75% increase in mode share since 2000 when bicycling was 2% of daily trips
- Late September has 18% more riders than early August
- 94% of riders use bicycle facilities as designed



The count trend since 2006 during the 5:00 p.m. - 6:30 p.m. peak continues to rise.

* These counts represent a sample of, not total daily ridership
 ** Approximately 18% of the 2011 increase (shown in red) is attributed to shifting the count from early August to late September (see Appendix C).

Bicycle Report Card excerpt - San Francisco MTA

"The Bicycle Friendly Community (BFC) program provides a roadmap to improve conditions for bicycling and the guidance to make your distinct vision for a better, bikeable community a reality. A community recognized by the League as Bicycle Friendly welcomes bicyclists by providing safe accommodation for cycling and encouraging people to bike for transportation and recreation."





4 Bikeway Funding

4.1 Cost Estimates

The proposed bicycle facilities support the goal of improving connectivity and generally expanding the dedicated bicycle network. Cost estimates were developed based on recent construction bid results in California. All costs are assumed to be in 2014 dollars.

Tasks needed to be accomplished prior to facility design, such as environmental clearance, can sometimes be even higher than actual project construction costs. This is generally addressed on a case-by-case basis since not all projects will require such additional analysis. For example, Class 2 bicycle lanes are generally exempt from CEQA review.

This section provides planning-level construction cost estimates for the facilities listed in the plan and the methodology behind the cost estimation. Note that these figures do not include right-of-way acquisition or utility relocation.

Costs were based on recent construction bid data for materials costs, assumptions for facility geometry and recent experience with similar projects in southern California. All of the costs include the following assumed additional factors:

Construction Cost

Contingency	20 percent
<u>Bonding/Mobilization/Contractor Int Mngt</u>	<u>7.5 percent</u>
Total:	27.5 percent

Design/Management/Permitting/Engineering

Engineering/Design	10 percent
Environmental Clearance	4 percent
Permitting	2 percent
Bid Support Services	3 percent
Project Management	3 percent
<u>Traffic Management Services</u>	<u>3 percent</u>
Total:	25.0 percent

4 Funding and Implementation

Class 1 Multi-use Path Costs

Unlike Class 2 and 3 facilities, Class 1 paths are separate from roadways, meaning that planning level cost estimation requires a measure of preliminary design to address conditions and to determine feasibility. For this reason, relatively detailed cost estimates were developed for each proposed Class 1 segment. This is in contrast with the other facility types, which occur on-street and for which per-mile costs can be generally applied.

Class 2 Bicycle Lane Costs

Class 2 bicycle lane cost can fall within a range of potential conditions. At the low end, it assumes that adequate space exists within the roadway to simply add bicycle lane striping and markings without modifying the roadway further, that the roadway is in good condition and does not require maintenance or rehabilitation as part of the striping project, and no modifications to intersection signal equipment are assumed.

At the next level of complexity, there is sufficient curb-to-curb width to install bicycle lanes, but modifications to existing striping would be necessary. This includes removal of existing striping and installation of new striping, as well as slurry-seal maintenance. This could include a reduction in vehicle lanes or narrowing of existing lanes.

The high end in terms of cost occurs where the curb-to-curb width is not sufficient to install bicycle lanes and the roadway would need to be widened by at least 10 feet to accommodate them. This could therefore include widened pavement sections, new curb, gutter and sidewalk, and street light relocation. Intersections may also need to be modified to move signal equipment and install new curb returns.

Proposed bicycle lanes were assigned an average per-mile cost of \$58,080.

Class 3 Bicycle Route Costs

This category assumes signage and shared-use pavement markings ("Sharrows") only along the length of the route at intervals of 0.25 miles in each direction and at intersections, and that the roadway does not require rehabilitation or pre-construction maintenance. Class 3 bicycle routes were assigned an average per-mile cost of \$13,200.

Bicycle Boulevard Costs

Bicycle boulevards are essentially Class 3 route facilities that may feature physical roadway modifications such as traffic calming measures or changes in intersection priority or access. Bicycle boulevard projects can therefore vary widely in cost, primarily due to the level of physical construction designed into them.

Because bicycle boulevards need to be evaluated in more detail to determine the extent of desired modification, this plan assumes that their costs are equivalent to those of typical Class 3 facilities employing signage and pavement markings only, to be revised as needed in final design prior to implementation.



Class 1 Multi-use Path Construction Cost Estimate Summary

PID	Project Name	Length (FT)	Cost (USD)
1	Juan Bautista De Anza Trail - P8	15,297	\$5,116,559
2	Juan Bautista De Anza Trail - P4	2,188	\$775,504
3	Juan Bautista De Anza Trail - P6	2,095	\$670,274
4	Juan Bautista De Anza Trail - P3	3,557	\$1,207,683
5	Juan Bautista De Anza Trail - P1	5,605	\$1,567,109
6	Juan Bautista De Anza Trail - P5	6,749	\$2,147,334
7	Juan Bautista De Anza Trail - P7	1,514	\$595,547
8	Moreno Valley College Path	11,991	\$3,089,831
9	Kitching Aqueduct Path	23,577	\$7,282,306
10	Graham St Bike/Ped Bridge	530	\$412,982
11	Juan Bautista De Anza Trail - P2	3,839	\$1,159,684
12	Juan Bautista De Anza Trail - P9	2,777	\$948,712
13	Rancho Verde High School Path	2,486	\$637,042
14	South City Aqueduct Path	16,956	\$4,360,686

Class 3 Bicycle Route Construction Cost Estimate Summary

PID	Project Name	Length (FT)	Cost (USD)
1	Graham Street	1,823	\$4,558
2	Hemlock Avenue	8,001	\$20,003
3	Cottonwood Avenue	11,120	\$27,800
4	Day Street	5,289	\$13,223
5	Camino Bellagio/Via Pamplona	1,568	\$3,920
6	Brodiaea Avenue	26,430	\$66,075
7	Davis Street	6,923	\$17,308
8	Indian Street	5,335	\$13,338
9	Morton Road	3,876	\$9,690
10	Parkland Avenue	1,921	\$4,803
11	Locust Avenue	6,626	\$16,565

Class 2 Bicycle Lane Construction Cost Estimate Summary

PID	Project Name	Length (FT)	Cost (USD)
1	Alessandro Boulevard	42,492	\$467,412
2	Lasselle Street	13,911	\$153,021
3	Iris Avenue	20,283	\$223,113
4	Heacock Street	40,335	\$443,685
5	Pigeon Pass Road	9,056	\$99,616
6	Graham Street	10,969	\$120,659
7	Perris Boulevard	13,939	\$153,329
8	Cactus Avenue	31,530	\$346,830
9	Ironwood Avenue	32,320	\$355,520
10	Sunnymead Boulevard	13,329	\$146,619
11	Cottonwood Avenue	7,921	\$87,131
12	Indian Street	7,939	\$87,329
13	Eucalyptus Avenue	52,029	\$572,319
14	Moreno Beach Boulevard	20,035	\$220,385
15	Frederick Street	9,896	\$108,856
16	Towngate Avenue	3,471	\$38,181
17	Kitching Street	23,747	\$261,217
18	Box Springs Road	5,304	\$58,344
19	Elder Avenue	11,130	\$122,429
20	Gentian Avenue	7,808	\$85,888
21	Centerpoint Drive	1,721	\$18,931
22	Hemlock Avenue	10,905	\$119,955
23	Old Lake Drive	2,691	\$29,601
24	Elsworth Street	7,886	\$86,746
25	Redlands Boulevard	18,677	\$205,447
26	Fir Ave	1,049	\$11,539
27	Krameria Avenue	11,778	\$129,558
28	Oliver Street	5,382	\$59,202
29	Morrison Street	7,985	\$87,835
30	Old 215/Valley Springs Parkway	9,253	\$101,783
31	Nason Street	13,308	\$146,388

Bicycle Boulevard Construction Cost Estimate Summary*

PID	Project Name	Length (FT)	Cost (USD)
1	Bay Avenue	12,825	\$32,063
2	Delphinium Avenue	10,522	\$26,305
3	Dracaea Avenue	23,825	\$59,563
4	Fir Avenue	15,844	\$39,610
5	Gentian Avenue	2,723	\$6,808

*Note: Bicycle boulevards have not yet been widely implemented, so no widely accepted standards exist. Their costs are therefore highly variable and can increase significantly if the full range of potential physical improvements are included, such as motor vehicle traffic diverters, median refuge islands, roundabouts, street trees, improved lighting, etc.

These cost figures reflect the extreme low range with minimal physical improvements matching those of Class 3 bicycle routes, which typically include signage and shared lane (“Sharrow”) markings only.

4 Funding and Implementation

Class 1 Multi-Use Path Construction Cost Estimates

Project Segment: Juan Bautista de Anza Trail - Segment P1

Project Length (Feet)	5,605
Project Length (Miles)	1.06

Items	Unit Cost	Unit	QTY	Cost Estimate
Demolition				
Clear and Grub	\$1	SF	67,260	\$67,260
Remove and Replace Curb and Gutter (includes grading)	\$42	LF	5,605	\$235,410
Asphalt	\$4	SF	67,260	\$269,040
Excavate and Export 1,000-20,000	\$35	CY	4,982	\$174,378
Removing Traffic Stripes	\$4	LF	5,605	\$22,420
Demolition Totals:				\$768,508

Paving				
Asphalt	\$2	SF	67,260	\$134,520
Curb Ramps	\$1,000	EA	16	\$16,000
Truncated Dome	\$400	EA	16	\$6,400
Paving Totals:				\$156,920

Signage/Wayfinding				
Bicycle Path Signs (with core drilling)	\$350	EA	16	\$5,600
Bicycle Lane/Sharrow Marking, Paint	\$180	EA	16	\$2,880
Bicycle Detector Loop	\$700	EA	16	\$11,200
Wayfinding/Informative Signs	\$350	EA	22	\$7,700
Regulatory Signs (Stop signs, etc.)	\$350	EA	32	\$11,200
Signage Totals:				\$38,580

Road Striping				
Centerline Striping	\$1	LF	5,605	\$5,605
Crosswalk Striping at signalized intersection (with detector modifications)	\$5,000	EA	1	\$5,000
High Visibility Crosswalk Striping (no detector modifications) (11)	\$2,500	EA	6	\$15,000
Striping Totals:				\$25,605

Enhanced Safety Measures				
Rectangular Rapid Flashing Beacon/Pedestrian Signal	\$22,000	EA	1	\$22,000
Refuge Island	\$16,000	EA	1	\$16,000
Safety Measure Totals:				\$38,000

* Cost estimate does not include land acquisition or utilities

Base Line Cost: **\$1,027,613**

CONSTRUCTION COST

Contingency (20%):	\$205,523
Bonding / Mobilization / Contractor Internal Management (7.5%):	\$77,071
TOTAL CONSTRUCTION COST:	\$282,594

DESIGN / MANAGEMENT / PERMITTING / ENGINEERING

Engineering / Design (10%):	\$102,761
Environmental Clearance (4%):	\$41,105
Permitting (2%):	\$20,552
Bid Support Services (3%):	\$30,828
Project Management (3%):	\$30,828
Traffic Management Services (3%):	\$30,828
TOTAL SOFT COST:	\$256,903

TOTAL COST: \$1,567,109



Project Segment: Juan Bautista de Anza Trail - Segment P2

Project Length (Feet)	3,839
Project Length (Miles)	0.73

Items	Unit Cost	Unit	QTY	Cost Estimate
Demolition				
Clear and Grub	\$1	SF	46,065	\$46,065
Remove and Replace Curb and Gutter (includes grading)	\$42	LF	3,839	\$161,229
Asphalt	\$4	SF	46,065	\$184,261
Excavate and Export 1,000-20,000	\$35	CY	3,412	\$119,429
Removing Traffic Stripes	\$4	LF	3,839	\$15,355
Demolition Totals:				\$526,339

Paving				
Asphalt	\$2	SF	46,065	\$92,131
Curb Ramps	\$1,000	EA	8	\$8,000
Truncated Dome	\$400	EA	8	\$3,200
Paving Totals:				\$103,331

Signage/Wayfinding				
Bicycle Path Signs (with core drilling)	\$350	EA	8	\$2,800
Bicycle Lane/Sharrow Marking, Paint	\$180	EA	8	\$1,440
Bicycle Detector Loop	\$700	EA	8	\$5,600
Wayfinding/Informative Signs	\$350	EA	10	\$3,500
Regulatory Signs (Stop signs, etc.)	\$350	EA	16	\$5,600
Signage Totals:				\$18,940

Road Striping				
Centerline Striping	\$1	LF	3,839	\$3,839
High Visibility Crosswalk Striping (no detector modifications) (11)	\$2,500	EA	4	\$10,000
Striping Totals:				\$13,839

Enhanced Safety Measures				
Rectangular Rapid Flashing Beacon/Pedestrian Signal	\$22,000	EA	1	\$22,000
Pedestrian Hybrid Beacon (PHB)	\$60,000	EA	1	\$60,000
Refuge Island	\$16,000	EA	1	\$16,000
Safety Measure Totals:				\$98,000

* Cost estimate does not include land acquisition or utilities

Base Line Cost: **\$760,449**

CONSTRUCTION COST

Contingency (20%):	\$152,090
Bonding / Mobilization / Contractor Internal Management (7.5%):	\$57,034
TOTAL CONSTRUCTION COST:	\$209,123

DESIGN / MANAGEMENT / PERMITTING / ENGINEERING

Engineering / Design (10%):	\$76,045
Environmental Clearance (4%):	\$30,418
Permitting (2%):	\$15,209
Bid Support Services (3%):	\$22,813
Project Management (3%):	\$22,813
Traffic Management Services (3%):	\$22,813
TOTAL SOFT COST:	\$190,112

TOTAL COST: \$1,159,684

4 Funding and Implementation

Class 1 Multi-Use Path Construction Cost Estimates

Project Segment: Juan Bautista de Anza Trail - Segment P3

Project Length (Feet)	3,557
Project Length (Miles)	0.67

Items	Unit Cost	Unit	QTY	Cost Estimate
Demolition				
Clear and Grub	\$1	SF	42,685	\$42,685
Remove and Replace Curb and Gutter (includes grading)	\$42	LF	3,557	\$149,399
Asphalt	\$4	SF	42,685	\$170,742
Concrete Pavement	\$9	SF	2,445	\$22,005
Excavate and Export 1,000-20,000	\$35	CY	3,162	\$110,666
Removing Traffic Stripes	\$4	LF	3,557	\$14,228
Demolition Totals:				\$509,725

Paving				
Asphalt	\$2	SF	42,685	\$85,371
Curb Ramps	\$1,000	EA	14	\$14,000
Truncated Dome	\$400	EA	14	\$5,600
Paving Totals:				\$104,971

Signage/Wayfinding				
Bicycle Path Signs (with core drilling)	\$350	EA	14	\$4,900
Bicycle Lane/Sharrow Marking, Paint	\$180	EA	14	\$2,520
Bicycle Detector Loop	\$700	EA	14	\$9,800
Wayfinding/Informative Signs	\$350	EA	19	\$6,650
Regulatory Signs (Stop signs, etc.)	\$350	EA	28	\$9,800
Signage Totals:				\$33,670

Road Striping				
Centerline Striping	\$1	LF	3,557	\$3,557
Crosswalk Striping at signalized intersection (with detector modifications)	\$5,000	EA	1	\$5,000
High Visibility Crosswalk Striping (no detector modifications) (11)	\$2,500	EA	6	\$15,000
Striping Totals:				\$23,557

Enhanced Safety Measures				
Rectangular Rapid Flashing Beacon/Pedestrian Signal	\$22,000	EA	2	\$44,000
Pedestrian Hybrid Beacon (PHB)	\$60,000	EA	1	\$60,000
Refuge Island	\$16,000	EA	1	\$16,000
Safety Measure Totals:				\$120,000

* Cost estimate does not include land acquisition or utilities

Base Line Cost: **\$791,923**

CONSTRUCTION COST

Contingency (20%):	\$158,385
Bonding / Mobilization / Contractor Internal Management (7.5%):	\$59,394
TOTAL CONSTRUCTION COST:	\$217,779

DESIGN / MANAGEMENT / PERMITTING / ENGINEERING

Engineering / Design (10%):	\$79,192
Environmental Clearance (4%):	\$31,677
Permitting (2%):	\$15,838
Bid Support Services (3%):	\$23,758
Project Management (3%):	\$23,758
Traffic Management Services (3%):	\$23,758
TOTAL SOFT COST:	\$197,981

TOTAL COST: \$1,207,683



Project Segment: Juan Bautista de Anza Trail - Segment P4

Project Length (Feet)	2,188
Project Length (Miles)	0.41

Items	Unit Cost	Unit	QTY	Cost Estimate
Demolition				
Clear and Grub	\$1	SF	26,257	\$26,257
Remove and Replace Curb and Gutter (includes grading)	\$42	LF	2,188	\$91,899
Asphalt	\$4	SF	26,257	\$105,028
Excavate and Export 1,000-20,000	\$35	CY	1,945	\$68,074
Removing Traffic Stripes	\$4	LF	2,188	\$8,752
Demolition Totals:				\$300,010

Paving				
Asphalt	\$2	SF	26,257	\$52,514
Curb Ramps	\$1,000	EA	6	\$6,000
Truncated Dome	\$400	EA	6	\$2,400
Paving Totals:				\$60,914

Fences and Gates				
5' Chainlink Fence	\$18	LF	2,188	\$39,385
Fences and Gates Totals:				\$39,385

Bridges				
Pedestrian/Bicycle Culvert Bridge	\$100	LF	85	\$8,500
Bridge Totals:				\$8,500

Signage/Wayfinding				
Bicycle Path Signs (with core drilling)	\$350	EA	6	\$2,100
Bicycle Lane/Sharrows Marking, Paint	\$180	EA	6	\$1,080
Bicycle Detector Loop	\$700	EA	6	\$4,200
Wayfinding/Informative Signs	\$350	EA	7	\$2,450
Regulatory Signs (Stop signs, etc.)	\$350	EA	12	\$4,200
Signage Totals:				\$14,030

Road Striping				
Centerline Striping	\$1	LF	2,188	\$2,188
Crosswalk Striping at signalized intersection (with detector modifications)	\$5,000	EA	1	\$5,000
High Visibility Crosswalk Striping (no detector modifications) (11)	\$2,500	EA	1	\$2,500
Striping Totals:				\$9,688

Enhanced Safety Measures				
Pedestrian Hybrid Beacon (PHB)	\$60,000	EA	1	\$60,000
Refuge Island	\$16,000	EA	1	\$16,000
Safety Measure Totals:				\$76,000

* Cost estimate does not include land acquisition or utilities

Base Line Cost: **\$508,527**

CONSTRUCTION COST

Contingency (20%):	\$101,705
Bonding / Mobilization / Contractor Internal Management (7.5%):	\$38,140
TOTAL CONSTRUCTION COST:	\$139,845

DESIGN / MANAGEMENT / PERMITTING / ENGINEERING

Engineering / Design (10%):	\$50,853
Environmental Clearance (4%):	\$20,341
Permitting (2%):	\$10,171
Bid Support Services (3%):	\$15,256
Project Management (3%):	\$15,256
Traffic Management Services (3%):	\$15,256
TOTAL SOFT COST:	\$127,132

TOTAL COST: \$775,504

4 Funding and Implementation

Class 1 Multi-Use Path Construction Cost Estimates

Project Segment: Juan Bautista de Anza Trail - Segment P5

Project Length (Feet)	6,750
Project Length (Miles)	1.28

Items	Unit Cost	Unit	QTY	Cost Estimate
Demolition				
Clear and Grub	\$1	SF	80,996	\$80,996
Remove and Replace Curb and Gutter (includes grading)	\$42	LF	6,750	\$283,488
Asphalt	\$4	SF	80,996	\$323,986
Excavate and Export 1,000-20,000	\$35	CY	6,000	\$209,991
Demolition Totals:				\$898,461
Paving				
Asphalt	\$2	SF	80,996	\$161,993
Curb Ramps	\$1,000	EA	8	\$8,000
Truncated Dome	\$400	EA	8	\$3,200
Paving Totals:				\$173,193
Fences and Gates				
5' Chainlink Fence	\$18	LF	6,750	\$121,495
Fences and Gates Totals:				\$121,495
Bridges				
Pedestrian/Bicycle Culvert Bridge	\$100	LF	85	\$8,500
Bridge Totals:				\$8,500
Signage/Wayfinding				
Bicycle Path Signs (with core drilling)	\$350	EA	8	\$2,800
Bicycle Lane/Sharrow Marking, Paint	\$180	EA	8	\$1,440
Bicycle Detector Loop	\$700	EA	8	\$5,600
Wayfinding/Informative Signs	\$350	EA	10	\$3,500
Regulatory Signs (Stop signs, etc.)	\$350	EA	16	\$5,600
Signage Totals:				\$18,940
Road Striping				
High Visibility Crosswalk Striping (no detector modifications) (11)	\$2,500	EA	7	\$17,500
Striping Totals:				\$17,500
Enhanced Safety Measures				
Rectangular Rapid Flashing Beacon/Pedestrian Signal	\$22,000	EA	7	\$154,000
Refuge Island	\$16,000	EA	1	\$16,000
Safety Measure Totals:				\$170,000

* Cost estimate does not include land acquisition or utilities

Base Line Cost: **\$1,408,088**

CONSTRUCTION COST

Contingency (20%):	\$281,618
Bonding / Mobilization / Contractor Internal Management (7.5%):	\$105,607
TOTAL CONSTRUCTION COST:	\$387,224

DESIGN / MANAGEMENT / PERMITTING / ENGINEERING

Engineering / Design (10%):	\$140,809
Environmental Clearance (4%):	\$56,324
Permitting (2%):	\$28,162
Bid Support Services (3%):	\$42,243
Project Management (3%):	\$42,243
Traffic Management Services (3%):	\$42,243
TOTAL SOFT COST:	\$352,022

TOTAL COST: \$2,147,334



Project Segment: Juan Bautista de Anza Trail - Segment P6

Project Length (Feet)	2,095
Project Length (Miles)	0.40

Items	Unit Cost	Unit	QTY	Cost Estimate
Demolition				
Clear and Grub	\$1	SF	25,143	\$25,143
Remove and Replace Curb and Gutter (includes grading)	\$42	LF	2,095	\$88,002
Asphalt	\$4	SF	25,143	\$100,574
Excavate and Export 1,000-20,000	\$35	CY	1,862	\$65,187
Removing Traffic Stripes	\$4	LF	2,095	\$8,381
Demolition Totals:				\$287,287

Paving				
Asphalt	\$2	SF	25,143	\$50,287
Curb Ramps	\$1,000	EA	8	\$8,000
Truncated Dome	\$400	EA	8	\$3,200
Paving Totals:				\$61,487

Fences and Gates				
5' Chainlink Fence	\$18	LF	2,095	\$37,715
Fences and Gates Totals:				\$37,715

Signage/Wayfinding				
Bicycle Path Signs (with core drilling)	\$350	EA	8	\$2,800
Bicycle Lane/Sharrow Marking, Paint	\$180	EA	8	\$1,440
Bicycle Detector Loop	\$700	EA	8	\$5,600
Wayfinding/Informative Signs	\$350	EA	10	\$3,500
Regulatory Signs (Stop signs, etc.)	\$350	EA	16	\$5,600
Signage Totals:				\$18,940

Road Striping				
Centerline Striping	\$1	LF	2,095	\$2,095
Crosswalk Striping at signalized intersection (with detector modifications)	\$5,000	EA	1	\$5,000
High Visibility Crosswalk Striping (no detector modifications) (11)	\$2,500	EA	2	\$5,000
Striping Totals:				\$12,095

Enhanced Safety Measures				
Rectangular Rapid Flashing Beacon/Pedestrian Signal	\$22,000	EA	1	\$22,000
Safety Measure Totals:				\$22,000

* Cost estimate does not include land acquisition or utilities

Base Line Cost: **\$439,524**

CONSTRUCTION COST

Contingency (20%):	\$87,905
Bonding / Mobilization / Contractor Internal Management (7.5%):	\$32,964
TOTAL CONSTRUCTION COST:	\$120,869

DESIGN / MANAGEMENT / PERMITTING / ENGINEERING

Engineering / Design (10%):	\$43,952
Environmental Clearance (4%):	\$17,581
Permitting (2%):	\$8,790
Bid Support Services (3%):	\$13,186
Project Management (3%):	\$13,186
Traffic Management Services (3%):	\$13,186
TOTAL SOFT COST:	\$109,881

TOTAL COST: \$670,274

4 Funding and Implementation

Class 1 Multi-Use Path Construction Cost Estimates

Project Segment: Juan Bautista de Anza Trail - Segment P7

Project Length (Feet)	1,515
Project Length (Miles)	0.29

Items	Unit Cost	Unit	QTY	Cost Estimate
Demolition				
Clear and Grub	\$1	SF	18,176	\$18,176
Remove and Replace Curb and Gutter (includes grading)	\$42	LF	1,515	\$63,615
Asphalt	\$4	SF	18,176	\$72,702
Excavate and Export 1,000-20,000	\$35	CY	1,346	\$47,122
Removing Traffic Stripes	\$4	LF	1,515	\$6,059
Demolition Totals:				\$207,673

Paving				
Asphalt	\$2	SF	18,176	\$36,351
Curb Ramps	\$1,000	EA	4	\$4,000
Truncated Dome	\$400	EA	4	\$1,600
Paving Totals:				\$41,951

Fences and Gates				
5' Chainlink Fence	\$18	LF	1,515	\$27,263
Fences and Gates Totals:				\$27,263

Signage/Wayfinding				
Bicycle Path Signs (with core drilling)	\$350	EA	4	\$1,400
Bicycle Lane/Sharrow Marking, Paint	\$180	EA	4	\$720
Bicycle Detector Loop	\$700	EA	4	\$2,800
Wayfinding/Informative Signs	\$350	EA	4	\$1,400
Regulatory Signs (Stop signs, etc.)	\$350	EA	8	\$2,800
Signage Totals:				\$9,120

Road Striping				
Centerline Striping	\$1	LF	1,515	\$1,515
High Visibility Crosswalk Striping (no detector modifications) (11)	\$2,500	EA	2	\$5,000
Striping Totals:				\$6,515

Enhanced Safety Measures				
Rectangular Rapid Flashing Beacon/Pedestrian Signal	\$22,000	EA	1	\$22,000
Pedestrian Hybrid Beacon (PHB)	\$60,000	EA	1	\$60,000
Refuge Island	\$16,000	EA	1	\$16,000
Safety Measure Totals:				\$98,000

* Cost estimate does not include land acquisition or utilities

Base Line Cost: **\$390,523**

CONSTRUCTION COST

Contingency (20%):	\$78,105
Bonding / Mobilization / Contractor Internal Management (7.5%):	\$29,289
TOTAL CONSTRUCTION COST:	\$107,394

DESIGN / MANAGEMENT / PERMITTING / ENGINEERING

Engineering / Design (10%):	\$39,052
Environmental Clearance (4%):	\$15,621
Permitting (2%):	\$7,810
Bid Support Services (3%):	\$11,716
Project Management (3%):	\$11,716
Traffic Management Services (3%):	\$11,716
TOTAL SOFT COST:	\$97,631

TOTAL COST: \$595,547



Project Segment: Juan Bautista de Anza Trail - Segment P8

Project Length (Feet)	15,298
Project Length (Miles)	2.90

Items	Unit Cost	Unit	QTY	Cost Estimate
Demolition				
Clear and Grub	\$1	SF	183,572	\$183,572
Remove and Replace Curb and Gutter (includes grading)	\$42	LF	15,298	\$642,502
Asphalt	\$4	SF	183,572	\$734,288
Excavate and Export 1,000-20,000	\$35	CY	13,598	\$475,928
Removing Traffic Stripes	\$4	LF	15,298	\$61,191
Demolition Totals:				\$2,097,481

Paving				
Asphalt	\$2	SF	183,572	\$367,144
Curb Ramps	\$1,000	EA	48	\$48,000
Truncated Dome	\$400	EA	48	\$19,200
Paving Totals:				\$434,344

Fences and Gates				
5' Chainlink Fence	\$18	LF	15,298	\$275,358
Fences and Gates Totals:				\$275,358

Signage/Wayfinding				
Bicycle Path Signs (with core drilling)	\$350	EA	48	\$16,800
Bicycle Lane/Sharrows Marking, Paint	\$180	EA	48	\$8,640
Bicycle Detector Loop	\$700	EA	48	\$33,600
Wayfinding/Informative Signs	\$350	EA	70	\$24,500
Regulatory Signs (Stop signs, etc.)	\$350	EA	96	\$33,600
Signage Totals:				\$117,140

Road Striping				
Centerline Striping	\$1	LF	15,298	\$15,298
Crosswalk Striping at signalized intersection (with detector modifications)	\$5,000	EA	4	\$20,000
High Visibility Crosswalk Striping (no detector modifications) (11)	\$2,500	EA	15	\$37,500
Striping Totals:				\$72,798

Enhanced Safety Measures				
Rectangular Rapid Flashing Beacon/Pedestrian Signal	\$22,000	EA	1	\$22,000
Pedestrian Hybrid Beacon (PHB)	\$60,000	EA	4	\$240,000
Refuge Island	\$16,000	EA	6	\$96,000
Safety Measure Totals:				\$358,000

* Cost estimate does not include land acquisition or utilities

Base Line Cost: **\$3,355,121**

CONSTRUCTION COST

Contingency (20%):	\$671,024
Bonding / Mobilization / Contractor Internal Management (7.5%):	\$251,634
TOTAL CONSTRUCTION COST:	\$922,658

DESIGN / MANAGEMENT / PERMITTING / ENGINEERING

Engineering / Design (10%):	\$335,512
Environmental Clearance (4%):	\$134,205
Permitting (2%):	\$67,102
Bid Support Services (3%):	\$100,654
Project Management (3%):	\$100,654
Traffic Management Services (3%):	\$100,654
TOTAL SOFT COST:	\$838,780

TOTAL COST: \$5,116,559

4 Funding and Implementation

Class 1 Multi-Use Path Construction Cost Estimates

Project Segment: Juan Bautista de Anza Trail - Segment P9

Project Length (Feet)	2,777
Project Length (Miles)	0.53

Items	Unit Cost	Unit	QTY	Cost Estimate
Demolition				
Clear and Grub	\$1	SF	33,328	\$33,328
Remove and Replace Curb and Gutter (includes grading)	\$42	LF	2,777	\$116,649
Asphalt	\$4	SF	33,328	\$133,313
Concrete Pavement	\$9	SF	625	\$5,625
Excavate and Export 1,000-20,000	\$35	CY	2,469	\$86,406
Removing Traffic Stripes	\$4	LF	2,777	\$11,109
Demolition Totals:				\$386,430
Paving				
Asphalt	\$2	SF	33,328	\$66,656
Curb Ramps	\$1,000	EA	10	\$10,000
Truncated Dome	\$400	EA	10	\$4,000
Paving Totals:				\$80,656
Fences and Gates				
5' Chainlink Fence	\$18	LF	2,777	\$49,992
Fences and Gates Totals:				\$49,992
Bridges				
Pedestrian/Bicycle Bridge	\$320	LF	145	\$46,400
Bridge Totals:				\$46,400
Signage/Wayfinding				
Bicycle Path Signs (with core drilling)	\$350	EA	10	\$3,500
Bicycle Lane/Sharrow Marking, Paint	\$180	EA	10	\$1,800
Bicycle Detector Loop	\$700	EA	10	\$7,000
Wayfinding/Informative Signs	\$350	EA	13	\$4,550
Regulatory Signs (Stop signs, etc.)	\$350	EA	20	\$7,000
Signage Totals:				\$23,850
Road Striping				
Centerline Striping	\$1	LF	2,777	\$2,777
Crosswalk Striping at signalized intersection (with detector modifications)	\$5,000	EA	1	\$5,000
High Visibility Crosswalk Striping (no detector modifications) (11)	\$2,500	EA	2	\$5,000
Striping Totals:				\$12,777
Enhanced Safety Measures				
Rectangular Rapid Flashing Beacon/Pedestrian Signal	\$22,000	EA	1	\$22,000
Safety Measure Totals:				\$22,000

* Cost estimate does not include land acquisition or utilities

Base Line Cost: **\$622,106**

CONSTRUCTION COST

Contingency (20%):	\$124,421
Bonding / Mobilization / Contractor Internal Management (7.5%):	\$46,658
TOTAL CONSTRUCTION COST:	\$171,079

DESIGN / MANAGEMENT / PERMITTING / ENGINEERING

Engineering / Design (10%):	\$62,211
Environmental Clearance (4%):	\$24,884
Permitting (2%):	\$12,442
Bid Support Services (3%):	\$18,663
Project Management (3%):	\$18,663
Traffic Management Services (3%):	\$18,663
TOTAL SOFT COST:	\$155,526

TOTAL COST: \$948,712



Project Segment: Moreno Valley College Path

Project Length (Feet)	11,991
Project Length (Miles)	2.27

Items	Unit Cost	Unit	QTY	Cost Estimate
Demolition				
Clear and Grub	\$1	SF	143,894	\$143,894
Remove and Replace Curb and Gutter (includes grading)	\$42	LF	11,991	\$503,628
Asphalt	\$4	SF	143,894	\$575,575
Excavate and Export 1,000-20,000	\$35	CY	10,659	\$373,058
Removing Traffic Stripes	\$4	LF	11,991	\$47,965
Demolition Totals:				\$1,644,120

Paving				
Asphalt	\$2	SF	143,894	\$287,788
Curb Ramps	\$1,000	EA	4	\$4,000
Truncated Dome	\$400	EA	4	\$1,600
Paving Totals:				\$293,388

Signage/Wayfinding				
Bicycle Path Signs (with core drilling)	\$350	EA	4	\$1,400
Bicycle Lane/Sharrow Marking, Paint	\$180	EA	4	\$720
Bicycle Detector Loop	\$700	EA	4	\$2,800
Wayfinding/Informative Signs	\$350	EA	4	\$1,400
Regulatory Signs (Stop signs, etc.)	\$350	EA	8	\$2,800
Signage Totals:				\$9,120

Road Striping				
Centerline Striping	\$1	LF	11,991	\$11,991
Crosswalk Striping at signalized intersection (with detector modifications)	\$5,000	EA	1	\$5,000
High Visibility Crosswalk Striping (no detector modifications) (11)	\$2,500	EA	1	\$2,500
Striping Totals:				\$19,491

Enhanced Safety Measures				
Pedestrian Hybrid Beacon (PHB)	\$60,000	EA	1	\$60,000
Safety Measure Totals:				\$60,000

* Cost estimate does not include land acquisition or utilities

Base Line Cost: **\$2,026,119**

CONSTRUCTION COST

Contingency (20%):	\$405,224
Bonding / Mobilization / Contractor Internal Management (7.5%):	\$151,959
TOTAL CONSTRUCTION COST:	\$557,183

DESIGN / MANAGEMENT / PERMITTING / ENGINEERING

Engineering / Design (10%):	\$202,612
Environmental Clearance (4%):	\$81,045
Permitting (2%):	\$40,522
Bid Support Services (3%):	\$60,784
Project Management (3%):	\$60,784
Traffic Management Services (3%):	\$60,784
TOTAL SOFT COST:	\$506,530

TOTAL COST: \$3,089,831

4 Funding and Implementation

Class 1 Multi-Use Path Construction Cost Estimates

Project Segment: Rancho Verde High School Path

Project Length (Feet)	2,486
Project Length (Miles)	0.47

Items	Unit Cost	Unit	QTY	Cost Estimate
Demolition				
Clear and Grub	\$1	SF	29,832	\$29,832
Remove and Replace Curb and Gutter (includes grading)	\$42	LF	2,486	\$104,413
Asphalt	\$4	SF	29,832	\$119,329
Excavate and Export 1,000-20,000	\$35	CY	2,210	\$77,343
Removing Traffic Stripes	\$4	LF	2,486	\$9,944
Demolition Totals:				\$340,862
Paving				
Asphalt	\$2	SF	29,832	\$59,665
Curb Ramps	\$1,000	EA	4	\$4,000
Truncated Dome	\$400	EA	4	\$1,600
Paving Totals:				\$65,265
Signage/Wayfinding				
Bicycle Path Signs (with core drilling)	\$350	EA	4	\$1,400
Bicycle Lane/Sharrow Marking, Paint	\$180	EA	4	\$720
Bicycle Detector Loop	\$700	EA	4	\$2,800
Wayfinding/Informative Signs	\$350	EA	4	\$1,400
Regulatory Signs (Stop signs, etc.)	\$350	EA	8	\$2,800
Signage Totals:				\$9,120
Road Striping				
Centerline Striping	\$1	LF	2,486	\$2,486
Striping Totals:				\$2,486

* Cost estimate does not include land acquisition or utilities

Base Line Cost: **\$417,733**

CONSTRUCTION COST

Contingency (20%):	\$83,547
Bonding / Mobilization / Contractor Internal Management (7.5%):	\$31,330
TOTAL CONSTRUCTION COST:	\$114,876

DESIGN / MANAGEMENT / PERMITTING / ENGINEERING

Engineering / Design (10%):	\$41,773
Environmental Clearance (4%):	\$16,709
Permitting (2%):	\$8,355
Bid Support Services (3%):	\$12,532
Project Management (3%):	\$12,532
Traffic Management Services (3%):	\$12,532
TOTAL SOFT COST:	\$104,433
TOTAL COST:	\$637,042



Project Segment: Kitching Aqueduct Path

Project Length (Feet)	23,578
Project Length (Miles)	4.47

Items	Unit Cost	Unit	QTY	Cost Estimate
Demolition				
Clear and Grub	\$1	SF	282,934	\$282,934
Remove and Replace Curb and Gutter (includes grading)	\$42	LF	23,578	\$990,267
Asphalt	\$4	SF	282,934	\$1,131,734
Concrete Pavement	\$9	SF	700	\$6,300
Excavate and Export 1,000-20,000	\$35	CY	20,958	\$733,531
Removing Traffic Stripes	\$4	LF	23,578	\$94,311
Removing Parking Stripes	\$25	EA	48	\$1,200
Demolition Totals:				\$3,240,278

Paving				
Bulb-out/Curb Extension	\$13,000	EA	3	\$39,000
Asphalt	\$2	SF	282,934	\$565,867
Curb Ramps	\$1,000	EA	32	\$32,000
Truncated Dome	\$400	EA	32	\$12,800
Paving Totals:				\$649,667

Fences and Gates				
5' Chainlink Fence	\$18	LF	23,578	\$424,400
Fences and Gates Totals:				\$424,400

Signage/Wayfinding				
Bicycle Path Signs (with core drilling)	\$350	EA	32	\$11,200
Bicycle Lane/Sharrow Marking, Paint	\$180	EA	32	\$5,760
Bicycle Detector Loop	\$700	EA	32	\$22,400
Wayfinding/Informative Signs	\$350	EA	46	\$16,100
Regulatory Signs (Stop signs, etc.)	\$350	EA	64	\$22,400
Signage Totals:				\$77,860

Road Striping				
Centerline Striping	\$1	LF	23,578	\$23,578
Crosswalk Striping at signalized intersection (with detector modifications)	\$5,000	EA	4	\$20,000
High Visibility Crosswalk Striping (no detector modifications) (11)	\$2,500	EA	7	\$17,500
Striping Totals:				\$61,078

Enhanced Safety Measures				
Rectangular Rapid Flashing Beacon/Pedestrian Signal	\$22,000	EA	3	\$66,000
Pedestrian Hybrid Beacon (PHB)	\$60,000	EA	4	\$240,000
Refuge Island	\$16,000	EA	1	\$16,000
Safety Measure Totals:				\$322,000

* Cost estimate does not include land acquisition or utilities

Base Line Cost: **\$4,775,283**

CONSTRUCTION COST

Contingency (20%):	\$955,057
Bonding / Mobilization / Contractor Internal Management (7.5%):	\$358,146
TOTAL CONSTRUCTION COST:	\$1,313,203

DESIGN / MANAGEMENT / PERMITTING / ENGINEERING

Engineering / Design (10%):	\$477,528
Environmental Clearance (4%):	\$191,011
Permitting (2%):	\$95,506
Bid Support Services (3%):	\$143,258
Project Management (3%):	\$143,258
Traffic Management Services (3%):	\$143,258
TOTAL SOFT COST:	\$1,193,821

TOTAL COST: \$7,282,306

4 Funding and Implementation

Class 1 Multi-Use Path Construction Cost Estimates

Project Segment: South City Aqueduct Path					
	Project Length (Feet)	16,957			
	Project Length (Miles)	3.21			
Items	Unit Cost	Unit	QTY	Cost Estimate	
Demolition					
	Clear and Grub	\$1	SF	203,483	\$203,483
	Remove and Replace Curb and Gutter (includes grading)	\$42	LF	16,957	\$712,191
	Asphalt	\$4	SF	203,483	\$813,933
	Excavate and Export 1,000-20,000	\$35	CY	15,073	\$527,549
	Removing Traffic Stripes	\$4	LF	16,957	\$67,828
				Demolition Totals:	\$2,324,983
Paving					
	Asphalt	\$2	SF	203,483	\$406,966
	Curb Ramps	\$1,000	EA	12	\$12,000
	Truncated Dome	\$400	EA	12	\$4,800
				Paving Totals:	\$423,766
Fences and Gates					
	5' Chainlink Fence	\$18	LF	16,957	(includes grading)
				Fences and Gates Totals:	\$0
Signage/Wayfinding					
	Bicycle Path Signs (with core drilling)	\$350	EA	12	\$4,200
	Bicycle Lane/Sharrow Marking, Paint	\$180	EA	12	\$2,160
	Bicycle Detector Loop	\$700	EA	12	\$8,400
	Wayfinding/Informative Signs	\$350	EA	16	\$5,600
	Regulatory Signs (Stop signs, etc.)	\$350	EA	24	\$8,400
				Signage Totals:	\$28,760
Road Striping					
	Centerline Striping	\$1	LF	16,957	\$16,957
	High Visibility Crosswalk Striping (no detector modifications) (11)	\$2,500	EA	2	\$5,000
				Striping Totals:	\$21,957
Enhanced Safety Measures					
	Rectangular Rapid Flashing Beacon/Pedestrian Signal	\$22,000	EA	2	\$44,000
	Refuge Island	\$16,000	EA	1	\$16,000
				Safety Measure Totals:	\$60,000
* Cost estimate does not include land acquisition or utilities				Base Line Cost:	\$2,859,466
				CONSTRUCTION COST	
				Contingency (20%):	\$571,893
				Bonding / Mobilization / Contractor Internal Management (7.5%):	\$214,460
				TOTAL CONSTRUCTION COST:	\$786,353
				DESIGN / MANAGEMENT / PERMITTING / ENGINEERING	
				Engineering / Design (10%):	\$285,947
				Environmental Clearance (4%):	\$114,379
				Permitting (2%):	\$57,189
				Bid Support Services (3%):	\$85,784
				Project Management (3%):	\$85,784
				Traffic Management Services (3%):	\$85,784
				TOTAL SOFT COST:	\$714,867
				TOTAL COST:	\$4,360,686



Project Segment: Graham Street/Bicycle-Ped Bridge

Project Length (Feet)	531
Project Length (Miles)	0.10

Items	Unit Cost	Unit	QTY	Cost Estimate
Demolition				
Clear and Grub	\$1	SF	6,369	\$6,369
Remove and Replace Curb and Gutter (includes grading)	\$42	LF	531	\$22,290
Asphalt	\$4	SF	6,369	\$25,474
Excavate and Export 1,000-20,000	\$35	CY	472	\$16,511
Removing Traffic Stripes	\$4	LF	531	\$2,123
Demolition Totals:				\$72,767

Paving				
Asphalt	\$2	SF	6,369	\$12,737
Curb Ramps	\$1,000	EA	4	\$4,000
Truncated Dome	\$400	EA	4	\$1,600
Paving Totals:				\$18,337

Fences and Gates				
5' Chainlink Fence	\$18	LF	531	\$9,553
Fences and Gates Totals:				\$9,553

Bridges				
Pedestrian/Bicycle Bridge	\$320	LF	375	\$120,000
Bridge Totals:				\$120,000

Signage/Wayfinding				
Bicycle Path Signs (with core drilling)	\$350	EA	4	\$1,400
Bicycle Lane/Sharrow Marking, Paint	\$180	EA	4	\$720
Bicycle Detector Loop	\$700	EA	4	\$2,800
Wayfinding/Informative Signs	\$350	EA	4	\$1,400
Regulatory Signs (Stop signs, etc.)	\$350	EA	8	\$2,800
Signage Totals:				\$9,120

Road Striping				
Centerline Striping	\$1	LF	531	\$531
High Visibility Crosswalk Striping (no detector modifications) (11)	\$2,500	EA	1	\$2,500
Striping Totals:				\$3,031

Enhanced Safety Measures				
Rectangular Rapid Flashing Beacon/Pedestrian Signal	\$22,000	EA	1	\$22,000
Refuge Island	\$16,000	EA	1	\$16,000
Safety Measure Totals:				\$38,000

* Cost estimate does not include land acquisition or utilities

Base Line Cost: **\$270,808**

CONSTRUCTION COST

Contingency (20%):	\$54,162
Bonding / Mobilization / Contractor Internal Management (7.5%):	\$20,311
TOTAL CONSTRUCTION COST:	\$74,472

DESIGN / MANAGEMENT / PERMITTING / ENGINEERING

Engineering / Design (10%):	\$27,081
Environmental Clearance (4%):	\$10,832
Permitting (2%):	\$5,416
Bid Support Services (3%):	\$8,124
Project Management (3%):	\$8,124
Traffic Management Services (3%):	\$8,124
TOTAL SOFT COST:	\$67,702

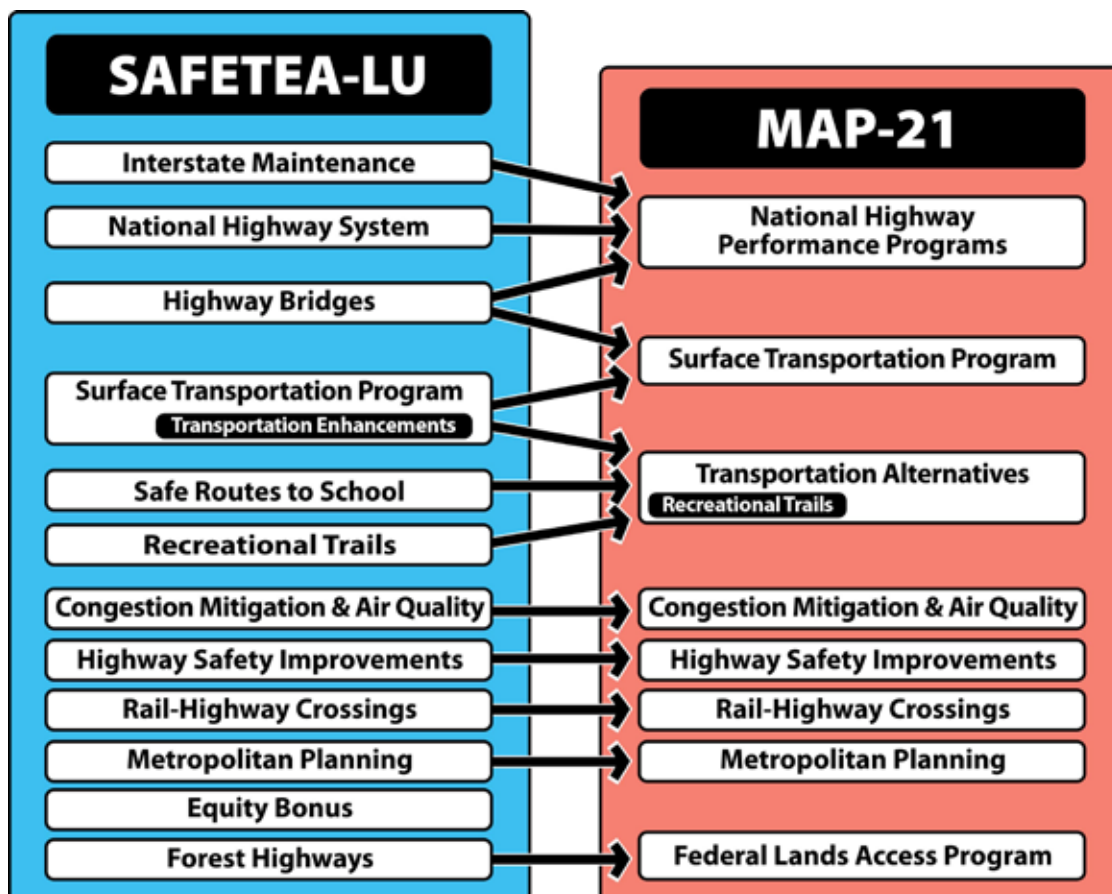
TOTAL COST: \$412,982

4.2 Funding Sources

Federal, State and local government agencies invest billions of dollars every year in the nation's transportation system. Only a fraction of that funding is used in development projects, policy development and planning to improve conditions for cyclists. Even though appropriate funds are limited, they are available, but desirable projects sometimes go unfunded because communities may be unaware of a fund's existence, or may apply for the wrong type of grants. Also, the competition between municipalities for the available bikeway funding is often fierce.

Whenever federal funds are used for bicycle projects, a certain level of State and/or local matching funding is generally required. State funds are often available to local governments on the similar terms. Almost every implemented bicycle program and facility in the United States has had more than one funding source and it often takes a good deal of coordination to pull the various sources together.

According to the Federal Highway Administration's (FHWA) publication, *An Analysis of Current Funding Mechanisms for Bicycle and Pedestrian Programs at the Federal, State and Local Levels*, where successful local bicycle facility programs exist, there is usually a full time bicycle coordinator with extensive understanding of funding sources. Cities such as Seattle, Washington, Portland, Oregon and Tucson are prime examples. Bicycle coordinators are often in a position to develop a competitive project and detailed proposal that can be used to improve conditions for cyclists within their jurisdictions. Some of the following information on federal and State funding sources was derived from the previously mentioned FHWA publication.





Federal Sources

The long legacy of U.S. Department of Transportation Enhancement Funds SAFETEA-LU (*Safe, Accountable, Flexible, Efficient, Transportation Equity Act: A Legacy for Users*) has ended and has been substantially replaced with a new funding mechanism entitled MAP-21. MAP-21 (*Moving Ahead for Progress in the 21st Century*) was approved by Congress and signed by the President in 2012.

MAP-21 replaces SAFETEA-LU with a similar amount of total funding, but significantly changes the overall number and scope of programs. The number of programs has been consolidated by two-thirds. The graphic on the previous page illustrates the relationship between the two federal funding sources. The Transportation Enhancements (TE) program has been eliminated and replaced with Transportation Alternatives (TA). The Recreational Trails program is now housed under the Transportation Alternatives Program. Bicycle projects remain eligible for major funding and MAP-21 does have an emphasis on safety and active transportation with a 30 percent increase in CMAQ, doubled Highway Safety Improvement funds and specific mentions of bicycle projects.

There remains some uncertainties regarding the details and interpretations of these changes. The federal levels of funding and scope have been set, yet it remains to be defined how the State and local programs will individually implement these funding mechanisms. Also, the latest reauthorization period is nearing its end, setting the stage for the next chapter of reauthorization.

Safe Routes to School Programs

There are two separate Safe Routes to School Programs administered by Caltrans. There is the State-legislated program referred to as SR2S and there is the Federal Program referred to as SRTS. Both programs are intended to achieve the same basic goal of increasing the number of children walking and cycling to school by making it safer for them to do so. The differences between the two programs are as follows:

- **Legislative Authority**
SR2S - Streets & Highways Code Section 2330-2334
SRTS - Section 1404 in SAFETEA-LU
- **Expires**
SR2S - AB-57 extended program indefinitely
SRTS - Pending SAFETEA-LU reauthorization.
- **Eligible Applicants**
SR2S - Cities and counties
SRTS - State, local, and regional agencies experienced in meeting federal transportation requirements. Non-profit organizations, school districts, public health departments, and Native American Tribes must partner with a city, county, MPO, or RTPA to serve as the responsible agency for their project.
- **Eligible Projects**
SR2S - Infrastructure projects
SRTS - Stand-alone infrastructure or non-infrastructure projects
- **Local Match**
SR2S - 10 percent minimum required
SRTS - None
- **Project Completion Deadline**
SR2S - Within 4 ½ years after project funds are allocated to the agency
SRTS - Within 4 ½ years after project is amended into FTIP
- **Restriction on Infrastructure Projects**
SR2S - Must be located in the vicinity of a school
SRTS - Infrastructure projects must be within 2 miles of a grade school or middle school
- **Targeted Beneficiaries**
SR2S - Children in grades K-12
SRTS - Children in grades K-8
- **Funding**
SR2S - \$24.25M annual funding
SRTS - \$23M annual funding

The Safe Routes to School Program funds nonmotorized facilities in conjunction with improving access to schools through the Caltrans Safe Routes to School Coordinator. For more information visit: <http://www.dot.ca.gov/hq/LocalPrograms/saferoutes/saferoutes.htm>

Department of the Interior - Land and Water Conservation Fund (LWCF)

The U.S. Recreation and Heritage Conservation Service and the State Department of Park and Recreation administer this funding source. Any project for which LWCF funds are desired must meet two specific criteria. The first is that projects acquired or developed under the program must be primarily for recreational use and not transportation purposes and the second is that the lead agency must guarantee to maintain the facility in perpetuity for public recreation. The application will be considered using criteria such as priority status within the State Comprehensive Outdoor Recreation Plan (SCORP). The State Department of Park and Recreation will select which projects to submit to the National Park Service (NPS) for approval. Final approval is based on the amount of funds available that year, which is determined by a population based formula. Trails are the most commonly approved project.

Rivers, Trails, and Conservation Assistance Program (RTCA)

The Rivers, Trails and Conservation Assistance Program is the community assistance arm of the National Park Service. RTCA provides technical assistance to communities in order to preserve open space and develop trails. The assistance that RTCA provides is not for infrastructure, but rather building plans, engaging public participation and identifying other sources of funding for conversation and outdoor recreation projects.

Other Bicycle Infrastructure Funding Options

Additionally, states received a one time appropriation of \$53.6 billion in state fiscal stabilization funding under the American Recovery and Reinvestment Act (ARRA) in 2009. States must use 18.2 percent of their funding – or \$9.7 billion – for public safety and government services. An eligible activity under this section is to provide funding to K-12 schools and institutions of higher education to make repairs, modernize and make renovations to meet green building standards. The Leadership in Energy and Environmental Design (LEED) Green Building Rating System, developed by the U.S. Green Building Council (USGBC), addresses green standards for schools that include bicycle and pedestrian facilities and access to schools.

Another \$5 billion is provided for the Energy Efficiency and Block Grant Program. This provides formula funding to cities, counties and states to undertake a range of energy efficiency activities. One eligible use of funding is for bicycle and pedestrian infrastructure.



State Sources

State Highway Account

Section 157.4 of the Streets and Highways Code requires Caltrans to set aside \$360,000 for the construction of non-motorized facilities that will be used in conjunction with the State highway system. The Office of Bicycle Facilities also administers the State Highway Account fund. Funding is divided into different project categories. Minor B projects (less than \$42,000) are funded by a lump sum allocation by the CTC and are used at the discretion of each Caltrans District office. Minor A projects (estimated to cost between \$42,000 and \$300,000) must be approved by the CTC. Major projects (more than \$300,000) must be included in the State Transportation Improvement Program and approved by the CTC. Funded projects have included fencing and bicycle warning signs related to rail corridors.

Caltrans Active Transportation Program (ATP)

The Active Transportation Program was created by Senate Bill 99 (Chapter 359, Statutes 2013) and Assembly Bill 101 (Chapter 354, Statutes 2013) to encourage increased use of active modes of transportation, such as biking and walking. The ATP consolidates existing federal and State transportation programs, including the Transportation Alternatives Program (TAP), Bicycle Transportation Account (BTA), and State Safe Routes to School (SR2S), into a single program with a focus to make California a national leader in active transportation. The ATP is administered by the Division of Local Assistance, Office of Active Transportation and Special Programs. This is a competitive program to:

- Increase biking and walking trips
- Increase safety
- Increase mobility
- Support regional agency GHG reduction
- Enhance public health
- Benefit disadvantaged communities (25 percent)
- Include a broad spectrum of projects

Streets and Highways Code

Bicycle Transportation Account (BTA)

The Bicycle Transportation Account (BTA) funds nonmotorized facilities and access to cities and counties that have adopted bikeway master plans. Section 2106 (b) of the Streets and Highways Code transfers funds annually to the BTA from the revenue derived from the excise tax on motor vehicle fuel. The Caltrans Office of Bicycle Facilities administers the BTA.

For a project to be funded from the BTA, the project shall:

- i) Be approximately parallel to a State, county, or city roadways, where the separation of bicycle traffic from motor vehicle traffic will increase the traffic capacity of the roadway; and
 - ii) Serve the functional needs of commuting cyclists; and
- 3) Include but not be limited to:
- New bikeways serving major transportation corridors;
 - New bikeways removing travel barriers to potential bicycle commuters;
 - Secure bicycle parking at employment centers, park and ride lots and transit terminals;
 - Bicycle carrying facilities on public transit vehicles;
 - Installation of traffic control devices to improve the safety and efficiency of bicycle travel;
 - Elimination of hazardous conditions on existing bikeways serving a utility purpose;
 - Project planning
 - Preliminary and construction engineering

Maintenance is specifically excluded from funding and allocation takes into consideration the relative cost effectiveness of the proposed project.

Transportation Development Act Article 3 (Senate Bill 821)

TDA funds are based on a ¼ percent State sales tax, with revenues made available primarily for transit operating and capital purposes. By law, the Riverside County Auditor's office estimates the apportionment for the upcoming fiscal year.

TDA Article 3 funds may be used for the following activities related to the planning and construction of bicycle and pedestrian facilities:

- Engineering expenses leading to construction
- Right-of-way acquisition
- Construction and reconstruction
- Retrofitting existing bicycle facilities to comply with ADA requirements
- Route improvements, such as signal controls for cyclists, bicycle loop detectors and rubberized rail crossings
- Purchase and installation of bicycle facilities such as improved intersections, bicycle parking, benches, drinking fountains, rest rooms, showers adjacent to bicycle paths, employment centers, park-and-ride lots, and/or transit terminals accessible to the general public

Local Sources

Developer Impact Fees

As a condition for development approval, municipalities can require developers to provide certain infrastructure improvements, which can include bikeway projects. These projects have commonly provided Class 2 facilities for portions of on-street, previously planned routes. They can also be used to provide bicycle parking or shower and locker facilities. The type of facility that should be required to be built by developers should reflect the greatest need for the particular project and its local area. Legal challenges to these types of fees have resulted in the requirement to illustrate a clear nexus between the particular project and the mandated improvement and cost.

New Construction

Future road widening and construction projects are one means of providing on-street bicycle facilities. To ensure that roadway construction projects provide bicycle lanes where needed, it is important that the review process includes input pertaining to consistency with the proposed system. Future development in the City will contribute only if the projects are conditioned.

Restoration

Cable TV and telephone companies sometimes need new cable routes within public rights of way. Recently, this has most commonly occurred during expansion of fiber optic networks. Since these projects require a significant amount of advance planning and disruption of curb lanes, it may be possible to request reimbursement for affected bicycle facilities to mitigate construction impacts. In cases where cable routes cross undeveloped areas, it may be possible to provide for new bikeway facilities following completion of the cable trenching, such as sharing the use of maintenance roads.

Other Sources

Local sales taxes, fees and permits may be implemented as new funding sources for bicycle projects. However, any of these potential sources would require a local election. Volunteer programs may be developed to substantially reduce the cost of implementing some routes, particularly multi-use paths. For example, a local college design class may use such a multi-use route as a student project, working with a local landscape architectural or engineering firm. Work parties could be formed to help clear the right of way for the route. A local construction company may donate or discount services beyond what the volunteers can do. A challenge grant program with local businesses may be a good source of local funding, in which the businesses can "adopt" a route or segment of one to help construct and maintain it.

Private Sources

Private funding sources can be acquired by applying through the advocacy groups such as the League of American Bicyclists and the Bikes Belong Coalition. Most of the private funding comes from foundations wanting to enhance and improve bicycle facilities and advocacy. Grant applications will typically be through the advocacy groups as they leverage funding from federal, State and private sources.

Tables 19 to 22 on the following pages summarize many of the numerous funding sources available.



Table 18: Federal Funding Sources

Federal Sources					
Grant Source	Annual Total	Agency	Funding Cycle	Match	Remarks
Land and Water Conservation Act of 1965 (LWCF)	\$450 million federal; \$3.6 million CA (2012)	National Parks Service/California Department of Parks and Recreation	Dec-Jan	50% + 2-6% admin. sur-charge	Funding subject to north/south split (60% for Southern California). Fund provides matching grants to state and local governments for land acquisition and development for outdoor recreation use. Individual project awards are not available.
MAP-21 - Surface Transportation Program (STP)	\$10 billion Federal; \$888 million CA (pre-set-aside, pre-penalty)	FHWA/Caltrans	June 1	20%	STP funds wide variety of bicycle and pedestrian improvements, including on-street bicycle facilities, off-street trails, sidewalks, crosswalks, bicycle and pedestrian signals, parking and other ancillary facilities. May be exchanged for local funds for non-federally certified local agencies. No match required if project improves safety.
MAP-21 - Transportation Alternatives Program (TAP) Includes Trails and SRTS Programs	\$820 million Federal; \$72.5 million CA	FHWA/SANDAG	Annual	20%	Funds construction, planning and design of facilities for pedestrians, bicyclists and other non-motorized forms of transportation.
MAP-21 - Recreational Trails Program	\$5.75 million guaranteed (set aside from TAP)	FHWA, Regional agency may also contribute	Annual	Federal + Regional must not exceed 95%	Percentage of TAP funding allocated to Recreational Trails Program at discretion of State.
MAP-21 - National Highway Performance Program	\$1.9 billion (pre-set-aside, pre-penalty)	FHWA/Caltrans	Not available	Federal 80%-100%; State 0%-20%	Program provides funding for construction and maintenance projects located on newly expanded National Highway System (NHS), including those related to bicycle and pedestrian infrastructure. Certain safety projects may have a federal cost share of up to 100%.

4 Funding and Implementation

Table 18: Federal Funding Sources

Federal Sources					
Grant Source	Annual Total	Agency	Funding Cycle	Match	Remarks
MAP-21 - Highway Safety Improvement Program (HSIP)	\$2.4 billion Federal; \$197 million CA (pre-set-aside, pre-penalty)	FHWA/Caltrans		Federal 90%; State 10%	Projects must address safety issues and may include education and enforcement programs. Program includes Railroad-Highway Crossings and High Risk Rural Roads programs. Bicycle projects must provide high degree of safety.
MAP-21 - Congestion Mitigation and Air Quality (CMAQ)	\$464 million CA (pre-set-aside, pre-penalty)	FHWA/Caltrans	April	20%	Amount of CMAQ funds depends on state's population share and on degree of air pollution
MAP-21 - Safe Routes to School Program (SRTS)	\$21 million (2012 Funding; see remarks section for more information)	Federal Highway Administration (FHWA) Caltrans and then MPO (SANDAG)		80% Federal; 20% State	Caltrans proposed funding SRTS from a \$21 million set aside in STP, approved by CTC as one year policy. Future funding for SRTS will be determined through the MAP-21 implementation process.
Rivers, Trails and Conservation Assistance Program (RTCA)		National Park Service	August		Expenditures include bikeway plans, corridor studies and trails assistance
Energy Efficiency and Block Grant Program	\$3 million	Department of Energy			Provided formula funding for cities, counties and states to take part in energy efficient activities
Community Development Block Grants (CDBG)	\$3 million	HUD & CA Dept of Housing & Com. Dev.	Ongoing	10%	Funds improve land use and transportation infrastructure in low-income neighborhoods or citywide for accessibility improvements.
Federal Lands Highway Program	\$611 million 2008-10	FLH/FHWA	Ongoing	Varies	May be used to build bicycle and pedestrian facilities in conjunction with roads and parkways at discretion of grantee.
Land and Water Conservation Fund (LWCF)	\$30 million in 2010	NPS/California Department of Parks and Recreation	Annual	50%	LWCF grants may be used for statewide outdoor recreational planning and for acquiring and developing recreational parks and facilities, especially in urban areas.



Federal Sources					
Grant Source	Annual Total	Agency	Funding Cycle	Match	Remarks
MAP-21 – Pilot Transit-Oriented Development Planning Program	\$10 million	Federal Transit Administration	Not available	Not available	Provides funding to advance planning efforts that seek to increase access to transit hubs for pedestrian and bicycle traffic.
Map-21 - Associated Transit Improvements	1% of the Urbanized Area Formula Grant; for FY2014 that would be 1% of 4.5 Billion (~\$45 million)	Federal Transit Administration/ MPO	Not available	80% Federal Assistance (Capital); 50% Federal Assistance (Operational)	Recipients of Section 5307 (Urbanized Area Formula Grants) must certify they are spending no less than 1 percent of their federal transit funds on associated transit improvements (formerly transit enhancements). Typical projects have included bicycle lockers and parking near transit stations and stops.
Partnership for Sustainable Communities	\$409 million in grants and/or assistance in 2010	HUD/DOT/EPA	Ongoing	Not available	Funding for preparing or implementing regional plans for sustainable development.
Energy Efficiency and Conservation Block Grant Program	\$3.2 Billion Federal; over \$35 million CA	FHWA	June	None	Provides formula funding for cities, counties and states to take part in energy efficient activities.
Rivers, Trails and Conservation Assistance (RCTA) Program	Staff time is awarded for technical assistance	NationalParks Service	August 1 for the following year	N/A	Technical assistance offered for conservation of rivers and open space and development of trails and greenways.
Community Development Block Grant (CDBG)	\$2 million for Planning and technical assistance in 2013	HUD & California Department of Housing and Community Development	Ongoing	Ongoing 90% Federal; 10% Local	Available for low-income neighborhoods to improve land use and transportation infrastructure. Can be used for citywide accessibility improvements.
Community Transformation Grants (CTG)	\$35 million in 2012	Regional health and planning agencies	Not available	N/A	Funds to implement broad, sustainable strategies to reduce health disparities and expand preventive health care services.

4 Funding and Implementation

Federal Sources					
Grant Source	Annual Total	Agency	Funding Cycle	Match	Remarks
Transportation Investment Generating Economic Recovery Program (TIGER)	\$474 million Federal; \$31 Million CA (2013)	US DOT	October	80% Federal; 20% State	Can be used for innovative, multi-modal and multi-jurisdictional transportation projects (including bicycle and pedestrian projects) that promise significant economic and environmental benefits to an entire metropolitan area, region or the nation. Minimum project cost is \$10 million.
Bus and Bus Facilities Program: State of Good Repair	\$2.17 billion Federal (2014)	Federal Transit Administration	March	80% Federal; 20% State	Can be used for projects to provide bicycle access to public transportation facilities. More specifically, funds are used for shelters for people, bicycle parking amenities and accommodating bicycles on transit.
Bus Livability Initiative	\$125 million (2012)	Federal Transit Administration	March	90% Federal; 10% State	Can be used for bicycle and pedestrian support facilities, such as bicycle parking, bicycle racks on buses, pedestrian amenities and educational materials.
Federal Lands Transportation Program, Category 3, "Alternative Transportation" (see remarks)	Pacific West Region was awarded \$3.38 million (2013)	FHWA	Varies, generally October; programmed through 2017	None	Funds transportation modes that reduce congestion and pollution in parks and public lands. Formerly the Paul S. Sarbanes Transit in Parks Grant Program (repealed upon enactment of MAP-21).
Local Highway Bridge Program	\$300 million	FHWA/Caltrans	Ongoing	88.53% Fed. Match for Local Highways; 100% for Fed. Highways	Funds to replace or rehabilitate public highway bridges over waterways, other topographical barriers, other highways, or railroads.
Section 5310	\$20-\$35 annually	Federal Transit Administration	Annually	11.47%	Assists private, non-profit corporations and public agencies in providing transportation services to meet needs of seniors and persons with disabilities for whom public transportation services are otherwise unavailable, insufficient or inappropriate.



Table 19: State Funding Sources

State Sources					
Grant Source	Annual Total	Agency	Funding Cycle	Match	Remarks
State Highway Account (SHA): Bicycle Transportation Account (BTA)	Varies	Caltrans	March application deadline. Consult Local Assistance Office	10%	Must have an adopted Bicycle Transportation Plan. Funding available for all phases of projects.
Active Transportation Program	\$124 million/year	Caltrans	Two-year cycle	12%	Consolidates BTA, Transportation Alternatives and Safe Routes to School funding. 60% awarded by State, 40% by MPOs.
Transportation Development Act (TDA) Section 99234	\$149 in 2014	Local MPO or CTC	Annually	None	2% of TDA total, funds for bicycle and pedestrian projects.
Regional Improvement Program (STIP)	\$3.4 billion over 5-years	Caltrans	Every two years		Capital improvement projects (planning and rideshare activities).
AB-2766 Vehicle Registration Funds	\$30 million in 2010	SCAQ	February	None	Competitive program for projects that benefit air quality.
Vehicle Registration Surcharge Fee (AB-434) RCF		APCB	July	None	Competitive program for projects that benefit air quality.
Vehicle Registration Surcharge Fee (AB-434) PMF	40% from grant source	APCB	April	None	Funds distributed to county communities based on population.
Developer Fees or Exactions	Project-specific	Cities	Ongoing	None	Mitigation required during land use approval process.
State Gas Tax (local share)		Allocated by State Auditor-Controller	Monthly allocation	None	Major Projects, >\$300,000.
State and Local Transportation Partnership Program (SLPP)	Est. \$200 million/yr. state-wide	Caltrans	Summer	50%	Road projects with bicycle lanes are eligible, requires developer or traffic fee match.
Caltrans Minor Capital Program	Varies	Caltrans	Ongoing after July 1	None	Projects must be on state highways; such as upgraded bicycle facilities.
Environmental Enhancement and Mitigation Program (EEM)	\$10 million/yr. state-wide	State Resources Agency	October annually	None required, but favored	Individual grants limited to \$350K.

4 Funding and Implementation

State Sources					
Grant Source	Annual Total	Agency	Funding Cycle	Match	Remarks
Petroleum Violation Escrow Account (PVEA)	Varies	Caltrans, CA Community Services and Development, Air Resources Board	March	None	Projects must save energy, provide public restitution and be approved by CA Energy Commission and US DOE.
Community Based Transportation Planning Demonstration Grant Program	\$3 million annually	Caltrans	November	20%	Projects must have a transportation component or objective.
Habitat Conservation Fund Grant Program (HCF)	\$2 million	CA Dept of Park and Recreation	October	50%	Available until July 1, 2020.
Office of Traffic Safety Program (OTS)	Varies	Office of Traffic Safety	January	None	Goal to reduce vehicle fatalities and injuries through safety program to include education, enforcement and engineering.
Safe Routes to School Program (SR2S)	\$24 million in 2009*	Caltrans	April	10%	Eligible for projects in vicinity of a school and grades K-12.
State Transportation Improvement Program (STIP)	Varies	Caltrans	Every 4 years	None	Gives metropolitan regions more control over state transportation fund investment.
California Conservation Corps (CCC)		California Conservation Corps			CCC provides emergency assistance and public service conservation work.
Environmental Justice (EJ) Planning Grants	\$9 million in 2010	Caltrans	Annually	10%	Engage low-income and minority communities in transportation projects to ensure equity and positive social, economic and environmental impacts.
California River Parkways	Varies	CA Natural Resources Agency	October	None	Create or expand trails for walking, bicycling and/or equestrian activities compatible with other conservation objectives.



Table 20: Local Funding Sources

Local Sources					
Grant Source	Annual Total	Agency	Funding Cycle	Match	Remarks
Parking Meter Districts		City	Annual Budget	N/A	Parking Meter Districts can use parking meter revenues for streetscape improvements such as pedestrian facilities, landscaping and lighting.
Transient Occupancy Tax (TOT)		City	Annual Budget	None	Created to cover expenses and improvements related to tourism and to encourage more tourists to visit. Fund may be appropriate in areas of heavy tourism such as along waterfronts, major parks and historic neighborhoods.
SB-821	Varies	Riverside County Transportation Commission (RCTC)	Annually	Up to 25%	Eligible projects include sidewalks, bicycle paths, lanes and routes, and access ramps or curb cuts.
Measure A	\$400 million/year	Riverside County Transportation Commission (RCTC)	Annually	None	Western County, public transit includes funding for specialized transit, commuter rail, intercity bus service, and commuter assistance.
SCAG Sustainability Program	Varies	SCAG	Annually	None	Direct funding of innovative planning initiatives for member agencies through Compass Blueprint Demonstration Projects.
SCAG Active Transportation	Varies	SCAG	Annually	11.47%	New division intended to assist bicycle and pedestrian planning efforts. Program will focus on voluntary efforts to meet local needs and contribute to implementing SCS, reducing greenhouse gas (GHG) emissions.

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Table 21: Private Funding Sources

Private Sources					
Grant Source	Annual Total	Agency	Funding Cycle	Match	Remarks
SRAM Cycling Fund	\$400,000+/yr	SRAM	Ongoing	None	www.sramcyclingfund.org
Surdna Foundation	Project-specific	Surdna Foundation	Ongoing	None	Surdna Foundation makes grants to nonprofit organizations in areas of environment, community revitalization, effective citizenry, arts, and the nonprofit sector.
Bikes Belong	\$180,000 annually	Bikes Belong Coalition	Three times a year	50%	Community grants focus on funding facilities and programs. www.bikesbelong.org
Kaiser Permanente Community Health Initiatives	\$54 million annually	Kaiser Permanente	Ongoing	None	Numerous programs to support Healthy Initiatives.
Health Foundations		Various foundations	Ongoing		Focus active transportation improvements for an obesity prevention strategy. Examples include California Wellness Foundation, Kaiser and California Endowment.
Rails to Trails Conservancy		Rails to Trails Conservancy			Provides technical assistance for converting abandoned rail corridors to use as multi-use trails.
Donations		Depends on nature of project	Ongoing		Corporate or individual donations, sponsorships, merchandising or special events.
In-kind Services		Depends on nature of project	Ongoing		Donated labor and materials for facility construction or maintenance such as tree planting programs or trail construction and maintenance.
People for Bikes Community Grant Program	Up to \$10,000	People for Bikes	Twice a year	None	Focuses most grant funds on bicycle infrastructure projects such as bicycle paths, lanes, trails and bridges, mountain bike facilities, bike parks and pump tracks, BMX facilities, end-of-trip facilities such as bicycle racks, parking and storage.



- A: Design Guidelines**
- B: Suitability Model and Project Prioritization**
- C: Community Input Summary**
- D: Count Summary**
- E: California Streets and Highways Code Section 891.2 Compliance**

Class 1 Multi-use Paths

Class 1 facilities are generally paved multi-use paths, separated from motor vehicle traffic. Off street routes are rarely constructed for the exclusive use of cyclists since other non-motorized user types will also find such facilities attractive. For that reason, the facilities recommended in this master plan should be considered multi-use where cyclists will share the pathways with other users. Recommended Class 1 paths are intended to provide commuting and recreational routes unimpeded by motor vehicle traffic.

By law, the presence of a Class 1 route near an existing roadway does not justify prohibiting bicycles on the parallel or nearly parallel roadway. Where a bikeway master plan calls for Class 1 routes parallel to the alignments of planned roadways, these roadways should still be designed to be compatible with bicycle use. Two reasons to retain parallel facilities are that an experienced cyclist may find Class 1 paths inappropriate because of intensive use, or the routes may not be direct enough. By the same token, the Class 1 path will likely be much more attractive to less experienced cyclists than a parallel facility on the adjacent street.

In general, Class 1 facilities should not be placed immediately adjacent to roadways. Where such conditions exist, Class 1 facilities should be offset from the street as much as possible and separated from it by a physical barrier. These measures are intended to promote safety for both the cyclists and the vehicle drivers by preventing unintended movement between the street and the Class 1 facility.

Common Issues

A Class 1 bicycle facility is located within its own separate right-of-way, with no motor vehicle traffic permitted. However, Class 1 facilities are typically shared with other users, such as pedestrians or equestrians. The common issues associated with the design of Class 1 facilities include:

At-grade Crossings – While Class 1 facilities are located on exclusive right-of-way, most must deal with at-grade crossings at roadways or railways. At-grade crossings present several challenges, including safety issues and conflicts with automobile traffic operations. Most bicycle related collisions occur at at-grade crossings.

Shared Use Issues – Class 1 facilities are multi-use and not for the exclusive use of cyclists, which can create conflicts between different user types, particularly due to speed differentials. Conflicts between different user types are especially likely to occur on regionally significant recreational paths that attract a broad diversity of users.

Compatibility of Equestrian Use – Joint use paths by cyclists can pose problems due to the ease of which horses can be startled. Also, the requirements of a Class 1 bikeway facility include a solid surface, which is not desirable for horses.

Safety – Safety issues have come up within some communities regarding Class 1 bicycle facilities. Class 1 bicycle facilities are typically separated from public areas, resulting in the perception of increased crime or an unsafe environment.

Obstacles – Obstacles are a common issue and may include sign posts, light standards, utility poles and other similar appurtenances that impede travel.



Opportunities and Potential Treatments

At-Grade Crossings

Several design options exist for making at-grade crossings safer. The main objective is clear signage to minimize confusion between conflicting modes of travel. Crossings should be implemented at all at-grade crossings to clearly show that cyclists or other users may be crossing. Flashers are also helpful, especially at night to notify vehicle drivers of the crossing. The installation of a signalized crossing is preferred. Approaches should be somewhat offset to slow users as they near the intersection. (See example at right.) These guidelines should be applied to all at-grade crossings, such as on proposed creek and railway corridors.



Class 1 bicycle path at-grade crossing - San Diego, CA

Shared Use Issues of Class 1 Facilities

In general, paths expected to receive heavy use should be a minimum of 14 feet wide, paths expected to experience moderate use should be at least 12 feet wide and low volume paths can be 10 feet wide. Caltrans Class 1 requirements call for eight feet as the minimum width with two foot clear areas on each side. Methods used to reduce path conflicts have included providing separate facilities for different groups, restricting certain uses to specific hours, widening existing facilities or marking lanes to regulate flow. Examples of all of these types of actions occur along southern California's coastal paths where conflicts between different user types can be especially severe during peak periods.



Path with marked pedestrian and bicycle lanes - Long Beach, CA

Compatibility of Equestrian Use

Joint use of paths by cyclists and equestrians can pose problems due to the ease with which horses can be startled. Also, the requirements of a Class 1 multi-use facility include a solid surface, which is not desirable for horses. Therefore, where either equestrian or cycling activity is expected to be high, separate routes are recommended. On facilities where Class 1 designation is not needed and the facility will be unpaved, mountain bikes and horses can share the trail if adequate passing zones are provided, the expected volume of traffic by both groups is low and available sight distances allow equestrians and cyclists to see and anticipate each other. Education of all path users in "trail etiquette" has also proven to be successful on shared paths.



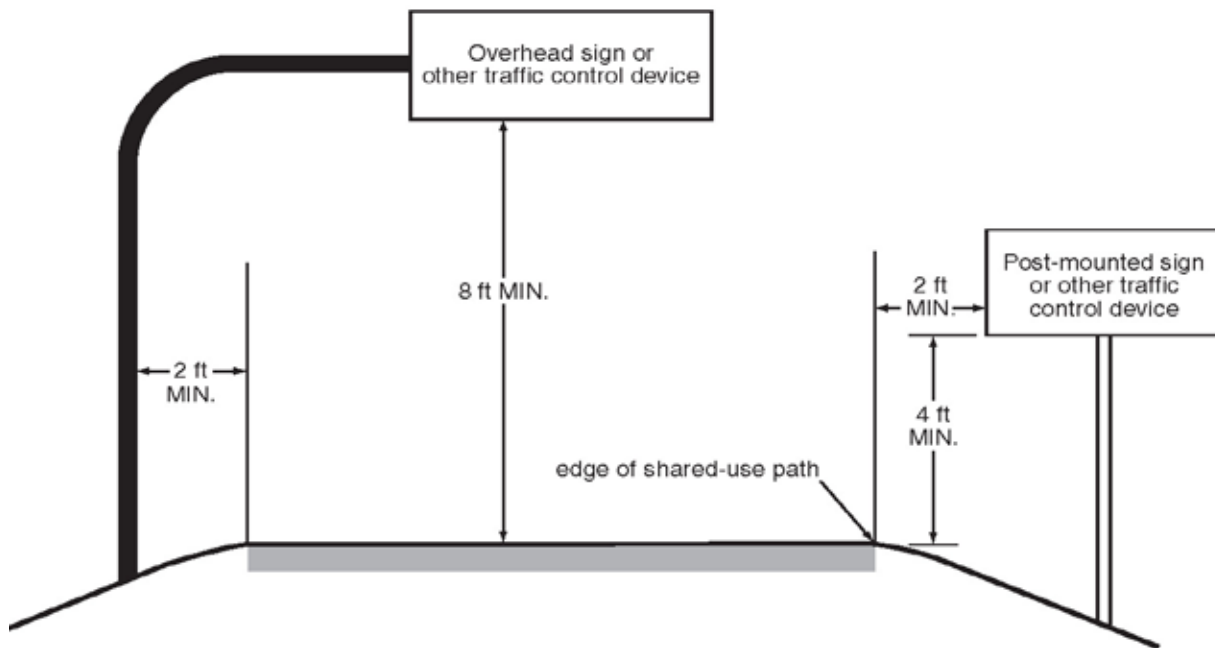
Class 1 multi-use path and adjacent horse trail - San Diego, CA

Safety

The Delaware Center for Transportation and the State of Delaware Department of Transportation studied the impacts of Class 1 multi-use paths to neighborhoods in relation to safety and crime (*Project Report for Property Value/Desirability Effects of Bicycle Paths Adjacent to Residential Areas – 2006*). Examining multi-use paths in 12 communities across North America, the study concluded that crime on such paths is minimal and must be considered in perspective with the typical risks associated with other similar activities. Minimizing crime on paths involves ensuring that users exercise proper safety precautions and that managers maintain the path and support path use. The amount of crime in and around recreational facilities is generally correlated with the amount of crime in the neighboring area, and not a direct result of the path itself.

Obstacles

To make certain that as much of the paved surface as possible is usable by bicycle traffic, obstructions such as sign posts, light standards, utility poles and other similar appurtenances should be set back with at least a two foot minimum “shy distance” from the curb or pavement edge, with exceptions for guard rail placement in certain instances. A three foot minimum is recommended. Additional separation distance to lateral obstructions is desirable. Where there is insufficient paved surface width to accommodate bicycle traffic, any placement of equipment should be set back far enough to allow room for future projects (widening, resurfacing) to bring the pavement width into conformance with these guidelines when the opportunity arises. Vertical clearance to obstructions should be a minimum of eight feet. Where practical, vertical clearance of 10 feet is desirable.



Sign placement on shared-use paths (MUTCD Figure 9B-1)



Permeable Pavement for Class 1 Multi-Use Paths

Traditional impervious surfaces such as asphalt and concrete can be damaging to the local environment because stormwater running off them collects dirt and debris, and even oil from the asphalt itself, and washes these pollutants into streams, lakes and oceans. When stormwater runoff is not filtered through some form of treatment, it is directly transported into the local water system. Stormwater runoff is the leading source of pollutants entering our waterways.

An alternative to an impervious surface for multi-use paths is a pervious pavement such as porous concrete or asphalt. Porous pavement is especially useful for path segments that cannot be drained or are subject to periodic inundation. Its unique texture is composed primarily of angular aggregates such as crushed stone cemented together to create regular voids that allows water to flow directly downward to the underlying substrate. The exposed coarse aggregates provide enhanced traction for maintenance vehicles and bicycles and can prevent hazards such as hydroplaning. The textured surface is especially beneficial during the most difficult and dangerous of riding conditions, such as during rainfall, since water does not remain on the surface and cause flooding. However, some road cyclists feel that the coarse surface can be too rough for very skinny tired bicycles. Also, this type of paving requires regular maintenance to function properly, such as periodic vacuuming.

Markings and Striping

Marking and striping are used to indicate the separation of directional lanes on multi-use paths.

- A yellow center line stripe is recommended where paths are heavily used, where sight distances are restricted, and on some unlit paths where night time riding is expected. The line should be dashed when adequate passing sight distance exists, and solid when no passing is recommended.
- A solid white line is recommended for separation of pedestrian traffic and bicycle/in-line skating traffic.
- Solid white lines along the edge of paths are recommended where nighttime riding is expected.
- Markings should be retroreflective.
- Consideration should be given to selecting pavement marking materials that will minimize loss of traction for bicycles in wet conditions.

Note that Section 9C.03 of the MUTCD leaves the application of marking and striping of a Class 1 path optional.



Sign R81 (CA MUTCD)



Sign R81-A (CA MUTCD)



Sign R81-B (CA MUTCD)

Class 2 Bicycle Lanes

This facility provides a striped lane for one-way bicycle travel on a street or highway, installed along streets in corridors where there is significant bicycle demand, and where there are distinct needs that can be served by them. In streets with on-street parking, bicycle lanes are located between the parking area and the traffic lanes.

Common Issues

Class 2 facilities are located on highways and must share the road with motor vehicles. The most common issue associated with Class 2 bicycle lanes is safety. Traveling adjacent to motor vehicles, especially along high speed corridors, increases the risk of motor vehicle and bicycle-related collisions and injuries. Other safety issue concerns include:

- Freeway interchanges – slower bicycle traffic can often conflict with high speed vehicles entering and exiting freeways.
- Parking lanes – bicycle lanes are typically located between the parking lane and vehicle traffic lane, which creates unsafe conditions when vehicle drivers are attempting to park.
- Limited Right-of-Way – roadways ideal for bicycle lanes, but with limited right-of-way can be an issue. Many roadways suitable for Class 2 bicycle lanes are located adjacent to residential or commercial uses that allow on-street parking.
- Visibility – visibility of cyclists on roadways or at intersections, especially freeway ramps.

Design Guidelines

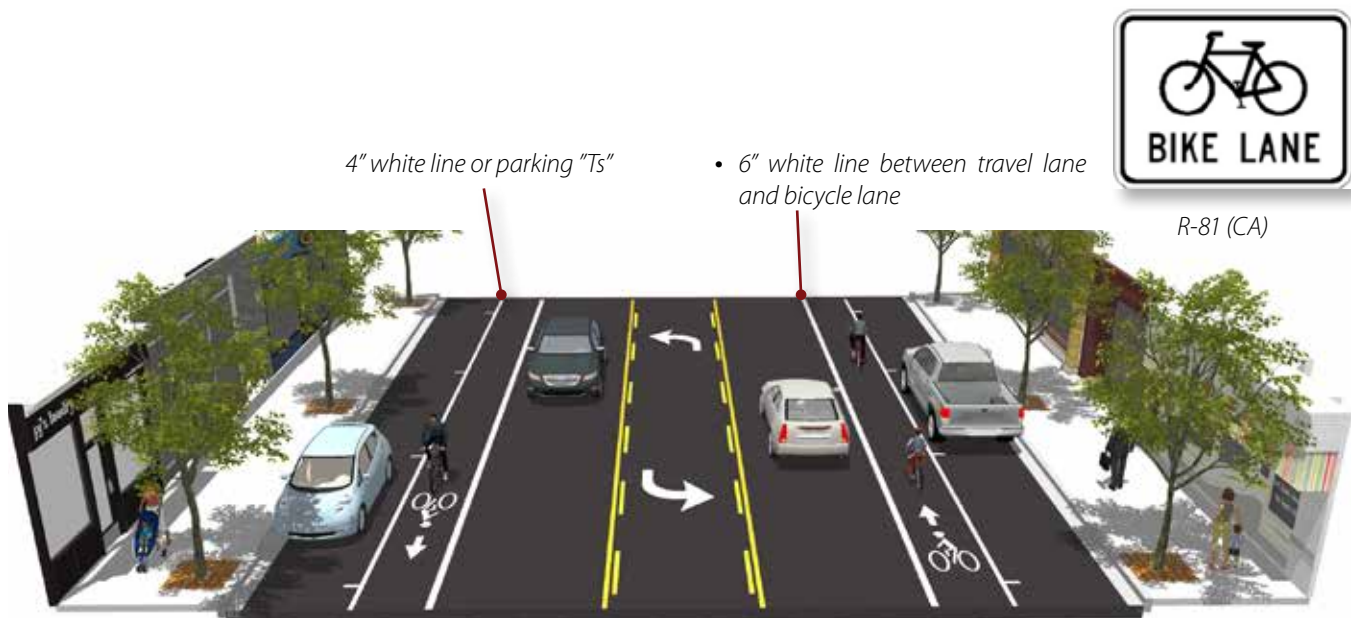
- Provide five foot minimum width for bicycle lanes located between parking and traffic lanes. Six feet is desired.
- Provide four foot minimum width if no gutter exists. With a normal two foot gutter, minimum bicycle lane width is five feet, with 36" outside of gutter.

Recommendations

- Bicycle lanes are not advisable on long, steep downgrades, where bicycle speeds greater than 30 miles per hour are expected. If lanes are used, additional width should be provided to accommodate higher bicycle speeds.
- If parking volume is substantial or turnover high, an additional one to two feet of width is desirable.
- If six feet is available for a bicycle lane, it is preferred to maintain the six feet if adjacent to a curb with no on-street parking present. With on-street parking, stripe a four foot bicycle lane with a two foot buffer between the bicycle lane and on-street parking.

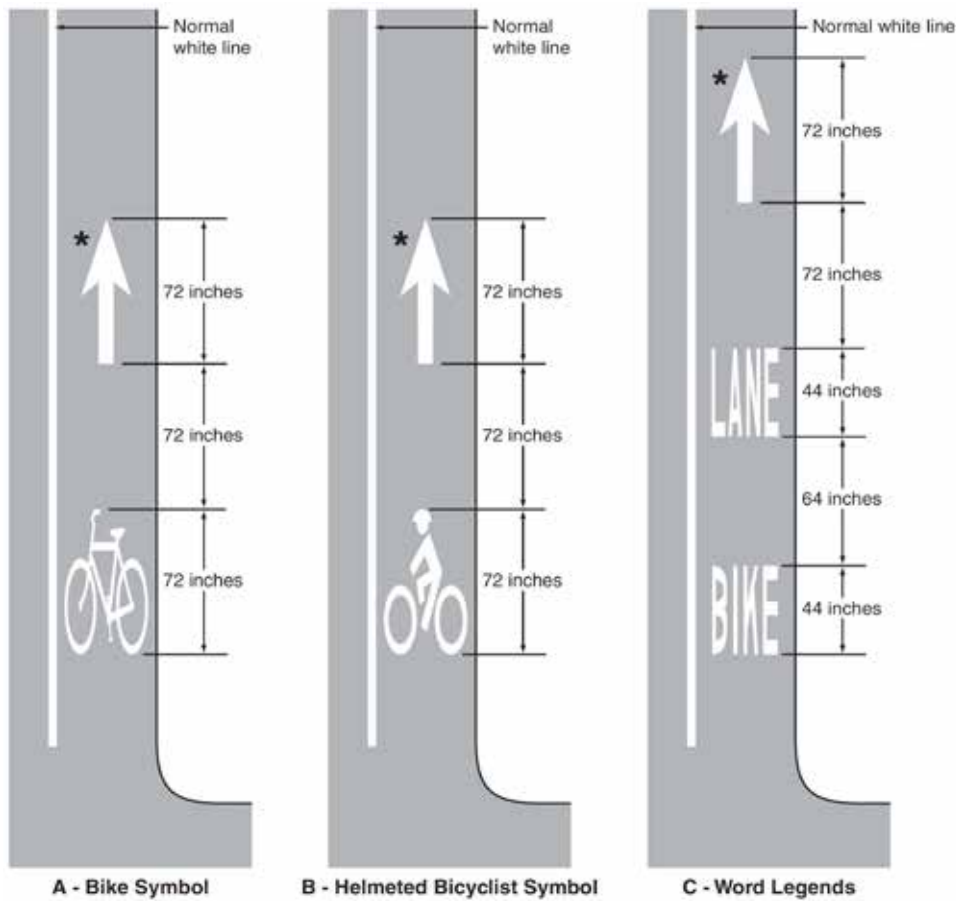
Optional Class 2 Bicycle Lane Enhancements

- Colored bicycle lanes
- Distinct and unique directional signage
- Traffic calming, such as curb extensions, street trees and landscaping, designed to increase pedestrian and bicycle safety
- Traffic control devices for bicycles at major intersections



Bicycle Lane Pavement Markings

The following is the suggested pavement signage for bicycle lanes from the California MUTCD.



*Bicycle lane markings
(CA MUTCD Figure 9C-3)*

** Arrows optional (but preferred)*

References

Caltrans HDM Chapter 300, California MUTCD 2012

NACTO Urban Bikeway Design Guide, 2012

Model Design Manual of Living Streets, 2011

Colored Bicycle Lanes

Color is applied to bicycle lanes to enhance the visibility of cyclists on bicycle lanes and the bicycle lanes themselves. Color can be applied to the entire bicycle lane or at high-risk locations where vehicle drivers are permitted to merge into or cross bicycle lanes.

Design Guidelines

- Signage and dimensional guidelines are the same as for standard Class 2 bicycle lanes.
- Avoid using blue, which is commonly designated for disabled facilities. Green has become the standard color for colored bicycle lanes.

Recommendations

- Provide additional signage with matching color.
- Use color and markings consistently.
- Consider different coloring materials based on the location of the bicycle lanes, amount of traffic, roadway and weather conditions.

References

Innovative Bicycle Treatments: An Informational Report - ITE Pedestrian and Bicycle Council

Portland's Blue Bike Lanes: Improved Safety through Enhanced Visibility - City of Portland, 1999

NACTO Urban Bikeway Design Guide, 2012



Green lane and merge zone - Riverside, CA



Buffered Bicycle Lanes

Additional space between the bicycle lane and traffic lane, parking lane or both provide a more protected and comfortable space for cyclists than a conventional bicycle lane.

Design Guidelines

- Signage and dimensional guidelines are the same as for standard Class 2 bicycle lanes.
- Provide an additional 2-4 foot buffer or “shy zone” between the bicycle lane and parking lane. If space allows, buffering between the traffic lane and bicycle lane may also be provided (dual buffering), but buffering between parked vehicles and the bicycle lane should be given priority.
- Where no parking occurs and space allows, provide a buffer between the travel lane and bicycle lane.
- Line closest to bicycle lane may be dashed.
- “Bott’s dots” are not generally recommended in buffer zones, but if used, should be linearly spaced 6-8 feet apart so as not to deter cyclists from entering and exiting.

Recommendations

- Add diagonal striping on the outer buffer adjacent to the vehicle travel lanes every six feet.
- On-street parking remains adjacent to the curb.
- A travel lane may need to be eliminated or narrowed to accommodate buffers.

References

NACTO Urban Bikeway Design Guide, 2012



Buffered bicycle lane - San Diego, CA



Dual buffered bicycle lane - San Diego, CA

Back-in Diagonal Parking

The back-in/head-out parking is considered safer than conventional head-in/back-out parking due to vehicle drivers having better visibility when pulling out. This is particularly important on busy streets or where vehicle drivers may find their view blocked by large vehicles or by tinted windows in adjacent vehicles.

Design Guidelines

Based on existing dimensions from test sites and permanent facilities, provide 16 feet from curb edge to inner bicycle lane stripe of a five foot bicycle lane.

Recommendations

Test the facility on streets with existing head-in angled parking and moderate to high bicycle traffic. Additional signs to direct vehicle driver in how the back-in angled parking works is recommended.

References

Back-in/Head-out Angle Parking, Nelson/Nygaard Consulting Associates, 2005

City of Los Angeles Bicycle Plan Update, City of Los Angeles

Note: This design treatment is not currently present in any State or federal design standards. However, it is now a standard configuration in Seattle, WA and is being widely adopted elsewhere.



Instructional signage - Solana Beach, CA



Back-in/head-out angle parking - Bridgeport, CA



R-81 (CA)

- 6" white line between travel lane and bicycle lane



Bicycle lane with back-in/head-out angle parking



Class 3 Bicycle Routes

The following are typical guidelines, as well as enhanced treatments for installing bicycle routes. Other treatments not listed in these guidelines may be considered on a case-by-case basis when warranted. Common issues associated with Class 3 facilities are similar to Class 2 facilities, but Class 3 facilities are generally located on roadways with lower speeds and lower traffic volumes. Class 3 facilities are designated as roadways with no striped bicycle lanes, but include signage to indicate that cyclists are allowed and should be expected. The most common issue associated with Class 3 facilities is signage visibility.

Signing

When designating a bicycle route, the placement and spacing of signs should be based on the *California Manual on Uniform Traffic Control Devices, Part 9: Traffic Controls for Bicycle Facilities*. For bicycle route signs to be functional, supplemental plaques can be placed beneath them when located along routes leading to high demand destinations (e.g. “To Downtown,” “To Transit Center,” etc.) Since bicycle route continuity is important, directional changes should be signed with appropriate arrow sub-plaques. Signing should not end at a barrier. Instead, information directing the cyclist around the barrier should be provided. If used, route signs and directional signs should be used frequently because they promote reasonably safe and efficient operations by keeping road users informed of their location.

“BIKE ROUTE” - This sign is intended for use where no unique designation of routes is desired. However, when used alone, this sign conveys very little information. It can be used in connection with sub-plaques giving destinations and distances. (See Section 1003-3 of the *Caltrans Highway Design Manual* and Part 9B-20 of the MUTCD for specific information on sub-plaque options.)

Roadways appropriate for bicycle use, but are undesignated, usually do not require regulatory, guide or informational signing in excess of what is normally required for vehicle drivers. In certain situations, however, additional signing may be needed to advise both vehicle drivers and cyclists of the shared use of the roadway, including the travel lane.



Class 3 bicycle route - Oceanside, CA



Sign D11-1 (CA MUTCD)



Sign SG45 (CA MUTCD)



Sign D1-1b (R) (CA MUTCD)

“Share the Road” - This sign is recommended where the following roadway conditions occur:

- Shared lanes with relatively high posted travel speeds of 40 mph or greater.
- Shared lanes in areas of limited sight distance.
- Situations where shared lanes or demarcated shoulders or marked bicycle lanes are dropped or end and bicycle and motor vehicle traffic must begin to share the travel lane.
- Steep descending grades where bicycle traffic may be operating at higher speeds and require additional maneuvering room to shy away from pavement edge conditions.
- Steep ascending grades, especially where there is no paved shoulder, or the shared lane is not adequately wide and bicycle traffic may require additional maneuvering room to maintain balance at low operating speeds.

- High volume urban conditions, especially those with travel lanes less than the recommended width for lane sharing.
- Other situations where it is determined to be advisable to alert vehicle drivers of the likely presence of bicycle traffic and to alert all traffic of the need to share available roadway space.

“Bicycles May Use Full Lane” (BMUFL) - This sign (R4-11) sign may be used:

- On roadways where there are no bicycle lanes or adjacent shoulders usable by cyclists and where travel lanes are too narrow for cyclists and motor vehicles to safely operate side-by-side.
- In locations where it is important to inform all roadway users that cyclists may occupy the travel lane.

Shared Lane Markings (next page) may be used in addition to or instead of BMUFL signs to inform road users that cyclists may occupy the travel lane. Both the Share the Road and BMUFL signs are recommended on most Class 3 routes. (Note: A new “Shared Road” sign is becoming the accepted standard instead of the “Share the Road” sign.)



Sign W16-1 and W11-1 (CA MUTCD)



Sign R4-11 (CA MUTCD)



Share the Road sign - San Clemente, CA



Class 3 Bicycle Route Enhancements

Shared Lane Marking or “Sharrow” Design Criteria

The shared lane marking (SLM) is commonly used where parking is allowed adjacent to the travel lane. The center of the marking should be located a minimum of 11 feet from the curb face or edge of the road. If used on a street without on-street parking that has an outside travel lane less than 14 feet wide, the centers of the Shared Lane Markings should be at least four feet from the face of the curb, or from the edge of the pavement where there is no curb. (Note that these criteria are evolving and that it is now common practice to center SLMs within the typical vehicular travel route in the rightmost travel lane to ensure adequate separation between cyclists and parked vehicles.)

Design Considerations

Shared lane markings may be considered in the following situations:

- On roadways with speeds of 35 mph or less (CA MUTCD).
- On constrained roadways too narrow to stripe with bicycle lanes.
- To delineate space within a wide outside lane where cyclists can be expected to ride.
- On multi-lane roadways where cyclists can be expected to travel within outside lanes and vehicle drivers should be prepared to change lanes to pass cyclists.
- On roadways where it is important to increase vehicle driver awareness of cyclists.
- On roadways where cyclists frequently ride the wrong way.
- On roadways where cyclists tend to ride too close to parked vehicles.

Recommendations

Shared lane markings should be paired with the Bicycles May use Full Lane signs (R4-11) or Shared Road sign.

Further enhancements, such as a green striped lane throughout the Shared Lane Marking zone, is another upgrade employed by cities such as Long Beach and Salt Lake City.

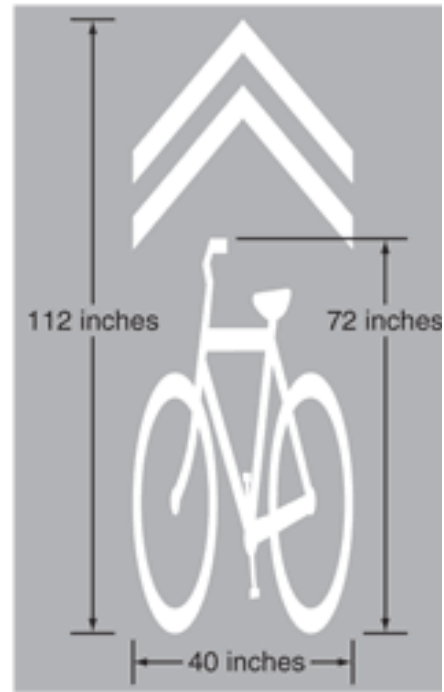
References

Caltrans HDM Chapter 300

California MUTCD 2012

NACTO Urban Bikeway Design Guide, 2012

Model Design Manual of Living Streets, 2011



Shared lane marking (CA MUTCD Figure 9C-9)



Green striped lane with shared lane markings - Long Beach, CA)



Shared lane marking - Oceanside, CA

Cycle Tracks

A cycle track is a combination between a bicycle lane and shared-use path. This facility can be both two-way or one-way depending on existing road conditions, intersections and adjacent land use. The cycle track is a separate facility adjacent to a pedestrian sidewalk and physically protected from an adjacent travel lane. This treatment reduces the risk of conflicts between cyclists, pedestrians and parked vehicles.

Design Guidelines

- One way cycle track: 6.5 feet minimum desired.
- Two-way cycle track: 12 feet minimum desired.
- Cycle track buffer: three feet minimum desired.
- This facility separates cyclists from the road through either parked cars, planting strips, bollards, raised medians, or a combination of these elements.
- Can be placed on lower speed urban streets or streets with high ADTs and speed, but they should have with long blocks and little to no driveways or mid-block vehicular access points.



Cycle track examples

(Upper image illustrates buffered and colored configuration and lower illustrates raised configuration)

Recommendations

- Additional signage, traffic control treatments and pavement markings is needed to direct cyclists along cycle track and intersection.
- Priority needs to be on cyclist safety through intersections and minimizing vehicular/cyclist conflict points.

References

Innovative Bicycle Treatments: An Informational Report - ITE Pedestrian and Bicycle Council

NACTO Urban Bikeway Design Guide, 2012



Cycle track - Long Beach, CA



Bicycle Boulevards

The purpose of creating bicycle boulevards is to provide a primary bicycle friendly route to improve safety and convenience of cycling on local streets. Bicycle boulevards are typically used on residential streets parallel to nearby arterial roads on routes that have high or potentially high bicycle traffic. A bicycle boulevard is a roadway available to vehicle drivers, but prioritizes bicycle traffic through the use of various treatments. Motor vehicle traffic volume is reduced by periodically diverting vehicles off the street and the remaining traffic is slowed to the same speed as bicycles. Bicycle boulevards are most effective when several treatments are used in combination. The design features associated with a Bicycle Boulevard can help:

- Increase pedestrian, cyclist and overall community feelings of comfort and safety.
- Increase cycling and walking.
- Improve wayfinding.
- Discourage neighborhood cut-through traffic.
- Calm and reduce neighborhood traffic.
- Provide shade for pedestrians and cyclists.
- Create a pleasant corridor through City center.

Recommended Enhancements

- Provide directional signage and/or special street sign design at all intersections.
- Provide continuous "Bicycle Boulevard" signage along route.
- Increased pavement markings and/or unique pavement markings such as colored bicycle lanes, Shared Lane Markings ("Sharrows") or "Bicycle Boulevard" pavement legends.
- Periodically re-route vehicular traffic off street without affecting emergency vehicle response.
- Limit stop signs and signals to greatest extent possible except where they help cyclists maneuver through busy intersections.
- Alter major intersections with bicycle sensors, crossing actuators, directional signage. Other treatments for intersections can include traffic circles, bulb-outs and high visibility crosswalks.
- Add street trees and landscaping.
- Route design, amenities and signage must be consistent throughout entire bicycle boulevard.
- Install bicycle parking at applicable locations along route.



Bicycle boulevard/roadway intersection treatment with signalized diagonal bicycle crossing - San Luis Obispo, CA



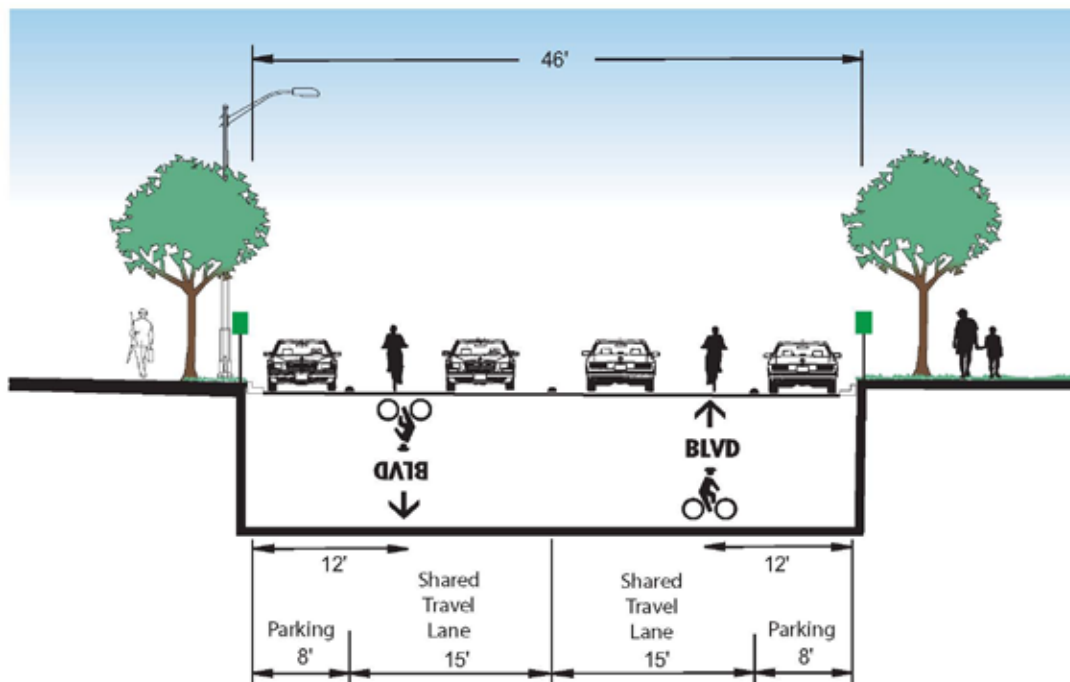
Bicycle boulevard pavement markings - San Luis Obispo, CA

Some optional Class 3 Bicycle Route enhancements for a bicycle boulevard include:

- Sharrows or Bicycle Boulevard pavement markings.
- Traffic calming (curb extensions, roundabouts, street trees and speed tables) designed to increase pedestrian and bicycle safety.
- Distinct and unique directional signage.
- Traffic control devices for bicycles at major intersections.
- Street trees and landscaping.

General Signage Guidelines

- Signs are a distinctive color to distinguish them from other traffic and road signs.
- Signs are made with retro-reflective material for improved visibility.
- Lettering on signs may be no less than two inches high.
- Provide bicycle system maps at hubs and near bicycle boulevard intersections.
- Place destination and distance signs every quarter mile, prior to signalized intersections, and in the block prior to the junctions with other bicycle facilities.
- Place bicycle boulevard identification signs at least at every other corner.
- Avoid obscuring vegetation or other visual impediments.
- Where wrong-way riding is known to occur, install DO NOT ENTER signs with the bicycle symbol, as well as informational signage citing applicable codes and dangers of wrong-way cycling.



Cross section with bicycle boulevard pavement markings



Pavement Markings

If bicycle lanes are the preferred alternative, they should be installed to meet Caltrans requirements. For further enhancements to the bicycle lanes, the inside of the lane can be painted green for further visibility. Some cities have used blue bicycle lanes, but they have since come under scrutiny because the ADA color designation is also blue. As a result, green has become the bikeway color standard.

Bicycle boulevard pavement markings are car-sized white pavement markings that depict a bicycle, the abbreviation of "BLVD" and a directional arrow. These markings are applied directly to the roadway surface in the center of the drive lane with four to six inch wide white paint striping. Markings should be placed in each direction of traffic following every intersection, near high volume driveways or other potential conflict points, and at no more than 200 foot intervals. Where the bicycle boulevard turns or jogs, arrows should be turned 45 or 90 degrees in the appropriate direction to help aid in way-finding.

Bicycle boulevard pavement markings can also inform vehicle drivers and cyclists of the end of the boulevard. When needed, these should be located in the same location as standard pavement markings to provide sufficient advance warning for cyclists to make appropriate decisions prior to the change. Advance warning 500 and 200 feet prior to the end of the end of a bicycle boulevard can be indicated on the pavement surface with "END" replacing the arrow and a count in feet until the end of the boulevard.

These symbols are to be used where bicycle lanes do not exist. With on-street parking, place the symbol twelve feet from curb face (measured to center of legend). Without on-street parking, place in center of the travel lane.

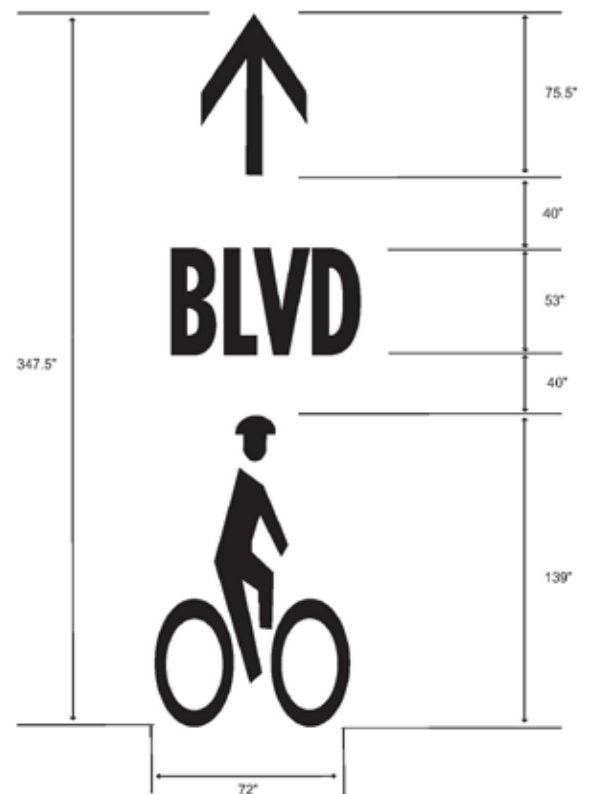
Note: Bicycle boulevard symbols are not a standard in the CA MUTCD. The diagram at right shows measurements for the symbol used in Berkeley, California.



Bicycle boulevard traffic diverters - San Luis Obispo, CA



Bicycle boulevard traffic circle - Long Beach, CA



Bicycle boulevard pavement marking - (Source: City of Berkeley, CA.)

Traffic Control Devices

As legitimate roadway users, cyclists are subject to essentially the same rights and responsibilities as vehicle drivers. Traffic control devices must be selected and installed to take their needs into account and should be placed so cyclists properly positioned on the roadway can observe them.

Traffic Signals and Detectors

Traffic actuated signals should accommodate bicycle traffic. Detectors for traffic activated signals should be sensitive to bicycles, should be located in the cyclist's expected path and stenciling should direct the cyclist to the point where the bicycle will be detected.

Since detectors can fail, added redundancy in the event of failure is recommended in the form of pedestrian push buttons at all signalized intersections. These buttons should be mounted in a location that permits their activation by a cyclist without having to dismount.

It is common for bicycles to be made of so little ferrous metals that they may not be easily detectable by some currently installed types of loop detectors. As a convenience for cyclists, the strongest loop detection point should be marked with a standard symbol.

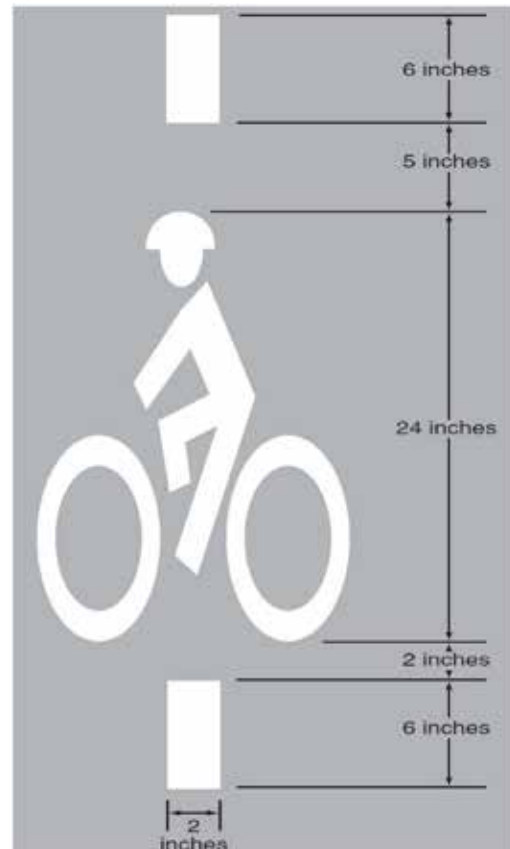
Where left turn lanes are provided and only protected left turns are allowed, bicycle sensitive loop detectors should be installed in the left turn lane. Where moderate or heavy volumes of bicycle traffic exist, or are anticipated, bicycles should be considered in the timing of the traffic signal cycle as well as in the selection and placement of the traffic detector device. In such cases, short clearance intervals should not be used where cyclists must cross multi lane streets. According to the 1991 AASHTO *Guide for the Development of Bicycle Facilities*, a bicycle speed of 10 mph and a perception/reaction time of 2.5 seconds can be used to check the clearance interval. Where necessary, such as for particularly wide roadways, an all red clearance interval can be used.

In general, for the sake of cyclist safety, protected left turns are preferred over unprotected left turns. In addition, traffic signal controlled left turns are much safer for cyclists than left turns at which vehicle drivers and cyclists must simply yield. This is because vehicle drivers, when approaching an unprotected left turn situation or planning to turn left at a yield sign, tend to watch for other vehicles and may not see an approaching cyclist. More positive control of left turns gives cyclists an added margin of safety where they need it most.

Video Detection

A video detection setup consists of a video detector, usually mounted on a riser pole or a mainline pole, and a computer with video image-processing capability. Video detection can pick up a cyclist's presence at an intersection over a large area. These systems have a flexible detector layout allowing for easy reprogramming of detection zones. Video detection technology has advanced to detect bicycles with the same accuracy as loop detectors.

Advantages to video detection over loop detection include the ability to adjust signal timing once activated to allow cyclists sufficient time to cross the intersection. Cameras can detect bicycles that do not contain iron, unlike many loop detectors, and in some cases can detect pedestrians fairly well. Video detection is also not affected by resurfacing work and may even be used to help direct traffic during construction.



Bicycle detector symbol (CA MUTCD Figure 9C-7)



Bicycle Signals

A bicycle signal is an electrically powered traffic control device that may only be used in combination with an existing traffic signal. They are typically used at intersections with heavy bicycle traffic, in conjunction with high peak vehicle traffic volumes, high conflict intersections or at the connections of shared use bicycle lanes and busy roadways.

These signals separate conflicting movements between pedestrians, vehicles and cyclists. Bicycle signals also provide priority movement for cyclists at intersections and alternates right-of-ways between the different road users.

Bicycle signals direct cyclists to take specific actions and may be used to improve an identified safety or operational problem involving cyclists.

Only green, yellow and red lighted bicycle symbols are used to implement bicycle movement at a signalized intersection. The application of bicycle signals is implemented only at locations that meet Caltrans bicycle signal warrant criteria. A separate signal phase for bicycle movement is used.

Alternative means of handling conflicts between cyclists and motor vehicles should be considered first. Two alternatives that should be considered are:

- Striping to direct cyclists to a lane adjacent to a traffic lane such as a bicycle lane to left of a right-turn-only lane
- Redesigning intersection to direct cyclists from an off-street path to a bicycle lane at a point removed from signalized intersection

A bicycle signal must meet warrant criteria before being considered for installation based on the following formula:

1. Volume; When $W = B \times V$ and $W > 50,000$ and $B < 50$.

Where:

W is the volume warrant

B is the number of bicycles at the peak hour entering the intersection

V is the number of vehicles at the peak hour entering the intersection

(B and V shall use the same peak hour)

2. Collision: When two or more bicycle/vehicle collisions of types susceptible to correction by a bicycle signal have occurred over a 12 month period and the responsible public works official determines that a bicycle signal will reduce the number of collisions.

3. Geometric: (a) Where a separate bicycle/multi-use path intersects a roadway. (b) At other locations to facilitate a bicycle movement that is not permitted for a motor vehicle.

References

California MUTCD 2012

NACTO Urban Bikeway Design Guide, 2012



Bicycle signals - Tucson, AZ

Bicycle Parking Facilities

Whenever possible, racks should be placed within 50 feet of building entrances where cyclists would naturally transition to pedestrian mode. The rack placement would ideally allow for visual monitoring by people within and around the building. Rack placement should minimize conflicts with both pedestrians and vehicle traffic. All bicycle parking should be on a solid surface and located a minimum of two feet from any parallel wall, and four feet from a perpendicular wall (as measured to the closest center of the rack).

The following text and graphics focus on outdoor installations using racks intended to accommodate conventional, upright, single-rider bicycles and a solid, U-shaped lock, or a cable lock, or both.

Rack Element

The rack element is the part of the bicycle rack that supports one bicycle. It should support the bicycle by its frame in two places, prevent the front wheel from tipping over, allow the frame and one or both wheels to be secured, and support bicycles with unconventional frames.

“Inverted-U” and similar type racks are most recommended because each element can support two bicycles. Commonly used “wave” type racks are not recommended because they support the bicycle at only one point. Also, cyclists often park their bicycles parallel with such racks, instead of perpendicular as intended, which effectively reduces the rack capacity by half.

The rack element must resist being cut or detached using common hand tools, especially those that can be concealed in a backpack. Such tools include bolt cutters, pipe cutters, wrenches and pry bars. Square tubing is highly recommended.

Rack

The rack itself is one or more rack elements joined on a common base or arranged in a regular array and fastened to a common mounting surface.

The rack elements may be attached to a single framework or remain single elements mounted in close proximity. They should not be easily detachable from the rack framework or easily removed from the mounting surface. The rack should be anchored so that it cannot be stolen with the bicycles attached, such as with vandal-resistant fasteners.



Custom bicycle rack - Oceanside, CA



Custom bicycle rack - San Diego, CA

The rack should provide easy, independent bicycle access. Typical inverted-U rack elements mounted in a row should be placed on 30” centers. Normally, the handlebar and seat heights will allow two bicycles to line up side-by-side in opposite directions. If it is too inconvenient and time-consuming to squeeze the bicycles into the space and attach a lock, cyclists will look for alternative places to park or use one rack element per bicycle and reduce the projected parking capacity by half.



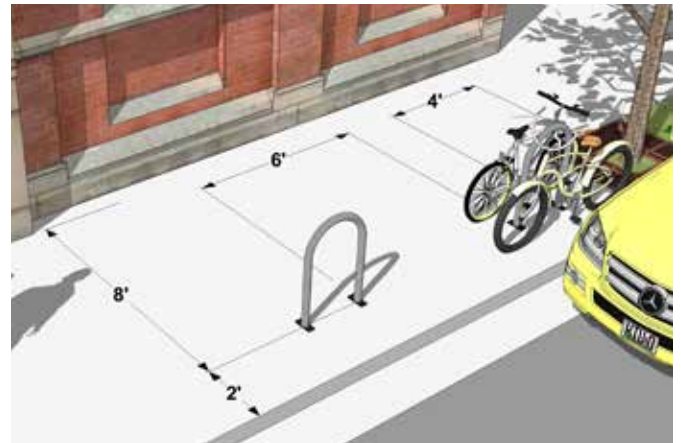
Rack Area

The rack area is a bicycle parking lot where multiple racks are separated by aisles. The distance between aisles is measured from tip to tip of bicycle tires across the space between racks. The minimum separation between aisles should be two feet, which provides enough space for one person to walk one bicycle. In high traffic areas where many users park or retrieve bicycles at the same time, the recommended aisle width is six feet. The depth of each row of parked bicycles should also be six feet.

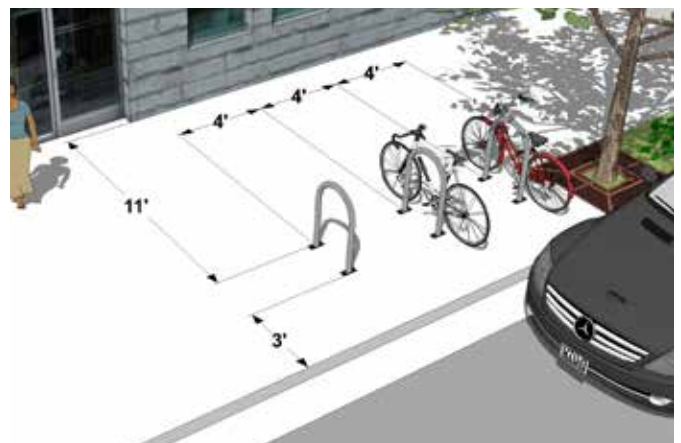
Large rack areas in high turnover areas should have more than one entrance. If possible, the rack area should be protected from the elements. Even though cyclists are exposed to sun, rain and snow while en route, covering the rack area keeps cyclists more comfortable while parking, locking their bicycles and loading or unloading cargo. A covering will also help keep bicycles dry, especially the saddles.



Bicycle rack dimensions for installations adjacent to walls



Bicycle rack dimensions for installations parallel to curb



Bicycle rack dimensions for installations perpendicular to curb

Rack Area Site

The rack area site is the relationship of a rack area to the building entrance or approach. In general, smaller, conveniently located rack areas should serve multiple buildings, rather than a larger combined, distant one. Racks far from the entrance or perceived to be where bicycles will be vulnerable to vandalism or theft will not receive much use.

Rack area location in relationship to the building it serves is very important. The best location is immediately adjacent to the entrance it serves, but racks should not be placed where they can block the entrance or inhibit pedestrian flow. The rack area should be located along a major building approach line and clearly visible from the approach.

The rack area should be no more than a 30 second walk (120 feet) from the entrance it serves and should preferably be within 50 feet. A rack area should be as close or closer than the nearest car parking space, be clearly visible from the entrance it serves and be near each actively used entrance. In some cases, an appropriate location may be within the adjacent right-of-way as a bicycle corral, as shown below.



Movable bicycle corral - Long Beach, CA



Bicycle corral dimensions - Converts one car parking space into 8-10 bicycle spaces



Long-term Parking

Bicycle parking facilities intended for long-term parking must protect against theft of the entire bicycle and its components and accessories. Three common ways of providing secure long-term bicycle parking are:

- Fully enclosed lockers accessible only by the user, either coin-operated, or by electronic, on-demand locks operated by “smartcards” equipped with touch-sensitive imbedded RFID chips.
- A continuously monitored facility that provides at least medium-term type bicycle parking facilities generally available at no charge.
- Restricted access facilities in which short-term type bicycle racks are provided and access is restricted only to the owners of the bicycles stored there.

Perhaps the easiest retrofit is the bicycle locker. Generally, they are as strong as the locks on their doors and can secure individual bicycles with their panniers, computers, lights, etc., left in place. Some bicycle locker designs can be stacked to double the parking density. Weather protection is another benefit. Bicycle lockers tend to be used most for long-term bicycle commuter parking in areas without continuous oversight. However, lockers with coin-operated locks can be a target of theft and may attract various unintended uses. This can be mitigated by installing lockers with mesh sides to allow periodic inspection.



Typical bicycle locker dimensions

Bicycle Suitability Model Overview

The Bicycle Suitability Model was developed to determine the most likely areas within the City of Moreno Valley where cyclists are likely to ride to and come from. The model was created to prioritize areas and projects to benefit the largest number of cyclists possible. The Bicycle Suitability Model identifies existing and potential bicycle activity areas citywide utilizing existing data within an extensive GIS database.

Bicycle Suitability Model Description

The overall model is comprised of three basic models: the Attractor, Generator and Detractor Models. When these three interim models are combined, they create the Bicycle Suitability Model.

The model identifies the characteristics of each particular area in geographic space and assigns a numeric value for each of these characteristics. The score per area is then added to create a ranking for that particular area in geographic space.

Attractor Model Methodology

The Bicycle Suitability Model identifies activity areas by utilizing cycling-related geographic features likely to attract cyclists. Typical bicycle and pedestrian commuter trips to nearby shopping centers, restaurants and work are very short, usually between 2-5 miles each way. More avid cyclists will commute over 20 miles round trip. School age children will normally ride or walk to school no more than a few miles round trip. The closer these attractors are to neighborhoods and primary cycling and pedestrian generators the more they are conducive for trips by bicycle or walking and are then given a higher weighting score. A one mile maximum distance in the model was given to encompass the majority of the shorter bicycle trips and maximum pedestrian trips. The many attractors are close enough that they would overlap within the mile.

The point scoring for the given attractors are based on a multitude of cycling and walking opportunities and bicycle amenities such as bicycle parking connections with other modes of transportation. For example, elementary schools are typically in neighborhoods to accommodate the younger population. Elementary school aged children are more likely to walk or rely on their bicycles as a mode of transportation to get to school compared to high school students who may hold a driver's license.

Attractor Inputs

- Elementary Schools
- Neighborhood Commercial (Local retail)
- Middle Schools
- Neighborhood Commercial
- Parks and Recreation
- Neighborhood Civic Facilities (Libraries, Post Office and Religious Facilities)
- Bus Stops
- High Schools and Colleges



Generator Model Methodology

The Bicycle Suitability Model also utilizes demographic data as indicators of potential volume of cyclists based on how many people live or work within the cycling activity areas identified in the Attractor Model. This particular component is called the Generator Model. Existing and projected total population and employment were used, as well as other demographic data such as age and use of public transportation. The weighted multiplier scores were derived from City staff and public input, previous applications of the model and the factors that most influence bicycle and walking trips within the City. Cycling and walking activity areas that contain a greater number of people living or working within them who are more likely to walk or ride their bicycle to these areas. The model uses U.S. Census Bureau Census Block Groups.

Generator Inputs

- Generator Mobility: People who bicycle to work
- Non-Vehicular Transportation: People who use public transportation to work
- No Vehicle Ownership
- Current Population Estimate
- Current Employment Estimate
- 2035 Population Estimate
- 2035 Employment Estimate

Barrier Model Methodology

Detractors discourage or detract people from riding their bicycles. Relevant factors are more related to the vehicular intensity and perceived safety of the cycling environment. Streets with high traffic volumes and high speeds tend to detract people from cycling and walking due to the amount of traffic adjacent to their route. Known areas of high bicycle and pedestrian related collisions are also a deterrent since people may reroute their trip to avoid certain streets and intersections where safety may be a concern. The point system and weighted multipliers were derived from City input, public input through previous surveys, past applications of the model and available City data.

Barrier Inputs

- Bicycle-related Collisions
- Freeway Crossings Related to Cycling Travel
- Traffic Volumes
- Speed Limits
- Slope and Canyons

Final Composite Model

The Bicycle Suitability Model then combines the Generators, Attractors and Detractors.

The Attractor, Generator, Barrier and Issues grid cell models were overlaid and these combined grid cells containing generator, attractor and detractor values were added to provide a total composite value for each combined cell. The composite value identifies areas that have a higher cycling activity point total. In some cases, the areas that have a high cycling activity score are areas that already have facilities, but further improvement can be made to enhance the cycling environment.

Bicycle Facility Priority Criteria and Implementation

The projects in this plan are a combination of planned and recommended bicycle facilities. Since the planned projects have yet to be implemented, prioritizing them along with the recommended projects subjects all of them to the same priority and implementation criteria. These projects were then itemized into Prioritized Projects, which are those that will have a significant impact on the existing bikeway system, such as closing major gaps and extending or developing multi-use paths, lanes or routes along major transportation corridors.

The following prioritization criteria were used to help identify which routes are likely to provide the most benefit to the City's bikeway system. The numbering used to identify projects within each bikeway facility class in the following sections does not necessarily imply priority. Bikeway facility implementation has no specific time line, since the availability of funds for implementation is variable and tied to the priorities of the City's capital improvement projects.

Bicycle Suitability Model (3 points total)

1. Suitability Scoring

The Bicycle Suitability Model acquires the routes total model score and is then divided by the acreage of that project. The average score per square feet is then calculated to normalize the score for all facilities. This allows projects with smaller footprints to have the same scoring parameters as larger projects. The breakdown in points is as follows:

- High: >54 = 3, Moderate: 42-53 = 2, Low: <42 = 1

Mobility and Access (9 points total)

2. Closes gap in significant route

- Closes a gap in an existing high bicycle traffic facility = 3
- Closes a gap in a non-existent high bicycle traffic facility = 2
- Closes a gap to connect facilities with bicycle use = 1

3. Linkage to Existing Bikeways

- Connects to 6 or more bikeways = 3
- Connects to 4-5 bikeways = 2
- Connects to 1-3 or less bikeways = 1

4. Physical Constraints: 1 – 3 points

Physical constraints include freeway crossings, interchanges, and railroad crossings that would require special or more costly physical treatments to implement.

- None = 3, 1-2 = 2, >2 = 1

Safety (9 points total)

5. Improves locations where bicycle collisions have occurred

- Fatal collisions have occurred directly on this route = 3
- Injury and non-injury related bicycle collisions have occurred on or near this route = 2
- No collisions have occurred on this route = 1

6. Improves routes with high vehicular traffic volumes

- Improves routes with high average daily trips (>20,000) = 3
- Improves routes with moderate average daily trips (10,000-20,000) = 2
- Improves routes with low average daily trips (<10,000) = 1

7. Bicycle Collision Rates (Collision per mile)

- >2 = 3, 1-2 = 2, <1 = 1



Regional Significance (3 points total)

8. Route has regional significance in the bike-way system

- High significance, connects major bicycle facilities and activity centers = 3
- Moderate significance, connects some routes and activity centers within the City = 2 (*Ex: Important internal connections to regional routes and major activity centers, schools and colleges*)
- Little significance, does not directly connect to activity centers, etc, but is still important in the bikeway system = 1 (*Ex: Project travels through neighborhoods and makes connections to other facilities*)

Public Support (3 points total)

9. Public Outreach Input

Public outreach was conducted for this plan in the form of an online survey and public workshops. City staff and members of the public were asked to identify the projects they feel were important by facility type.

- >6 points = 3, 3-6 points = 2, <3 points = 1

The maximum possible score is 27 points for all facility types. Proposed projects can be rated periodically at whatever interval best fits funding cycles or to take into consideration the availability of new information, new funding sources, updated crash statistics, etc. Bikeway facility prioritization and implementation should be fine-tuned and adjusted according to on future circumstances.



Appendix C: Community Input Summary

The following comments were compiled from the bicycle master plan's three public meetings, a draft recommendations comment map posted at a bicycle shop, and the online survey.

General Comments

- Would like good bike parking available at all important destinations; more secure bike parking at rail stations and places of employment (places where people will store bikes long-term)
- Preference for Class I paths; already riding aqueduct trail, but would prefer if it were contiguous
- Opportunity for a big, contiguous loop in the City? Some known identity to the loop?
- Driver education program for drivers (???) increase of bicyclists
- Use green paint on all bike routes
- Coordinate with WRCOG NEV Plan and corridors
- Death far east of city
- Road issues? Debris on road causing accidents. Lighting needs
- City street sweeping, add landscaping

Location-specific Comments

- Aqueduct Path
Bridges would be required along Eastern Aqueduct Path (Gentian and Chelbana is one instance, there are many others)
- SR-60 and Moreno Beach
Need multi-use freeway crossing
- Alessandro and Old 215
Drivers very aggressive, don't respect cyclists
- Alessandro
Trashed (at Alessandro and Heacock)
- Alessandro and Frederick
What are new industrial developments accommodating for bicyclists?
- Alessandro east of Davis
Road in very poor condition here
- Heacock and Eucalyptus
High foot traffic between Sunnymead Elem. and Middle and Sunnymeads Elem and cars
- Box Springs, etc.
Provide connection to Riverside via Box Springs, Eastridge, Alessandro, Cactus and make at least 7' wide for future N.E.V.'s
- Bay Ave
Would like bike lane from Indian to Theodore
- Box Springs/Watkins
Class 2 on Box Springs to Watkins
- Cactus
Many cyclists (into MARB); Class I not feasible based on limited R.O.W. consider Class 2; 45mph speed limit, narrow, curves, fatal crash
- Cactus and I-215
I've seen a lot of bikes on this bridge. What are plans here?
- Cactus and Nason
Shift traffic from Hospital (Riverside County Regional Medical Center)
- Cottonwood and Redlands
Future logistical warehousing
- Davis south of Alessandro
Class I path to wildlife area
- El Potrero Park
Class I cannot go through El Potrero Park
- Elder and Nason
Connect class 2 to proposed Class I @ Elder
- Eucalyptus
Bike sensors or buttons for signal lights at freeway to give us more time
- Eucalyptus and Redlands
Loma Linda traffic, doctors, etc go on the hill
- Frederick
Upgrade to Class 2 to connect Ironwood and Cottonwood; Frederick at SR-60 is a nightmare
- Freeways
Freeway crossings for bikes and multi-use trails
- Future Metrolink Station
Would support Rail Trail along Metrolink Line between Moreno Valley and Riverside; What will connection be to station?
- Gentian
Trashed, hard to ride. Class I between Heacock and Indian
- Gilman Springs
Horrendous road! I'd never recommend it; Would love to see Class IV/Cycle track here
- Graham
A bike/ped bridge at Graham would be great; I can see people going out of their way a bit to use something like that



- Bird sanctuary, Mystic Lake
- Check future land use, logistics center
- Wide multi-use paths, minimum 10'
- Road safety for drivers regarding bicycles
- Bicycle education needs - High school, elementary school kids
- Connections to neighboring cities
- Complete Streets mandate, ADA transition plan
- Future road expansions, on roads with speeds in excess of 30mph or volumes in excess of 5,000 (ADVT) should include Class I or IV facilities

- | | |
|-------------------------------|---|
| • Grand Vista | Would like to see a bike lane here |
| • Heacock | Class 2 to connect Alessandro and Cactus; Class 2 between Cactus and Meyer/JFK; What will trails look like along Heacock toward Perris? |
| • Iris and Laselle | Why gap? Continue Class 2 |
| • Ironwood, Lasselle to Nason | Dangerous stretch/continual crashes (narrow, winding road, drunk drivers, speeding) |
| • JFK | Road Diet/Bike Lanes on JFK between Cactus and Moreno Beach |
| • Juan de Anza Trail | Juan de Anza trail, National Park Service |
| • Kalmia | Like to see bike lane on this street, from Perris to its eastern terminus |
| • Kitching | Should be bike lane all along Kitching |
| • Kitching and Harley Knox | Connection to PVSC Multi-purpose trail |
| • Krameria near Laselle Elem | Road diet on Krameria |
| • Lake Perris | State Park Connection (2); Stay consistent to Perris Master Trail Plan |
| • Laselle | Upgrade to Class 2 for safety at Moreno Valley College; Probably too narrow for bike lanes |
| • Menifee | Menifee along 74 fatality |
| • Metrolink Trail | Would love to see this happen |
| • Moreno Beach | Moreno Beach from Juice it up (Moreno Beach and Trail Ridge) to Juice it up (Iris and Lasselle) |
| • Nason | Measure A funds; Good access over SR-60, Why gap between Cactus and Brodiaea? |
| • Nason and Cottonwood | Maybe school zone speed limit and flashers at day start and end |
| • North of SR-60 | Opportunity for big loop north of SR-60 |
| • Oliver | What about bike lane on Oliver? |
| • Perris | There should be bike lane running the whole length of Perris |
| • Perris and Ironwood | Connect stranded Class 2 with Perris north to Ironwood |
| • Perris to SR Parkway | Add bike lane to shopping center |
| • Pigeon Pass | Upgrade to Class 2 to provide connection Ironwood to Cottonwood |
| • Quincy | Would like to see bike lane from Locus to Cactus |
| • Schools | Connect all schools with bike lanes (Class 2) |
| • Sunnymead Ranch Lake | Would like good/low-stress route connecting Sunnymead Ranch Lake Shopping Center and adjacent neighborhoods |
| • Sunnymead | Attempted to get Bike Friendly Business District designation |
| • UCR | Connecting to UCR; UCR people use train tracks for connection |

Appendix C: Community Input Summary

The following are addresses to which the City sent notices concerning the bicycle master plan.

Local Bicycle Shops

- White's Bikes, 23750 Alessandro Boulevard
- Threshold Cycle, 24594 Sunnymead Ranch Parkway
- Rio Toys and Bike Shop, 25211 Sunnymead Boulevard

Nearby Bicycle Shops

- Jenson USA, 1615 Eastridge Avenue, Riverside
- Lake Perris BMX, 18700 Lake Perris Drive, Perris
- Woodcrest Bicycle Center, 16960 Van Buren Blvd, Riverside
- Pedals Bike Shop, 3765 Jurupa Avenue, Riverside
- Don's Bikes, 384 S. Riverside Avenue, Rialto

Churches

- Antioch Christian Church, 14161 Elsworth Street
- Asamblea Apostolica, 24903 Sunnymead Boulevard
- Banks Christian Bible Center, 24725 Alessandro Boulevard
- Breakthrough Church, 22620 Goldencrest Drive
- Calvary Baptist Church, 14137 Business Center Drive
- Calvary Chapel of Moreno Valley, 11960 Pettit Street
- Calvary Church, 22810 Alessandro Boulevard
- Centro Christiano Sinai, 12880 Heacock Street
- Christian Chapel Foursquare, 13793 Redlands Boulevard
- Church Of Christ, 12660 Indian Street
- Church of Jesus Christ of Latter Day Saints, 11557 Redlands Blvd
- Church of Jesus Christ of Latter Day Saints, 13281 Lasselle Street
- Church of Jesus Christ of Latter Day Saints, 23300 Old Lake Drive
- Come and See Baptist Church, 24528 Sunnymead Boulevard
- Convent Christian Center International, 24556 Eucalyptus Ave
- Crosswinds Church, 29263 Ironwood Avenue
- Discovery Christian Church, 27555 Alessandro Boulevard
- End Time Ministries, 13027 Perris Boulevard
- Faith Community Fellowship Baptist Church, 13027 Perris Blvd
- Family of God Church, PO Box 8197
- First Apostolic Faith Church, 24084 Postal Avenue
- First Assembly of God, 23525 Hemlock Avenue
- First Baptist Church, 13630 Edgemont Street
- First Baptist Church, 24765 Fir Avenue
- Foothill Baptist Church, 21401 Box Springs Road
- Grace Episcopal Church, 11349 Perris Boulevard
- Hammi Gungang Church, 22079 Goldenchain Street
- Harvest Time Christian, 14420 Elsworth Street
- Heavenly Bound Baptist Church, 14051 Indian Street
- Highway Church, 13958 Old 215 Frontage Road
- Hosanna Cambodian Evan. Church, 14139 San Cristobal Bay Dr
- Islamic Development Center, 24436 Webster Avenue
- Jehovah's Witnesses, 11818 Indian Street
- Jehovah's Witnesses, 27046 Alessandro Boulevard
- Lighthouse Baptist School, 12140 Indian Street
- Living Way Christian Fellowship, 12125 Day Street
- Lord Of Life Lutheran Church, 13600 Nason Street
- Moreno Christian Assembly, 13830 Nason Street
- Moreno Valley Baptist, 25560 Alessandro Boulevard
- Moreno Valley Presbyterian, 13027 Perris Boulevard
- Moreno Valley United Methodist Church, 10271 Heacock Street
- Moreno Valley Foursquare Church, 13793 Redlands Boulevard
- Morningstar Community Church, 14331 Frederick Street
- New Judah Christian Fellowship, 13373 Perris Boulevard
- New Life Christian Fellowship, 21160 Box Springs Road
- New Life Christian Fellowship, 24551 Ironwood Avenue
- New Life Missionary Baptist Church, 14051 Indian Street
- New Light Missionary Baptist, 16100 New Light Way
- New Wine Fellowship Church, 22640 Goldencrest Drive
- Oasis Community Church, 23750 Alessandro Boulevard
- Palm Canyon Community Church, 25550 Ironwood Avenue
- Power in Praise Christian Church, 24715 Sunnymead Blvd
- Power Ministries, 14420 Elsworth Street
- Quinn African Methodist Church, 25400 Alessandro Boulevard
- Redeemed Christian Church, 25595 Horado Lane
- Reformed Church in America, 13131 Wichita Way
- Rose of Sharon Evangelistic Church, 12900 Heacock Street
- Seventh-Day Adventist Church, 12649 Indian Street
- Shepherd of the Valley Lutheran Church, 11650 Perris Boulevard
- Sovereign Grace Orthodox Church, 12125 Day Street
- Spirit Dominion Praise Church, 13373 Perris Boulevard
- St Patricks Roman Catholic Church, 10915 Pigeon Pass Road
- Strong Tower Apostolic Church, 22405 Goldencrest Drive
- Strong Tower Church of God, 24771 Iris Avenue
- Temple of Miracles Foursquare, 24528 Sunnymead Boulevard
- Trinity Baptist Church, 29175 Ironwood Avenue
- Under the Yoke - Jesus Ministries, 24462 Peppermill Drive
- Valley Christian Church and Academy, 26755 Alessandro Blvd
- Victory by Faith, 14051 Indian Street
- Victory Outreach Church, 13630 Edgemont Street
- Victory Temple, 23932 Alessandro Boulevard
- Wesleyan Christian Fellowship, 13300 Indian Street
- Word of Life Christian Church, 23890 Alessandro Boulevard
- Zion Worship Center, 14325 Frederick Street





User counts can help to define and better understand cycling levels at locations citywide, to evaluate the impact of new facility development, policies or programs, and to better understand collision data through the calculation of crash rates per cyclist.

The National Bicycle and Pedestrian Documentation Project (NBPD) recommends a minimum of one count location per 15,000 residents for recurring counts, assuming that counts would typically occur annually (or seasonally) over a sequential one to three day period, and recommends counting at least once per year, preferably in September. The Southern California Association of Governments is developing a recommended bicycle count methodology and Moreno Valley should consider adopting it once it has been finalized.

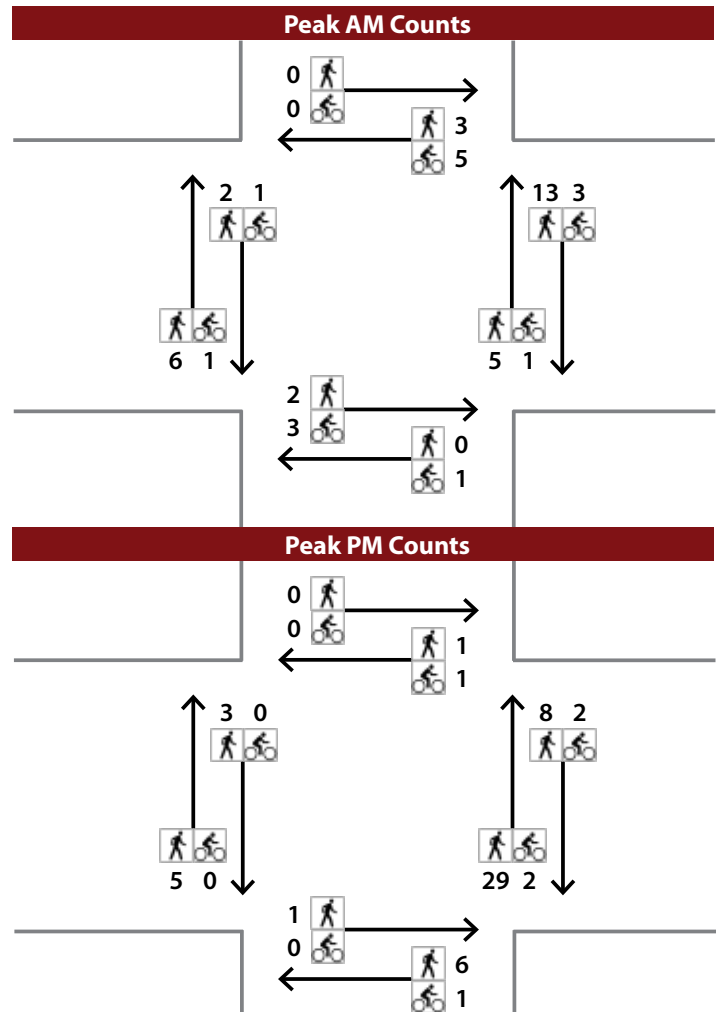
The following summaries were from counts conducted at ten locations selected through discussion with City staff. Eight were standard morning and evening peak counts, and two were weekend mid-day counts to address anticipated high recreational use.

Pigeon Pass Road and Ironwood Avenue



- Existing Class II: Bike Lane
- Existing Class III: Bike Route

Counts conducted 16 October 2013 at 15 minute intervals between 6:00 AM and 8:45 AM and between 2:30 PM and 5:15 PM



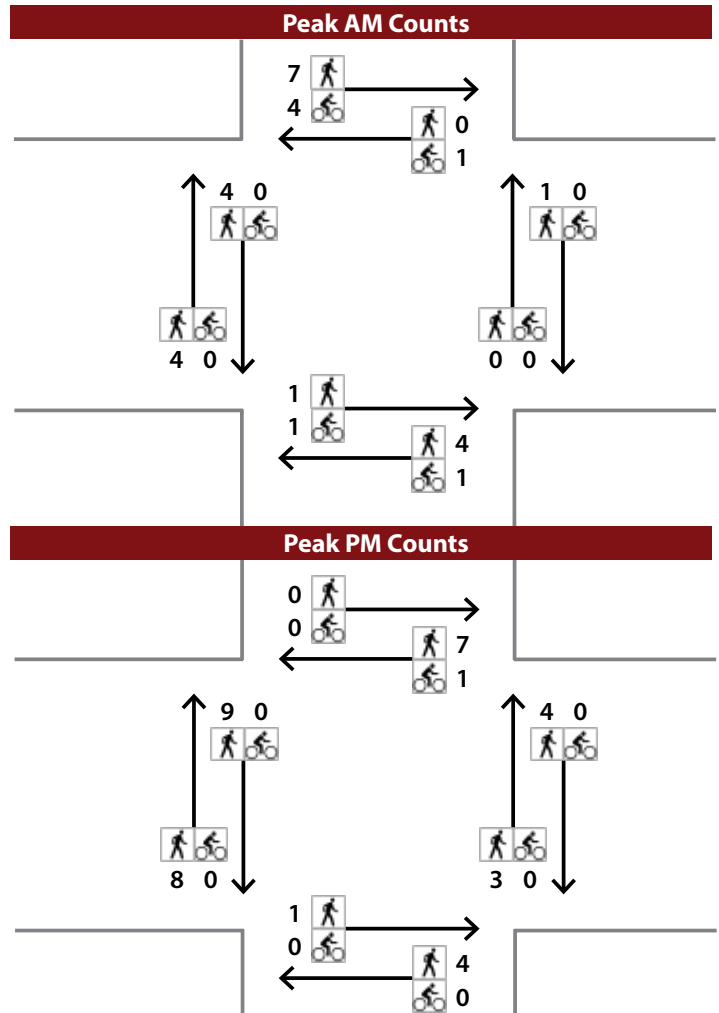
Appendix D: Count Summary

Perris Boulevard and Ironwood Avenue



Existing Class III: Bike Route

Counts conducted 16 October 2013 at 15 minute intervals between 6:00 AM and 8:45 AM and between 2:30 PM and 5:15 PM

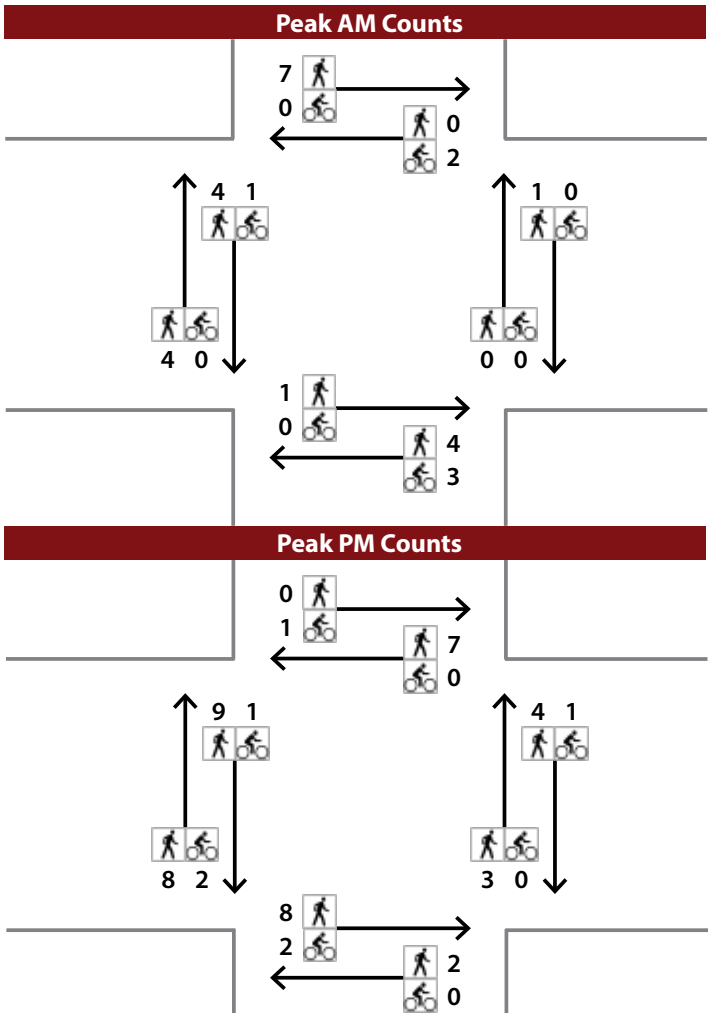


Nason Street and Cactus Avenue



 Existing Class II: Bike Lane

Counts conducted 16 October 2013 at 15 minute intervals between 6:00 AM and 8:45 AM and between 2:30 PM and 5:15 PM



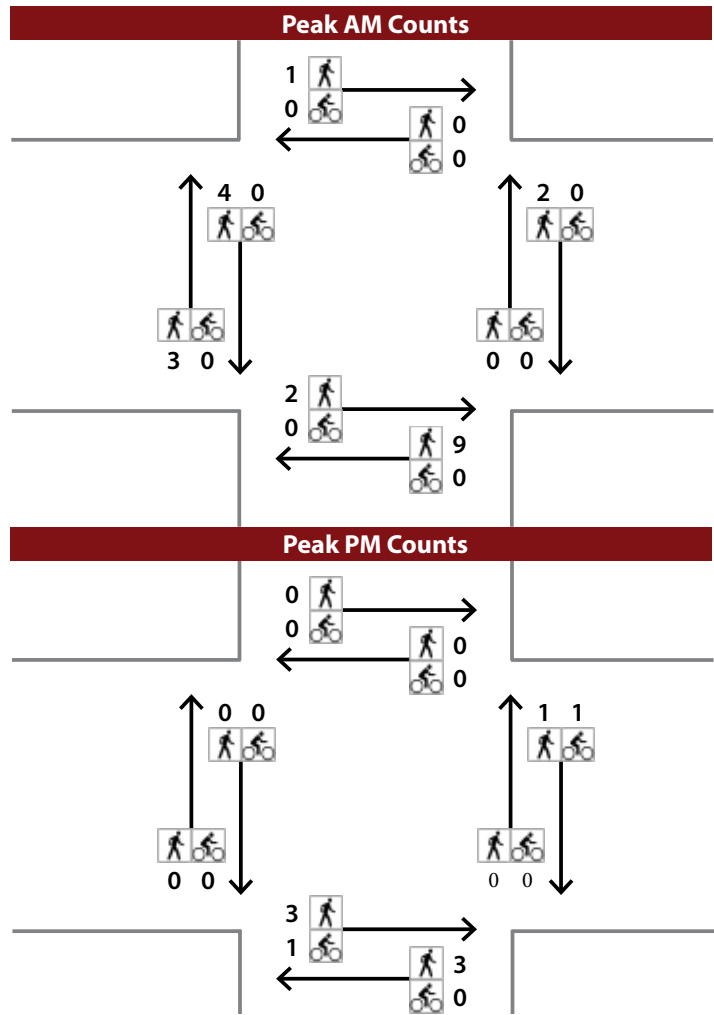
Appendix D: Count Summary

Moreno Beach Drive and Eucalyptus Avenue





 Existing Class II: Bike Lane

Counts conducted 16 October 2013 at 15 minute intervals between 6:00 AM and 8:45 AM and between 2:30 PM and 5:15 PM

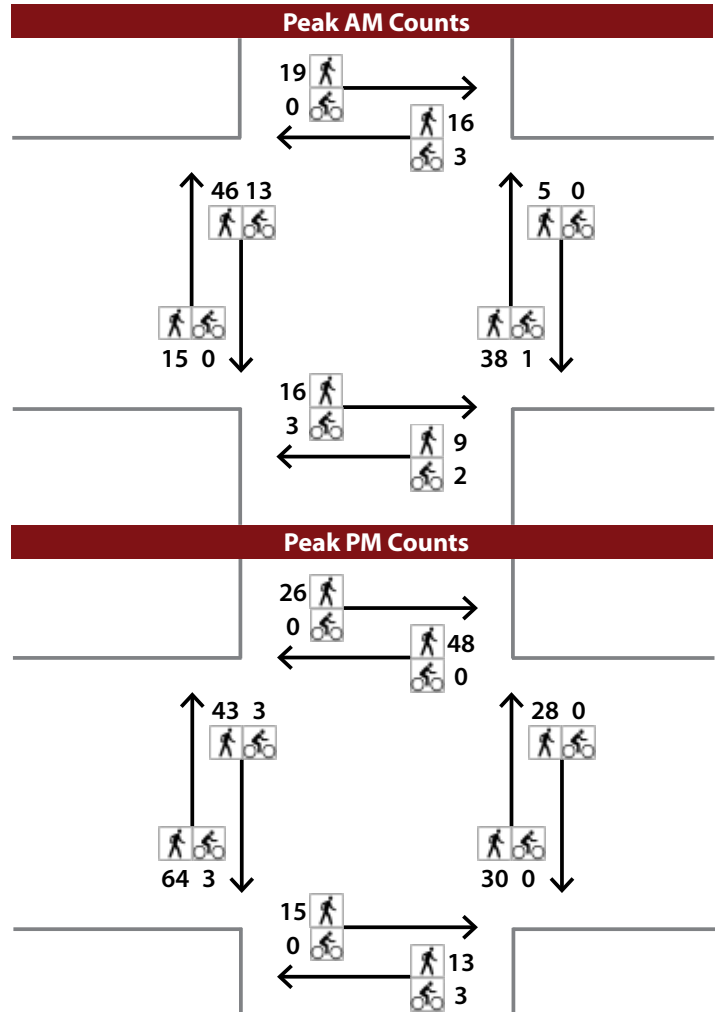


Lasselle Street and Iris Avenue



-  Existing Class II: Bike Lane
-  Existing Class III: Bike Route



Counts conducted 16 October 2013 at 15 minute intervals between 6:00 AM and 8:45 AM and between 2:30 PM and 5:15 PM



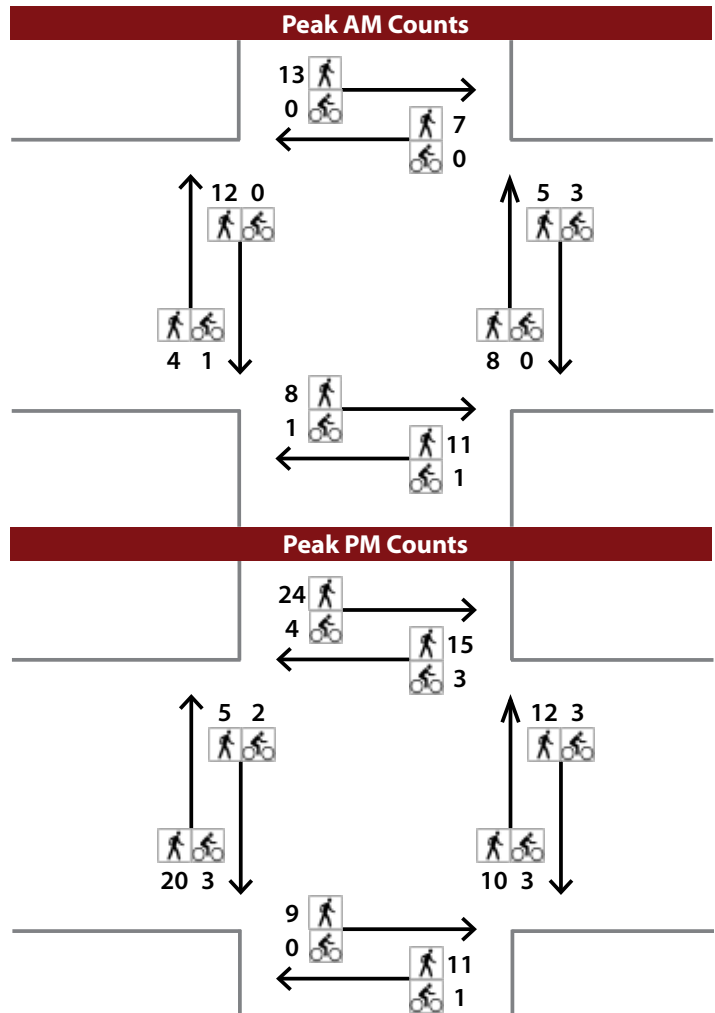
Appendix D: Count Summary

Indian Street and Alessandro Boulevard





-  Existing Class II: Bike Lane
-  Existing Class III: Bike Route

Counts conducted 16 October 2013 at 15 minute intervals between 6:00 AM and 8:45 AM and between 2:30 PM and 5:15 PM

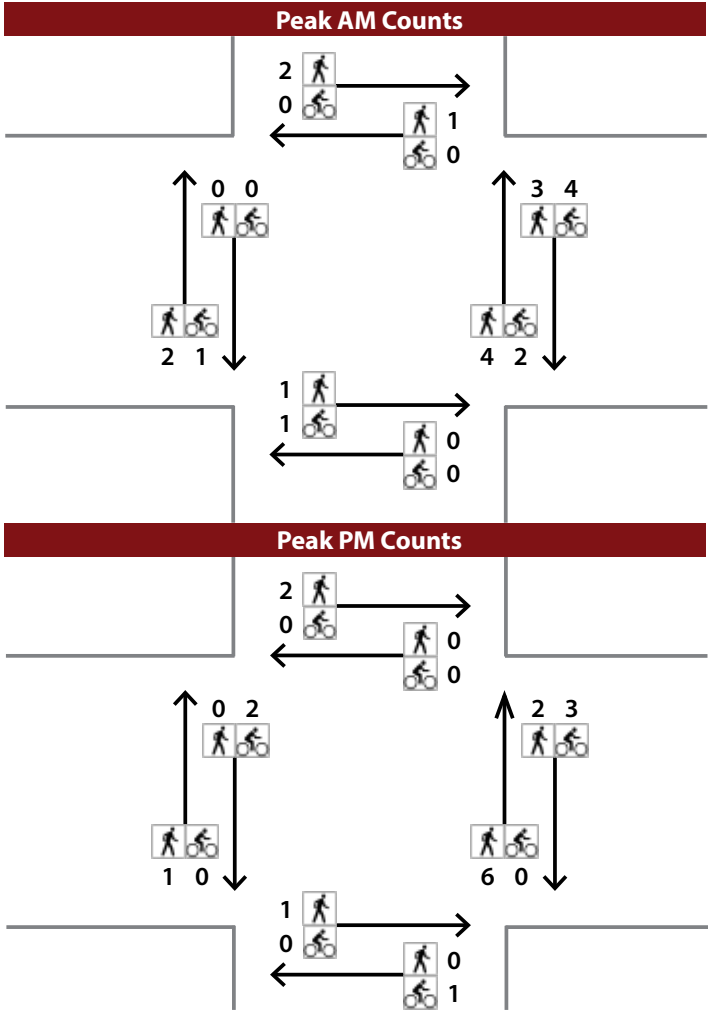


Heacock Street and Cactus Avenue



-  Existing Class I: Bike Path
-  Existing Class III: Bike Route

Counts conducted 16 October 2013 at 15 minute intervals between 6:00 AM and 8:45 AM and between 2:30 PM and 5:15 PM

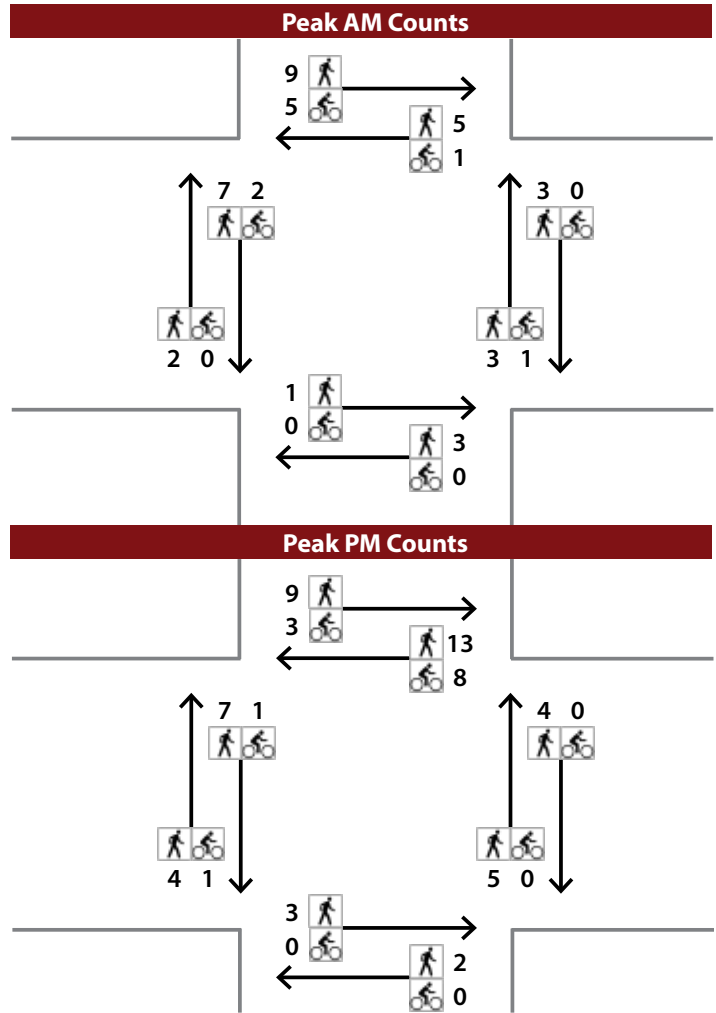


Appendix D: Count Summary

Frederick Street and Alessandro Boulevard



Counts conducted 16 October 2013 at 15 minute intervals between 6:00 AM and 8:45 AM and between 2:30 PM and 5:15 PM

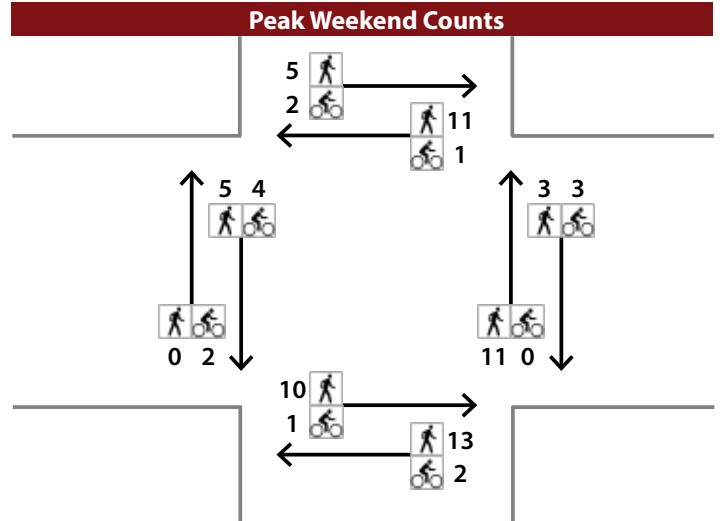


Graham Street and Cottonwood Boulevard



 Existing Class III: Bike Route

Counts conducted 12 October 12th 2013 at 15 minute intervals between 9:00 AM and 2:45 PM

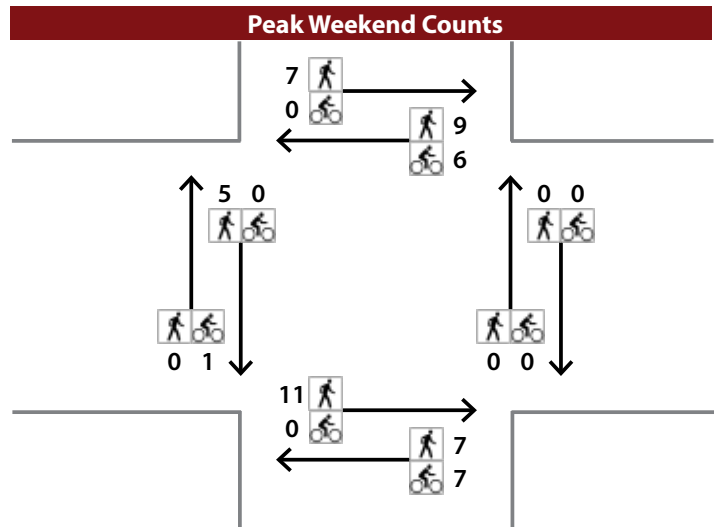


Via Del Lago and Iris Avenue



 Existing Class II: Bike Lane

Counts conducted 12 October 12th 2013 at 15 minute intervals between 9:00 AM and 2:45 PM





California Streets and Highways Code Section 891.2, items a-k

For reviewer convenience, code text and associated document sections and/or responses are listed below:

(a) The estimated number of existing bicycle commuters in the plan area and the estimated increase in the number of bicycle commuters resulting from implementation of the plan.

Current estimate of bicycle commuters is 2,270 using industry standard calculation methods. Expected increase as a result of this plan was based on other jurisdictions' experience with bikeway system development. This also addresses forecasted future employment increase of seven percent to 62,771, yielding 4,394 commuting cyclists, or 2,124 additional cyclists, a 93 percent increase resulting from implementation of this plan. This includes students and transit users.

This document recommends establishing a cycling activity baseline using annual count locations shown in Appendix D, where initial counts were conducted for this study.

(b) A map and description of existing and proposed land use and settlement patterns which shall include, but not be limited to, locations of residential neighborhoods, schools, shopping centers, public buildings and major employment centers.

See Chapter 2 maps and tables.

(c) A map and description of existing and proposed bikeways.

See Chapter 3 maps and tables.

(d) A map and description of existing and proposed end-of-trip bicycle parking facilities. These shall include, but not be limited to, parking at schools, shopping centers, public buildings and major employment centers.

See Chapter 3 maps and tables.

(e) A map and description of existing and proposed bicycle transport and parking facilities for connections with and use of other transportation modes. These shall include, but not be limited to, parking facilities at transit stops, rail and transit terminals, ferry docks and landings, park and ride lots, and provisions for transporting cyclists and bicycles on transit or rail vehicles of ferry vessels.

See Chapter 2 maps and tables.

(f) A map and description of existing and proposed facilities for changing and storing clothes and equipment. These shall include, but not be limited to, locker, restroom and shower facilities near bicycle parking facilities.

See Chapter 3 maps and tables, particularly Section 3.2.

(g) A description of bicycle safety and education programs conducted in the area included in the plan, efforts by the law enforcement agency having primary traffic law enforcement responsibility in the area to enforce provisions of the Vehicle Code pertaining to bicycle operation, and the resulting effect on accidents involving cyclists.

In the last five years, the Moreno Valley Police Department has given out approximately 1,500 bicycle helmets, facilitated seven bicycle rodeos and conducted approximately 300 bicycle safety presentations for area schools and youth organizations such as Boy/Girl Scouts, PTA, etc.

They have also increased bicycle enforcement through their normal work and via directed enforcement deployments.

(h) A description of the extent of citizen and community involvement in development of the plan including, but not be limited to, letters of support.

See Section 1.4: Methodology, and Appendix C, Community Input Summary.

(i) A description of how the bicycle transportation plan has been coordinated and is consistent with the local or regional transportation, air quality or energy conservation plans, including, but not be limited to, programs that provide incentives for bicycle commuting.

Encouraging bicycle commuting is addressed throughout the document, particularly Section 3.7: Recommended Bicycle Programs.

(j) A description of the projects proposed in the plan and a listing of their priorities of implementation.

See Chapter 3 maps, tables and program recommendations.

(k) A description of past expenditures for bicycle facilities and future financial needs for projects that improve safety and convenience for bicycle commuters in the plan area.

The City of Moreno Valley has completed 23 bicycle lane projects in the last five years for a total of \$719,644. Many were reallocations of existing roadways with standard five foot bicycle lanes measured from the curb face that were changed to six foot bicycle lanes measured from the edge of the gutter pan.







-733-

MORENO VALLEY

WHERE DREAMS SOAR

Item No. E.1

Bicycle Master Plan Update

City Council Meeting: January 6, 2015

Collaboration



California Department of Parks and Recreation



COUNTY OF RIVERSIDE CALIFORNIA



Bicycle Master Plan Purpose

- **Conformance with regional plans.**
- **Up to date with current state of practice.**
- **Provide connections among various land uses and surrounding agencies.**

-735-

Item No. E.1

Community Derived Benefits

- Safety for vulnerable users
- Quality of life
- Economy
- Air quality
- Reduced traffic congestion

General Plan Consistency

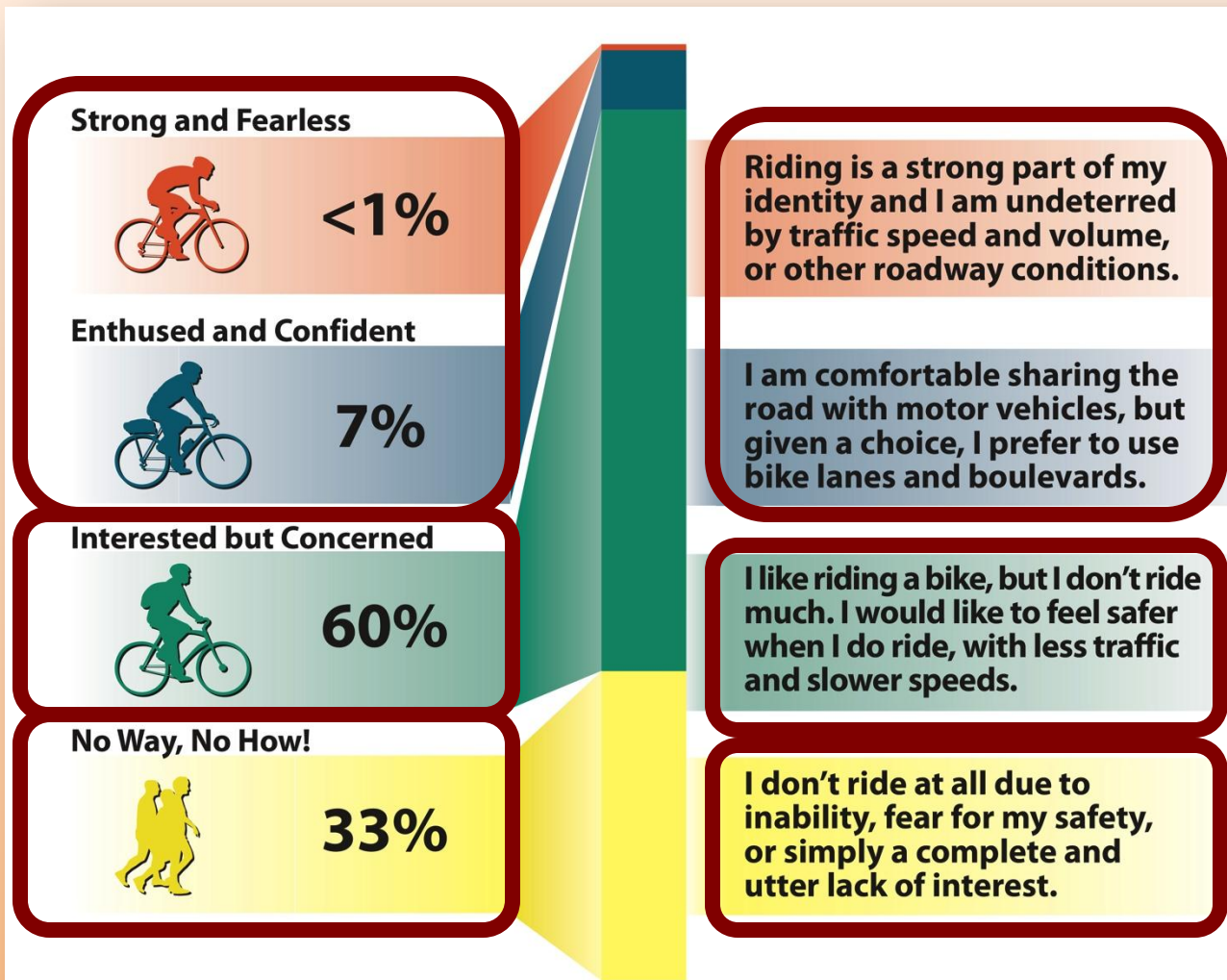
Meets Circulation Element Goals, Objectives, Policies and Programs for:

- Improved Safety
- Connectivity to uses
- Integration within street system
- Encouragement as an alternative to single occupant vehicle

-737-

Item No. E.1

Typical Cyclists



Source:
City of Portland, Oregon

Standard Facility Types

Multi-use Path (Class 1)

- Path separated from motor vehicles.



Bicycle Lane (Class 2)

- Striped lane on street.



Bicycle Route (Class 3)

- Signed only (or can include “Sharrows”)



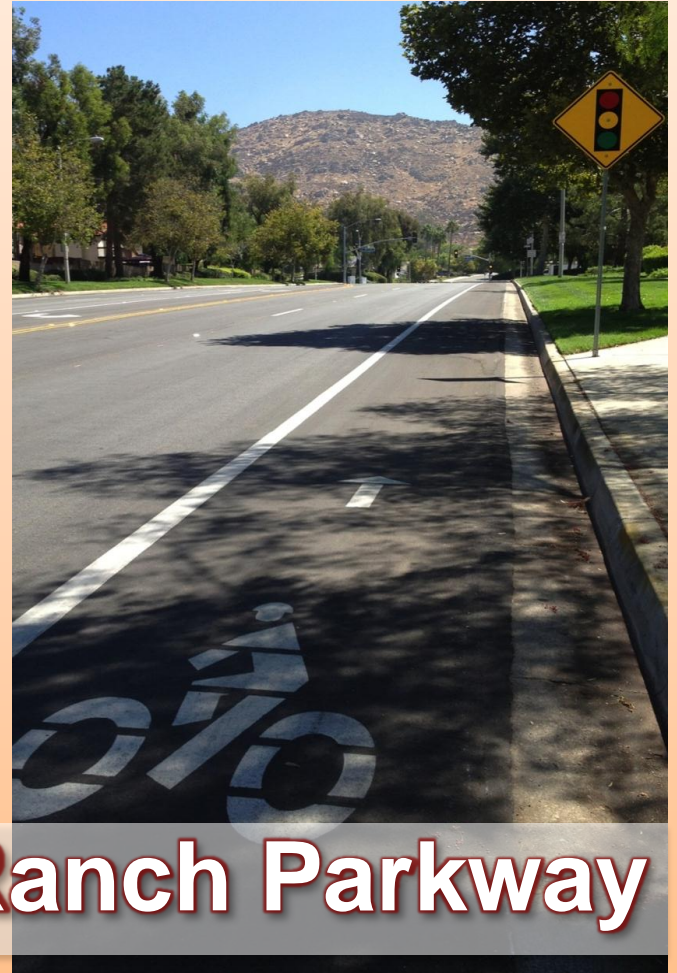
Class 1 Multi-use Path

-740-



Multi-use Path Along Utility Easement

Class 2 Bicycle Lane



Sunnymead Ranch Parkway

-741-

Item No. E.1

Class 3 Bicycle Route

Item No. E.1

-742-



Via Del Lago

Other Facilities

Buffered Bike Lane



Nason Street

Other Facilities

Item No. E.1

-744-



Bicycle Boulevard



Cycle Track

Recommended Network

Facilities

- Class 1 Paths 19 mi (5 existing)
- Class 2 Lanes 81 mi (30 existing)
- Class 3 Routes 15 mi (29 existing)
- Bike Boulevards 12 mi (none existing)

Proposed: 127 mi New Total: 191 mi

Implementation:

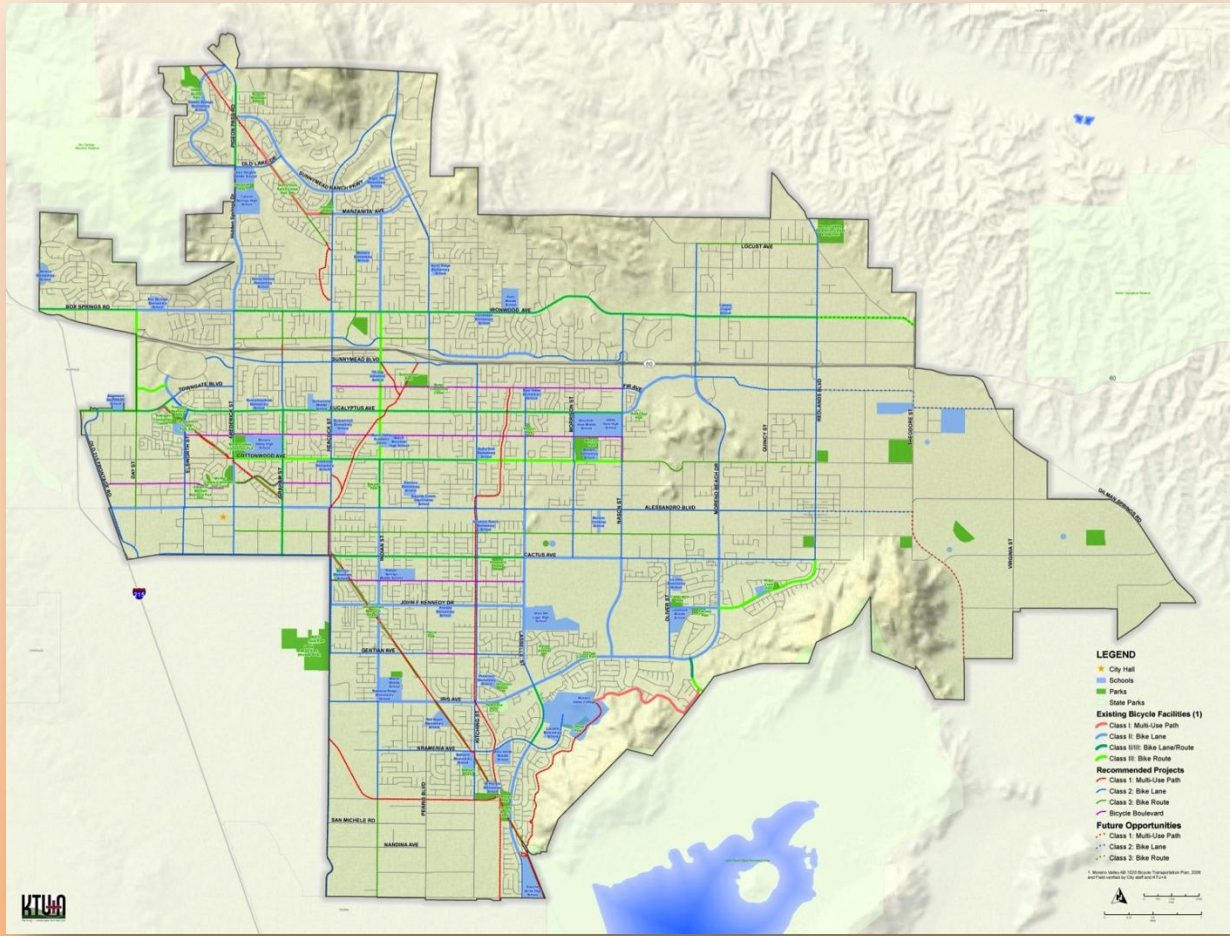
- Budgeted CIP improvements
- Transportation related grants
- Private Development

Approval process:

- Discretion of City Manager's office
- Vetting through TSC, Recreational Trails Board, etc.
- Council approval as required

Item No. E.1 Facility Opportunities

-746-



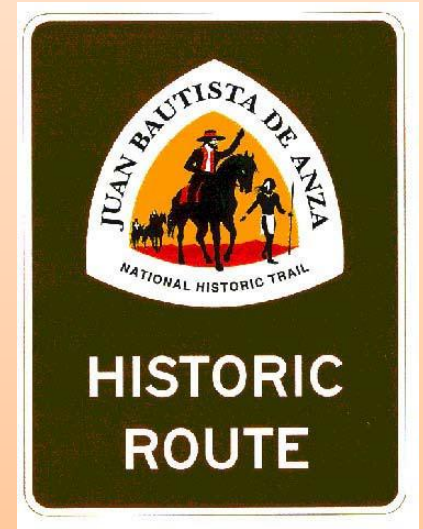
Renaming of the Aqueduct Trail as the Juan Bautista de Anza Trail

- The Aqueduct Trail extends from the Towngate area to Lake Perris.
- Generally follows the East Branch of the California Aqueduct.
- Generally follows the Juan Bautista de Anza National Historic Trail Corridor.



Renaming of the Aqueduct Trail as the Juan Bautista de Anza Trail

- Enhances Opportunity for future Federal funding for the Trail.
- City continues to maintain control and development of the Trail.
- Recognizes historic expedition through the area.



Staff Recommendations

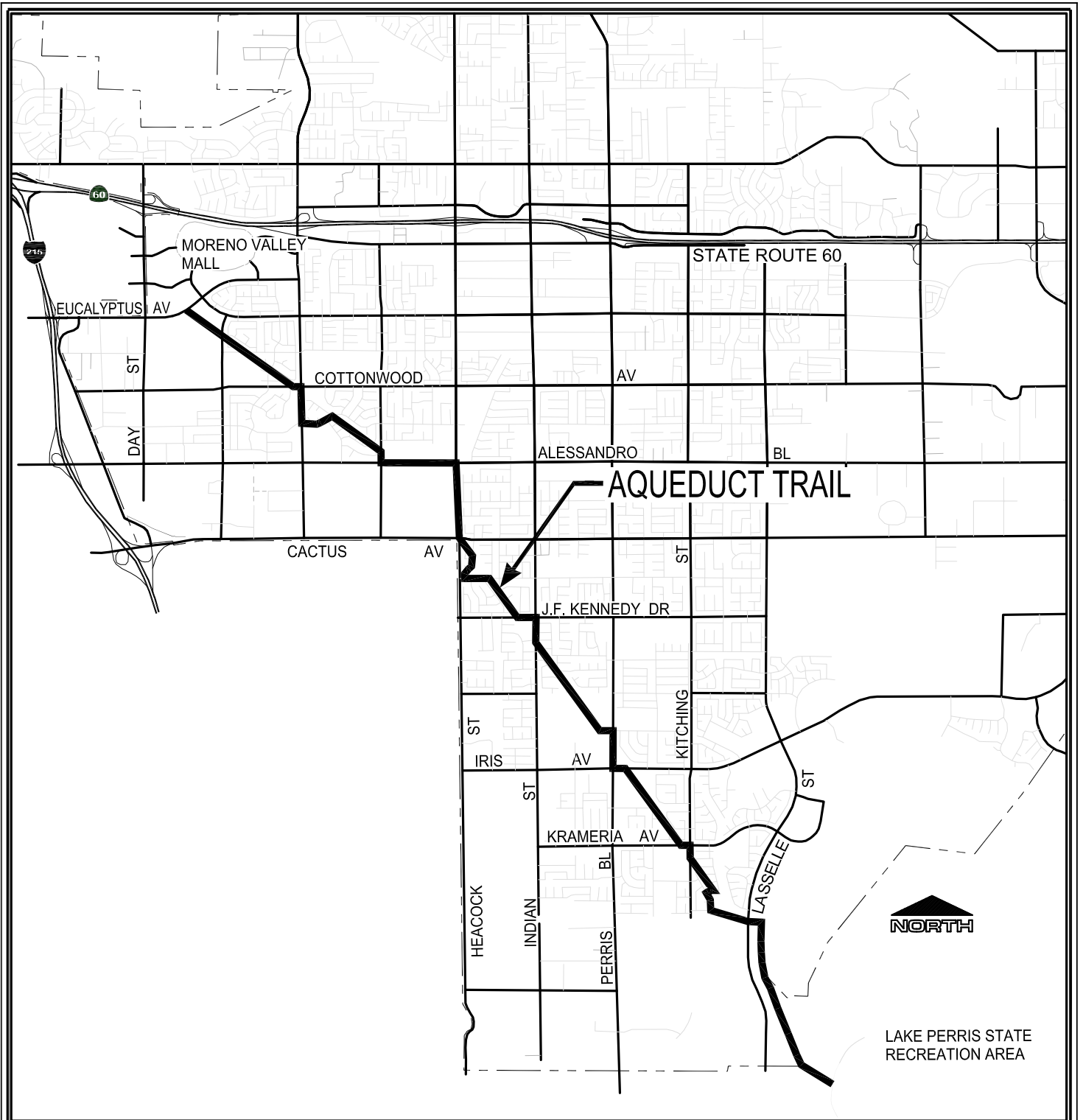
- Recognize that PA13-0056 is within scope of program EIR approved in 2006 for General Plan Update.
- Adopt Resolution No. 2015-01, thereby approving General Plan Update PA13-0056.
- Rename Aqueduct Trail as Juan Bautista De Anza Trail

-749-

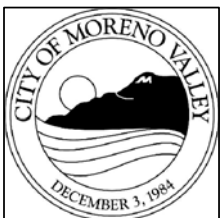
Item No. E.1

Thank you.

Questions?



AQUEDUCT TRAIL



Scale: None
 Public Works Department
 Capital Projects Division
 ATTACHMENT 7

**AQUEDUCT TRAIL
 PROPOSED RENAMING AS JUAN
 BAUTISTA DE ANZA TRAIL**

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APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>SMB</i>
CITY MANAGER	<i>MJD</i>

Report to City Council

TO: Mayor and City Council

FROM: Ahmad R. Ansari, Public Works Director/City Engineer

AGENDA DATE: January 6, 2015

TITLE: RECEIVE AND FILE AN UPDATE REPORT ON THE REALIGNMENT OF RECHE VISTA DRIVE PROJECT

RECOMMENDED ACTION

Recommendation:

1. Receive and file an update report on the Realignment of Reche Vista Drive Project.

SUMMARY

This report recommends that City Council receive and file an update report on the Reche Vista Drive Realignment project. The purpose of this report is to provide the new City Council with a brief summary of the project's background, recent developments, and anticipated construction schedule of the project. The City Council approved construction funding for the project on July 8, 2014 and it is included in the City Fiscal Year 2014-2015 Capital Improvement Plan (CIP). The next step is to advertise the project for public bid to obtain cost quotations for City Council consideration for construction contract award.

DISCUSSION

Reche Vista Drive is a major City entryway connecting Riverside and San Bernardino Counties. In its existing winding alignment, the roadway does not meet current standards for shoulders and horizontal/vertical curvature profile. With an Average Daily Traffic count of approximately 15,000 vehicles, there is extensive vehicle queuing at the existing all-way stop intersection resulting in a Level of Service E (or significant delay traffic) designation. The calculated collision rate for this segment of the roadway is higher than average based on Caltrans published average collision rates for similar applicable roadway type. The predominant collision type in the area is running off the

road, hitting fixed objects, and read end collisions. The pattern of collisions are likely due to the existing alignment not meeting current standards for roadway shoulders, horizontal/vertical curvatures of the roadway, and extensive queuing at existing all-way stop. Maintenance records going back to 2006 show that pothole repairs, street rehabilitation, flooding, slope failures, and guardrail repair work have occurred. Due to the roadway curvature and high volume of traffic, road maintenance is a challenge and concern along this stretch of Reche Vista Drive.

The City proposed project will replace the existing 2,400 foot portion of Reche Vista Drive from the intersection of Perris Boulevard and Heacock Street to the North City Limits with new roadway alignment. The improvements will consist of grading, asphalt paving to provide two twelve-foot wide travel lanes (one each direction), eight-foot wide paved shoulders (each side), a center twelve-foot wide turning lane at intersections, a traffic signal at the intersection of Heacock Street (west leg), new realigned Reche Vista Drive (north leg), and Perris Boulevard (south leg), miscellaneous storm drain improvements and other appurtenance improvements.

The ultimate widening of Reche Vista Drive to four lanes to Reche Canyon Road is a future priority corridor TUMF funded project of the Riverside County Transportation Commission. The County of Riverside Transportation Department previously has initiated a long term plan to study the ultimate alignment and improvements of Reche Vista Drive which could include full width roadway, curb, gutter, sidewalk, and street lights, but the construction is anticipated in the distance future. However, the full width improvements may occur sooner as part of future adjacent private development entitlement as in the case of Redhill Village before the economic downturn.

On May 27, 2008 the City entered into an Agreement for Professional Consultant Services with KOA Corporation (KOA) to provide Phase 1 Preliminary Engineering services for the proposed two lane Reche Vista Drive Realignment project, including an environmental assessment Initial Study in compliance with the California Environmental Quality Act (CEQA) and City requirements. On January 27, 2009, the City Council approved the First Amendment to KOA's agreement to provide Phase 2 Final Engineering services for the project. On February 24, 2009, the City Council adopted a Mitigated Negative Declaration (MND) for this Realignment of Reche Vista Drive project. The needed right of way for the proposed realignment of the roadway was obtained by the County of Riverside in 1966 and it is now vested with the City of Moreno Valley. No right of way was purchased by the City for this project. The design phase of this project was funded with Development Impact Fee (DIF) Arterial Streets and Measure A funds. All work incurred in the design phase was completed in 2011 at a cost of approximately \$800,000. The construction phase of this project was re-sequenced as part of the Economic Development Action Plan approved by the City Council in April 2011 with a commitment to keep the project in the CIP and re-fund in the future. As a result, the original project budget of \$3.1 million was redirected to the extension of Nason Street from Cactus Avenue to Iris Avenue.

During the design phase of this project, different environmental aspects and design criteria were studied in addressing issues such as the existing wild burros, full street improvements with sidewalks, roadway slope, drainage and project "footprint" impacts for the purpose of achieving a successful, environmental friendly, and cost effective project. This project will heighten the drivers' awareness of the burros presence by including such special design features as animal crossing warning signs to caution drivers. By realigning and straightening out the roadway, the drivers' improved sight distance in recognizing impediments or presence of burros in the travel way allow for vehicles to slow down and take avoidance maneuvers. The new alignment still maintains access to the open fields for the burros. The proposed roadway profile design slope of Reche Vista Drive is averaged at five and a half percent (5.5%) coming downhill from the north City limit to the existing intersection of Heacock Street and Perris Boulevard. This design slope balances out the amount of earthwork within project site avoiding extensive importing or exporting of materials which reduces the project's overall cost.

On December 10, 2014, the City held a Public Information/Community Outreach meeting to provide the public another opportunity to learn more about the project and to discuss the project with the engineering design team. Meeting invitations were sent to over 900 addresses to all residents and businesses within a one-mile radius of the project. Meeting notices were published in the local newspapers including the Neighborhood News and Events and the Moreno Valley Business Journal which are distributed and available to the public citywide. Meeting notice was also posted on the City website and various public buildings. To further the efforts of informing the community of this important project, City staff will continue to provide email and website information as well as post changeable message signs during construction along the affected commuter routes.

The bidding documents (plans and specifications) are ready to be finalized for public bidding. The current normalized economic environment with low oil prices is ideal for favorable bid responses by contractors. Staff is ready to advertise this project for construction cost quotation bids.

ALTERNATIVES

1. Receive and file the information as presented in this staff report. *This alternative provides the new City Council with essential information about the merits of this important safety enhancement project and allow for the public bidding of this project to obtain construction costs to build the project.*
2. Do not receive and file the information as presented in this staff report. *Staff is open to suggestions from City Council to revisit the project and bring it back to another City Council Study Session or Regular meeting.*

FISCAL IMPACT

On July 8, 2014, the City Council authorized the transfers of various projects budget savings to fund the construction of this Reche Vista drive project in the amount of \$4,000,000. This project is funded with TRIP Funds (Fund 3411) and Capital Projects Reimbursements Funds (Fund 3008). There is no impact to the General Fund.

AVAILABLE BUDGET FOR CONSTRUCTION

Proposed TRIP Fund Appropriation	
(Account 3411-70-77-80001) (Project No. 801 0009 70 77-3411)	\$3,100,000
Proposed Capital Projects Reimbursements Fund Appropriation	
(Account 3008-70-77-80001) (Project No. 801 0009 70 77-3008)	\$900,000
Total Project Budget	\$4,000,000

ESTIMATED REMAINING PROJECT RELATED COSTS:

Construction Costs	\$3,600,000
Updated Design and Environmental Validation	\$100,000
Construction Geotechnical Services.....	\$60,000
Construction Surveying Services	\$80,000
Construction Management and Inspection Services*	\$100,000
Project Administration*	\$60,000
Total Estimated Construction-Related Project Costs	\$4,000,000

**City staff will provide Project Administration and oversight of the Construction Management and Inspection Services.*

ANTICIPATED PROJECT SCHEDULE:

Project advertising.....	January 2015
Start Construction.....	May 2015
Anticipated Completion of Construction	May 2016

CITY COUNCIL GOALS

PUBLIC SAFETY:

Provide a safe and secure environment for people and property in the community, control the number and severity of fire and hazardous material incidents, and provide protection for citizens who live, work and visit the City of Moreno Valley.

PUBLIC FACILITIES AND CAPITAL PROJECTS:

Ensure that needed public facilities, roadway improvements, and other infrastructure improvements are constructed and maintained.

PUBLIC NOTIFICATION AND OUTREACH

In accordance with City procedures, a notice was published in January 2009 in the Press Enterprise describing the Project and advising the public of the preparation of a Mitigated Negative Declaration (MND); notice of time and place where the environmental documents could be inspected; and notice that the City Council would consider approval of a Mitigated Negative Declaration (MND) for the Project (or appropriate modifications or alternatives to the Project) at the February 24, 2009 meeting. This notice advised that comments could be submitted to the City prior to or at this meeting. No comments were received prior to or at this Council meeting.

The City's design team also met with some of the adjacent property owners to address their access and driveway issues and they had very positive feedback about the project's design features.

City staff also met with the City's Fire and Police Department personnel to explain the merits of the project and it was very well received due to the safety and mobility enhancements.

In late November 2014, invitations were sent out to all residents and businesses within one-mile radius of the project for the Public Information/Community Outreach Meeting held on December 10, 2014. Invitation flyers were also published on local newspapers and posted on City website and other media.

All utilities, adjacent property owners, business owners, law enforcement, fire department, and other emergency services responders in the area will be notified in a timely manner prior to the start of construction work. Changeable message signs to notify commuters will be strategically placed to provide adequate advanced notice.

ATTACHMENT

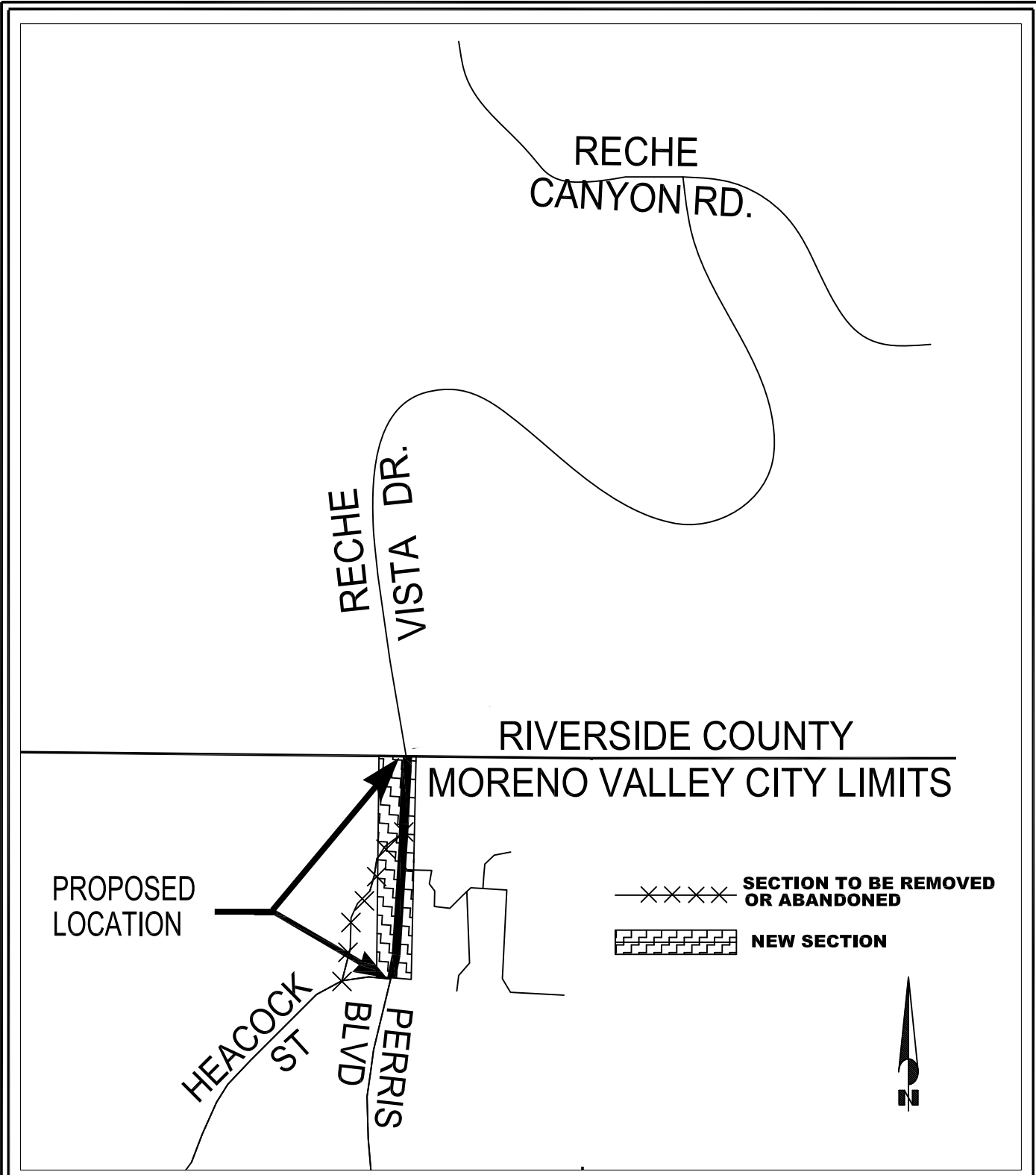
- Attachment 1: Location Map
- Attachment 2: PowerPoint Project related exhibits

Prepared By:
Quang Nguyen
Senior Engineer, P.E.

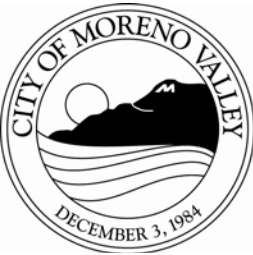
Department Head Approval:
Ahmad R. Ansari, P.E.
Public Works Director/City Engineer

Concurred By:
Prem Kumar, P.E.
Deputy Public Works Director/Assistant City Engineer

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LOCATION MAP



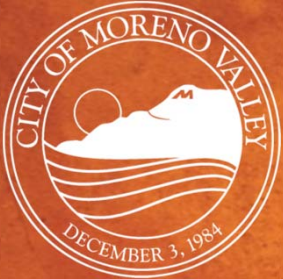
Public Works Department
Capital Projects Division

Scale: None

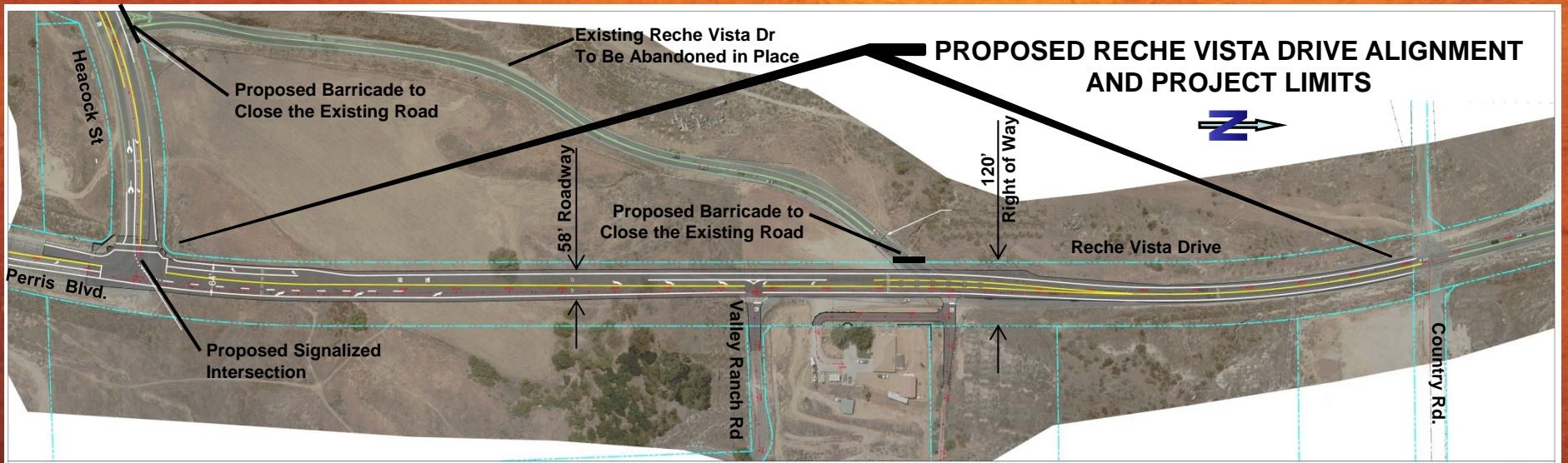
ATTACHMENT 1

RECHE VISTA DRIVE REALIGNMENT
(PERRIS BLVD./HEACOCK ST. TO THE NORTH CITY LIMITS)
PROJECT NUMBER 801 0009 70 77

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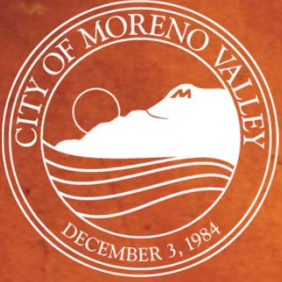


Reche Vista Drive Realignment Aerial View



-761-

Item No. G.1



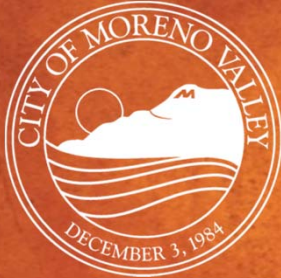
Reche Vista Drive Realignment Features

CURRENT CONDITIONS OF RECHE VISTA DRIVE:

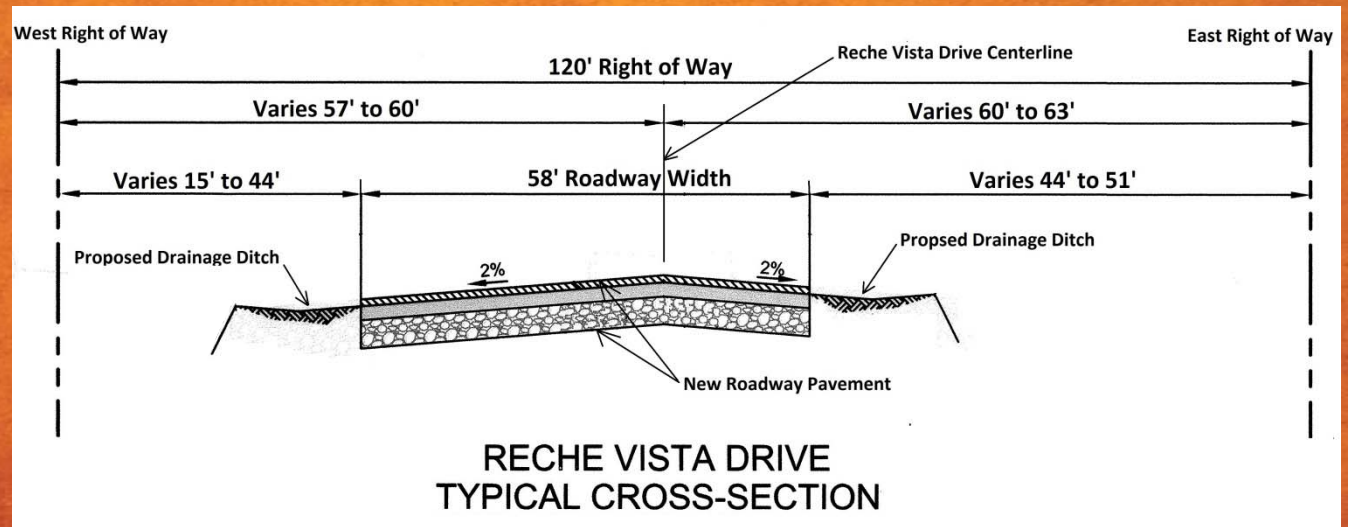
- ❖ The winding segment does not meet current standard for roadway shoulders and horizontal/vertical curvature profile.
- ❖ Extensive vehicle queuing and delay at the all-way stop intersection due to the high Average Daily Traffic count (over 15,000 vehicles).
- ❖ Highest collision rate in the City and higher than the average based on Caltrans documentation for similar road type.
- ❖ Predominant collision type: Run-off-the-road, Fixed objects hits, Rear-ends.

PROPOSED IMPROVEMENTS WITH NEW ALIGNMENT FOR RECHE VISTA DRIVE:

- ❖ Realign and improve the 2,400 feet of roadway with straight alignment and standard shoulder widths to improve mobility and accessibility for commuters and emergency responders, and improve vertical profile to enhance sight distance.
- ❖ Install a new traffic signal at the intersection of Heacock Street, Perris Boulevard, and new leg of Reche Vista Drive to reduce traffic congestion.
- ❖ Include various drainage improvements to reduce maintenance callouts.
- ❖ Include animal crossing warning signs at various locations to warn presence of burros.
- ❖ Improve driveway accesses for existing residents on the north side of the project.



Reche Vista Drive Realignment Cross Section and Project Milestones



Project Milestones:

- | | |
|--|----------------|
| ❖ City Council approved preliminary engineering work: | May 2008 |
| ❖ City Council approved preparation of final engineering work: | January 2009 |
| ❖ Public Notice of availability of environmental documents: | January 2009 |
| ❖ City Council adopted the Mitigated Negative Declaration: | February 2009 |
| ❖ City Council re-sequenced construction funding: | April 2011 |
| ❖ Design phase complete with final plans and specifications for bid: | September 2011 |
| ❖ City Council approved construction funding: | July 2014 |
| ❖ Advertise for construction bids: | January 2015 |



Reche Vista Drive Realignment Budget & Next Step

CITY COUNCIL JULY 8, 2014 APPROVED PROJECT BUDGET

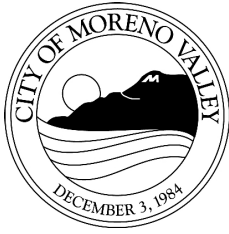
❖ Savings from Nason Street Project (Cactus Ave to Fir Ave)	\$1,800,000
❖ Savings from Perris Boulevard Project (Ironwood Ave. to Manzanita Ave)	\$1,300,000
❖ Budget transfer from Capital Projects Reimbursement	<u>\$900,000</u>
TOTAL	\$4,000,000

ESTIMATED CONSTRUCTION COSTS

❖ Update Design and Environmental Evaluation	\$100,000
❖ Contractor Construction Contract	\$3,600,000
❖ Construction Geotechnical Services	\$60,000
❖ Construction Survey Services	\$80,000
❖ Construction Management and Inspection Services	\$100,000
❖ Project Administration	<u>\$60,000</u>
TOTAL	\$4,000,000

ANTICIPATED CONSTRUCTION SCHEDULE

❖ Advertise and Award Construction Contract	January – April 2015
❖ Construction (Estimated 200 Working Days)	May 2015 – May 2016



APPROVALS	
BUDGET OFFICER	<i>me</i>
CITY ATTORNEY	<i>[Signature]</i>
CITY MANAGER	<i>[Signature]</i>

Report to City Council

TO: Mayor and City Council

FROM: Jane Halstead, City Clerk

AGENDA DATE: January 6, 2015

TITLE: 2015 COUNCIL COMMITTEE PARTICIPATION APPOINTMENTS

RECOMMENDED ACTION

Recommendations: That the City Council:

1. Appoint Council Member Jeffrey J. Giba to serve as the City of Moreno Valley's representative on the March Joint Powers Commission (MJPC).
2. Appoint Mayor Pro Tem Dr. Yxstian A. Gutierrez to serve as the City of Moreno Valley's representative on the March Joint Powers Commission (MJPC).
3. Appoint Mayor Jesse L. Molina to serve as the City of Moreno Valley's alternate representative on the March Joint Powers Commission (MJPC).
4. Appoint Council Member George E. Price to serve as the City of Moreno Valley's representative on the Riverside County Habitat Conservation Agency (RCHCA).
5. Appoint Council Member D. LaDonna Jempson to serve as the City of Moreno Valley's alternate representative on the Riverside County Habitat Conservation Agency (RCHCA).
6. Appoint Mayor Jesse L. Molina to serve as the City of Moreno Valley's representative on the Riverside County Transportation Commission (RCTC).
7. Appoint Council Member Jeffrey J. Giba to serve as the City of Moreno Valley's alternate representative on the Riverside County Transportation Commission (RCTC).

8. Appoint Mayor Jesse L. Molina to serve as the City of Moreno Valley's representative on the Riverside Transit Agency (RTA).
9. Appoint Mayor Pro Tem Yxstian A. Gutierrez to serve as the City of Moreno Valley's alternate representative on the Riverside Transit Agency (RTA).
10. Appoint Council Member Jeffrey J. Giba to serve as the City of Moreno Valley's representative on the Western Riverside Council of Governments (WRCOG).
11. Appoint Mayor Jesse L. Molina to serve as the City of Moreno Valley's alternate representative on the Western Riverside Council of Governments (WRCOG).
12. Appoint Council Member D. LaDonna Jempson to serve as the City of Moreno Valley's representative on the Western Riverside County Regional Conservation Authority (RCA).
13. Appoint Council Member George E. Price serve as the City of Moreno Valley's alternate representative on the Western Riverside County Regional Conservation Authority (RCA).
14. Approve the appointments to the remaining various committees and regional bodies, as noted on the 2015 Council Committee Participation – Mayor's Recommendations list.

SUMMARY

Mayor Molina compiled the 2015 Council Committee Participation list following a review of the council members' preference and council members' availability.

It was determined it would be appropriate for the City Council to make a separate motion for each agency that pays a stipend.

NOTIFICATION

Publication of the Agenda

ATTACHMENTS

1. 2015 Council Committee Participation – Mayor's Recommendations List
2. 2015 Meeting Schedule

Prepared By:
Cindy Miller
Executive Assistant to the Mayor/City Council

Department Head Approval:
Jane Halstead
City Clerk

**MAYOR'S RECOMMENDATION
2015 COUNCIL COMMITTEE PARTICIPATION**

CITY COUNCIL ADVISORY COMMISSIONS/ BOARDS :

	<i>Primary</i>	<i>Alternate</i>
Arts Commission	Price	Jempson
Emerging Leaders Council	Gutierrez	Molina
Environmental and Historical Preservation Board	Jempson	Price
July 4th Advisory Board	Jempson	Giba
Library Commission	Molina	Jempson
Parks & Recreation Commission	Giba	Gutierrez
Recreational Trails Board	Jempson	Price
Senior Citizens' Board	Molina	Giba
Traffic Safety Commission	Gutierrez	Price
Utilities Commission	Giba	Price

CITY COUNCIL SUBCOMMITTEES :

Economic Development Subcommittee <i>Appoint 2 Primary</i>	Giba/Molina	Gutierrez
Finance Subcommittee <i>Appoint 2 Primary</i>	Giba/Molina	Price
Public Safety Subcommittee <i>Appoint 2 Primary</i>	Jempson/Price	Gutierrez

INTER-AGENCY :

March Joint Powers Commission (JPC) <i>Appoint 2 Primary</i>	Giba/Gutierrez	Molina
School Districts/City Joint Task Force <i>Appoint 2 Primary</i>	Gutierrez/Giba	Jempson
Riverside County Habitat Conservation Agency (RCHCA)	Price	Jempson
Riverside County Transportation Commission (RCTC)	Molina	Giba
Riverside Transit Agency (RTA)	Molina	Gutierrez
Western Riverside Council of Governments (WRCOG)	Giba	Molina
Western Riverside County Regional Conservation Authority (RCA)	Jempson	Price

2015 MEETING SCHEDULE

Appointing Authority	Committee	Meeting Time	Meeting Schedule	Meeting Location	Meeting Address	Stipend
CITY ADVISORY BOARDS/COMMISSIONS						
Mayor	Arts Commission	6:30 p.m.	4th Wednesday of each month	Conference and Rec Center	14075 Frederick Street Moreno Valley	N/A
Mayor	Environmental and Historical Preservation Board	7:00 p.m.	2nd Monday of each odd numbered month	Council Chamber	14177 Frederick Street Moreno Valley	N/A
Mayor	Emerging Leaders	6:00 p.m.	4th Monday of each month	Council Chamber	14177 Frederick Street Moreno Valley	N/A
Mayor	July 4th Advisory Board	6:00 p.m.	3rd Monday of each month	Conference and Rec Center	14075 Frederick Street Moreno Valley	N/A
Mayor	Library Commission	7:00 p.m.	3rd Thursday of each month	Library	25048 Alessandro Blvd. Moreno Valley	N/A
Mayor	Parks and Recreation Commission	6:00 p.m.	2nd Thursday of each odd-numbered month	Conference and Rec Center	14075 Frederick Street Moreno Valley	N/A
Mayor	Recreational Trails Board	5:00 p.m.	4th Wednesday of each odd numbered month	Conference and Rec Center	14075 Frederick Street Moreno Valley	N/A
Mayor	Senior Citizens' Board	3:00 p.m.	3rd Monday of each month	Senior Community Center	25075 Fir Avenue Moreno Valley	N/A
Mayor	Traffic Safety Commission	6:00 p.m.	1st Wednesday of each month	Council Chamber	14177 Frederick Street Moreno Valley	N/A
Mayor	Utilities Commission	6:00 p.m.	3rd Friday of each month	Council Chamber	14177 Frederick Street Moreno Valley	N/A
COUNCIL SUBCOMMITTEES						
Mayor	Economic Development Subcommittee	2:00 p.m.	1st Thurs. of each month	Training Room	14177 Frederick Street	N/A
Mayor	Finance Subcommittee		No established time/day	Training Room	14177 Frederick Street	N/A
Mayor	Public Safety Subcommittee	10:00 a.m.	Generally on a Monday of each month	Training Room	14177 Frederick Street	N/A
INTER-AGENCIES						
Mayor	<i>League of California Cities (LCC) Riverside County Division</i>	5:30 p.m.	2nd Monday of odd numbered month	Varies	Varies	N/A
Mayor	<i>Riverside County Habitat Conservation Agency (RCHCA)</i>	10:00 a.m.	Quarterly, 3rd Thursday Feb., May, Sept., Nov.	County Admin Center	4080 Lemon St., 1st Floor Board Chamber, Riverside	\$100 per meeting
Mayor	<i>Western Riverside County Regional Conservation Authority (RCA)</i>	12:30 p.m.	1st Monday of each month	County Admin Center	4080 Lemon St., 1st Floor Board Chamber, Riverside	\$100 per meeting Mileage @ IRS rate
Mayor	<i>School Districts/City Joint Task Force</i>	12:00 p.m. - 1:00 p.m.	About every six weeks,	Conference and Rec Center	14075 Frederick Street Moreno Valley	N/A
Mayor	<i>March Joint Powers Commission (MJPC)</i>	8:30 a.m.	3rd Wed. of each month	JPA Conference Center	23533 Meyer Drive, Riverside	\$100 per meeting
		8:30 a.m.	1st Wed. of each month Study Session	JPA Conference Center	23533 Meyer Drive, Riverside	\$100 per meeting
Mayor	<i>Riverside Transit Agency (RTA)</i>	2:00 p.m.	4th Thursday of each month	County Admin Center	4080 Lemon St., 1st Floor Board Chamber, Riverside	\$150 per day \$600 cap per month
RTA	RTA Operations Committee	1:00 p.m.	1st Wednesday of each month	RTA Office	1825 3rd Street, Riverside	\$150 per day \$600 cap per month
RTA	RTA Transportation NOW (T-NOW)	11:30 a.m.	3rd Thursday of each month	Council Chamber	14177 Frederick Street Moreno Valley	\$150 per day \$600 cap per month

2015 MEETING SCHEDULE

Appointing Authority	Committee	Meeting Time	Meeting Schedule	Meeting Location	Meeting Address	Stipend
INTER-AGENCIES (cont.)						
Mayor	<i>Riverside County Transportation Commission (RCTC)</i>	9:30 a.m.	2nd Wednesday of each month	County Admin Center	4080 Lemon St., 1st Floor Board Chambers, Riverside	\$100 per day, 4 days a month max
RCTC	Mid County Parkway		as needed basis	County Admin Center	4080 Lemon St., 3rd Floor Riverside	\$100 per day, 4 days a month max
RCTC	RCTC Programs and Projects	1:30 p.m.	4th Monday of each month	County Admin Center	4080 Lemon St., 1st Floor, Board Chambers, Riverside	\$100 per day, 4 days a month max
RCTC	San Jacinto Branch Line		as needed basis	County Admin Center	4080 Lemon St., 3rd Floor Riverside	\$100 per day, 4 days a month max
RCTC	State Route 91 Corridor Improvement Project Property		as needed basis	County Admin Center	4080 Lemon St., 3rd Floor Riverside	\$100 per day, 4 days a month max
Mayor	<i>Western Riverside Council of Governments Executive Committee (WRCOG)</i>	2:00 p.m.	1st Monday of each month	County Admin Center	4080 Lemon Street, 1st Floor Board Chambers, Riverside	\$150 per meeting
WRCOG	Administration & Finance Subcommittee	12:00 p.m.	2nd Wednesday of each month	County Admin Center	4080 Lemon St., 4th Floor, Conf. Room A, Riverside	\$150 per meeting