

**City of Santee
Regular Meeting Agenda**

**Santee City Council
CDC Successor Agency
Santee Public Financing Authority**

**Council Chamber – Building 2
10601 Magnolia Avenue
Santee, CA 92071**

**June 8, 2016
7:00 PM**

ROLL CALL: Mayor Randy Voepel
Vice Mayor Jack E. Dale
Council Members Ronn Hall, Rob McNelis and John W. Minto

LEGISLATIVE INVOCATION \ PLEDGE OF ALLEGIANCE:

PRESENTATION: Presentation of Funds by Waste Management for Santee Salutes, Holiday Lighting, San Diego River Fest Events and Summer Concert Series

PROCLAMATION: Proclaim June 11, 2016 “Dogs on Deployment Day”

ITEMS TO BE ADDED, DELETED OR RE-ORDERED ON AGENDA:

1. CONSENT CALENDAR:

Consent Calendar items are considered routine and will be approved by one motion, with no separate discussion prior to voting. Council Members, staff or public may request specific items be removed from the Consent Calendar for separate discussion or action. Speaker slips for this category must be presented to the City Clerk before the meeting is called to order. Speakers are limited to 3 minutes.
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- (A) Approval of reading by title only and waiver of reading in full of Ordinances on agenda.**
- (B) Approval of Meeting Minutes:**
 - Santee City Council April 27, 2016 Regular Meeting
 - Santee Public Financing Authority April 27, 2016 Regular Meeting
 - CDC Successor Agency April 27, 2016 Regular Meeting
- (C) Approval of Payment of Demands as presented.**

- (D) Adoption of four (4) Resolutions associated with the November 8, 2016 General Municipal Election.
- (E) Second Reading and Adoption of an Ordinance amending Chapter 17.32 of the Santee Municipal Code related to Election Signs and Temporary Noncommercial Signs.
- (F) Rejection of the Bid Process for Bid #16/17-20021 and award of the Contract for Fountain Maintenance and Repairs via open market to California Waters Development Incorporated for an amount not to exceed \$39,688.00; authorizing the City Manager to approve three additional 12-month options to renew with corresponding purchase orders; authorization for the City Manager to approve annual change orders up to 10% of the then current contract amount; and authorization for the Director of Community Services to execute a Notice of Completion to be filed by the City Clerk.
- (G) Adoption of a Resolution Accepting the Prospect Avenue Sidewalk Improvements (CIP 2013-06) as Complete.

2. PUBLIC HEARING:

- (A) A Public Hearing on an appeal of the decision of the Director of Development Services to declare unlawful conditions that constitute public nuisances and danger to the health, safety and general welfare of occupants, surrounding community and the public, at property located at 10504 Santana Street, and associated "Order to Vacate" and "Notice and Order to Repair or Abate Dangerous Building and Public Nuisance" and "Supplemental Attachment" by August 11, 2016.

Recommendation:

1. Open the hearing and receive testimony; and
2. Adopt Resolution affirming the decision of the Director of Development Services to declare unlawful conditions that constitute public nuisances and danger to the health, safety and general welfare of occupants, surrounding community and the public, at property located at 10504 Santana Street, and associated "Order to Vacate" and "Notice and Order to Repair or Abate Dangerous Building and Public Nuisance" and "Supplemental Attachment" by August 11, 2016.

- (B) **Public Hearing on a Resolution of the City Council of the City of Santee, California, approving the staff report and authorizing a special assessment on certain parcels of land that received Administrative Citations for Municipal Code violations and/or Administrative Fees for which costs have not been paid by the owner(s) of record of said parcels.**

Recommendation:

1. Conduct and Close the Public Hearing; and
2. Adopt Resolution approving the report and authorizing special assessments.

- (C) **Public Hearing on a Resolution of the City Council of the City of Santee, California, establishing a special assessment on certain parcels of land that were subject to involuntary weed abatement and/or Administrative Fees by the City and for which costs have not been paid by the owner(s) of record of said parcels.**

Recommendation:

1. Conduct and Close the Public Hearing; and
2. Approve the cost report and account of unpaid weed abatement invoices; and
3. Adopt Resolution confirming report, and ordering abatement costs to be a special assessment on the properties referenced in the report and as shown on the list of properties.

3. **ORDINANCES:** *See Item 1(E)*

4. **CITY COUNCIL ITEMS AND REPORTS:**

5. **CONTINUED BUSINESS:** None

6. **NEW BUSINESS:**

- (A) **Dedicating and Naming of park site at Via de Cristina in honor of Deputy Sheriff Ken Collier.**

Recommendation:

Accept the recommendation of the Santee Park and Recreation Committee to name the park site on Via de Cristina as Deputy Ken Collier Neighborhood Park.

- (B) Resolution awarding the Via de Cristina Park Project (CIP 2014-31) Construction Contract, appropriating County Neighborhood Reinvestment Program Grant Funds, transferring Park-in-Lieu Funds and determining a Categorical Exemption pursuant to the California Environmental Quality Act.**

Recommendation:

1. Adopt the resolution determining the bid from Anton's Service to be non-responsive; and
2. Waiving the addendum acknowledgement requirement; and
3. Awarding the Via de Cristina Park Project construction contract to Horizons Construction for \$783,647.49; and
4. Authorizing the Director of Development Services to approve change orders in an amount not to exceed \$78,364.00; and
5. Appropriating a \$64,413.00 County of San Diego Neighborhood Reinvestment Program Grant; and
6. Authorizing a transfer of \$165,932.64 in Park-In-Lieu fees from the Town Center Community Park Well Installation project budget.

- (C) Approve Amendment #1 to increase FY 2015-16 contract (13/14-2) amount for Plumbing Repairs and Related Maintenance with Countywide Mechanical Systems, Incorporated, #13/14-2.**

Recommendation:

1. Approve Amendment #1 to increase FY 2015-16 contract (13/14-2) amount for Plumbing Repairs and Related Maintenance with Countywide Mechanical Systems, Incorporated to \$27,000; and
2. Authorize the City Manager to execute said amendment.

- (D) Resolution awarding a four-year professional services agreement with Vision Technology Solutions, LLC for the Redesign and ongoing support of the City website.**

Recommendation:

1. Adopt the Resolution awarding a four-year Professional Services Agreement with Vision Technology Solutions, LLC for the redesign of the City website at an initial year cost of \$47,030 and ongoing support services for the subsequent three years at a cost of \$31,525; and
2. Authorize the City Manager to execute the Agreement; and
3. Authorize the City Manager to approve change orders up to 10% for any unforeseen changes and modifications in the first year.

- (E) **Resolution of the City Council of the City of Santee, California Awarding the Construction Contract for the City Hall HVAC Replacement Project (CIP 2012-41), Appropriating Energy Efficiency Funds, Transferring Funds and Approving a Categorical Exemption Pursuant to the California Environmental Quality Act.**

Recommendation:

1. Awarding the construction contract to Countywide Mechanical Systems, Inc. for a total amount of \$515,325.13 and authorizing the City Manager to execute the contract; and
2. Authorizing the Director of Development Services to approve change orders in an amount not to exceed \$25,766.25; and
3. Appropriating Energy Efficiency Funds in the amount of \$24,675.17; and
4. Transferring \$28,096.97 from the City Hall Foundation Repair Project; and
5. Transferring \$61,307.06 from various Sage projects; and
6. Approving a categorical exemption pursuant to the California Quality Environmental Act.

- (F) **Resolution of the City Council of the City of Santee, California Awarding the Construction Contract for the Citywide Pavement Repair and Rehabilitation Program 2016 (CIP 2016-02) and determining a Categorical Exemption Pursuant to the California Environmental Quality Act.**

Recommendation:

Adopt the Resolution awarding the construction contract for the Citywide Pavement Repair and Rehabilitation Program 2016 (CIP 2016-02) to SRM Paving and Contracting for a total amount of \$2,440,000.00, authorizing the Director of Development Services to approve change orders in an amount not to exceed \$244,000.00.

7. COMMUNICATION FROM THE PUBLIC:

Each person wishing to address the City Council regarding items not on the posted agenda may do so at this time. In accordance with State law, Council may not take action on an item not scheduled on the Agenda. If appropriate, the item will be referred to the City Manager or placed on a future agenda.

8. CITY MANAGER REPORTS:

9. CDC SUCCESSOR AGENCY:

(Note: Minutes appear as Item 1(B))

(A) Resolution Authorizing Professional Services Agreements for Tax Allocation Refunding Bonds Financing Team Consultants and Approving the Bond Underwriter.

Recommendation:

1. Adopt the resolution authorizing the City Manager to execute the following professional services agreements: a) HdL Coren & Cone for fiscal consulting services for an amount not to exceed \$22,500; b) KNN Public Finance for financial advisory services for an amount not to exceed \$79,000; c) Best Best & Krieger LLP for bond counsel services for an amount not to exceed \$52,500; d) Quint & Thimmig LLP for disclosure counsel services in an amount not to exceed \$35,000; and
2. Approve Piper Jaffray & Co. to serve as bond underwriter.

10. SANTEE PUBLIC FINANCING AUTHORITY:

(Note: Minutes appear as Item 1(B))

11. CITY ATTORNEY REPORTS:

12. CLOSED SESSION:

(A) CONFERENCE WITH LABOR NEGOTIATORS

(Government Code Section 54957.6)

Agency Designated Representative: City Manager

Employee Organization: Santee Firefighters' Association

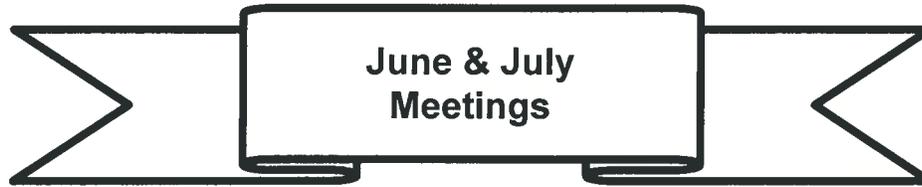
(B) CONFERENCE WITH LABOR NEGOTIATORS

(Government Code Section 54957.6)

Agency Designated Representatives: City Manager

Unrepresented Employees: All Full-Time Miscellaneous & Management Employees.

13. ADJOURNMENT:

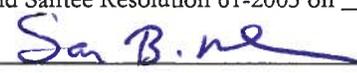


Jun	02	SPARC	Civic Center Building 7
Jun	08	City Council Meeting	Council Chamber
Jun	13	Community Oriented Policing Committee	Council Chamber
Jun	16	Manufactured Home Fair Practices Commission	Council Chamber
Jun	22	City Council Meeting	Council Chamber
Jul	07	SPARC	Civic Center Building 7
Jul	13	City Council Meeting	Council Chamber
Jul	11	Community Oriented Policing Committee	Council Chamber
Jul	27	City Council Meeting	Council Chamber

The Santee City Council welcomes you and encourages your continued interest and involvement in the City's decision-making process.

For your convenience, a complete Agenda Packet is available for public review at City Hall and on the City's website at www.CityofSanteeCA.gov.

The City of Santee complies with the Americans with Disabilities Act. Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the American 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 the City Clerk's Office at (619) 258-4100, ext. 112 at least 48 hours before the meeting, if possible.

State of California } County of San Diego } ss. City of Santee }	<h3>AFFIDAVIT OF POSTING AGENDA</h3>
I, <u>Sara Real, Deputy City Clerk</u> of the City of Santee, hereby declare, under penalty of perjury, that a copy of this Agenda was posted in accordance with the Brown Act and Santee Resolution 61-2003 on <u>June 3, 2016</u> , at <u>4:00 p.m.</u>	
 _____ Signature	<u>06/03/16</u> Date

City of Santee
COUNCIL AGENDA STATEMENT

PRES

MEETING DATE

JUNE 8, 2016

AGENDA ITEM NO.

ITEM TITLE

**PRESENTATION OF FUNDS TO CITY COUNCIL BY WASTE
MANAGEMENT FOR SANTEE SALUTES, HOLIDAY LIGHTING, SAN
DIEGO RIVER FEST EVENTS AND SUMMER CONCERT SERIES**

DIRECTOR/DEPARTMENT

Mayor Randy Voepel

SUMMARY

For more than 12 years, Waste Management has been the Title Sponsor of Santee Salutes, the city's July 4th fireworks showcase and signature event.

A few years ago, Waste Management increased its investment in the community and became the Title Sponsor of the City's Holiday Lighting Celebration, Presenting Sponsor of San Diego River Fest and Supporting Sponsor of the Summer Concert Series. Their cash and in-kind investment makes the most of their partnership within the Santee community and contributes to the overall success of these events.

At tonight's meeting, Waste Management will present a check to the City Council in the amount of **\$37,000.00**.

FINANCIAL STATEMENT

Waste Management's contribution is a cash and in-kind investment associated with Santee's community events, Santee Salutes, Holiday Lighting Celebration, San Diego River Fest and Summer Concert Series.

CITY ATTORNEY REVIEW

N/A

Completed

RECOMMENDATION ✓

Accept the contribution from Waste Management and recognize them as a valuable member of our corporate community.

ATTACHMENTS (Listed Below)

None.

City of Santee
COUNCIL AGENDA STATEMENT

PROC

MEETING DATE June 8, 2016 **AGENDA ITEM NO.** PROC

ITEM TITLE PROCLAIM JUNE 11, 2016 “DOGS ON DEPLOYMENT DAY”

DIRECTOR/DEPARTMENT Randy Voepel, Mayor

SUMMARY The City of Santee will be hosting Fido Fest 2016 on Saturday, June 11, 2016. This inaugural dog-focused event will include a wide variety of vendors, demonstrations, and pet adoptions sponsored by Petco. In addition, there will be a fundraiser of which the proceeds will be donated to “Dogs on Deployment”.

Dogs on Deployment, a national non-profit organization, provides a central network for military members to find volunteers willing to board their pets while they are deployed or have other service commitments, making them unable to temporarily care for their pets. Additionally, Dogs on Deployment promotes responsible, life-long pet ownership in the military community by advocating for military pet owner rights on military installations; providing educational resources for military members about responsible pet ownership; granting financial assistance to military members for help with their pet's care during emergencies; promoting healthy pet lifestyles, including spay and neuter, insurance options and vaccinations; and connecting with community organizations to ensure Dogs on Deployment resources are available to military families.

Dogs on Deployment has received local and national recognition by such organizations as the San Diego Humane Society, Points of Light Institute, GuideStar Exchange, and GreatNonProfits, for their positive impact on the military community.

Particularly noteworthy is that Dogs on Deployment is based in Santee and was founded by active duty military couple, Lieutenant Shawn Johnson, USN and Captain Alisa Sieber-Johnson, USMC, who both reside in Santee. June 2016 will mark the five-year anniversary of the founding of Dogs on Deployment.

The attached proclamation recognizes both the founders of Dogs on Deployment and the impact this organization has made in giving military members peace of mind concerning their pets during their service commitments by providing them with the ability to find people and resources able to help them.

FINANCIAL STATEMENT N/A

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION ✓ N/A

ATTACHMENTS (Listed Below)

Proclamation

City of Santee, California

Proclamation

WHEREAS, Santee residents Shawn Johnson and Alisa Sieber-Johnson, are an active duty couple who are also devoted dog owners. After experiencing the need to find a temporary home for their dog JD while they were both fulfilling their military commitments in 2011, they founded "Dogs on Deployment" whose mission was to give military members peace of mind concerning their pets during their service commitments by providing them with necessary resources; and

WHEREAS, through the Johnson's leadership and tireless efforts, Dogs on Deployment has grown to become a national organization with over 21,000 registered volunteer pet boarders and over 4,000 local event and community relations volunteers; and

WHEREAS, Dogs on Deployment has received local and national recognition by such organizations as the San Diego Humane Society, Points of Light Institute, GuideStar Exchange, and GreatNonProfits, for their positive impact on the military community; and

WHEREAS, Dogs on Deployment has helped military members find volunteer boarders for over 900 pets and has awarded in excess of \$217,000 in financial grants to junior enlisted military members to help them with the expenses of responsible pet ownership.

NOW, THEREFORE, I, Randy Voepel, Mayor of the City of Santee, on behalf of the City Council do hereby proclaim Saturday, June 11, 2016 as

DOGS ON DEPLOYMENT DAY

in the City of Santee, and call upon all citizens to recognize Dogs on Deployment and the impact this organization has made in giving military members peace of mind concerning their pets during their service commitments.

IN WITNESS WHEREOF, I have hereunto set my hand this eighth day of June, two thousand sixteen, and have caused the Official Seal of the City of Santee to be affixed.



Mayor Randy Voepel

City of Santee
COUNCIL AGENDA STATEMENT

MEETING DATE June 8, 2016

AGENDA ITEM NO.

ITEM TITLE APPROVAL OF MEETING MINUTES OF THE SANTEE CITY COUNCIL,
THE CDC SUCCESSOR AGENCY AND THE SANTEE PUBLIC
FINANCING AUTHORITY REGULAR MEETING OF APRIL 27, 2016.

DIRECTOR/DEPARTMENT *P. Bell*
Patsy Bell, City Clerk

SUMMARY

Submitted for your consideration and approval are the minutes of the above meeting.

FINANCIAL STATEMENT

N/A

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION

Approve Minutes as presented.

ATTACHMENTS (Listed Below)

April 27, 2016 Minutes

Minutes

Santee City Council Community Development Commission Santee Public Financing Authority

**Council Chambers
10601 Magnolia Avenue
Santee, California
April 27, 2016**

This Regular Meeting of the Santee City Council, the CDC Successor Agency and the Santee Public Financing Authority was called to order by Mayor/Chair Randy Voepel at 7:03 p.m.

Council Members present were: Mayor/Chair Randy Voepel and Council/Authority Members Ronn Hall and Rob McNelis. Council/Authority Member John Minto was absent. Vice Mayor/Vice Chair Jack E. Dale entered the meeting at 7:07 p.m.

Officers present were: City Manager/Authority Secretary Marlene Best, City/Authority Attorney Shawn Hagerty and City Clerk Patsy Bell.

(Note: Hereinafter the titles Mayor, Vice Mayor, Council Member, City Manager, and City Attorney shall be used to indicate Mayor/Chair, Vice Mayor/Vice Chair, Council/Authority Member, City Manager/Authority Secretary, and City/Authority Attorney.)

The **INVOCATION** was given by Pastor Dennis Ottalagano of the New Life Assembly of God, and the **PLEDGE OF ALLEGIANCE** was led by Retired Warrant Officer Warren Savage.

ITEMS TO BE ADDED, DELETED OR RE-ORDERED ON AGENDA: None

- (A) Approval of reading by title only and waiver of reading in full of Ordinances on agenda.**
- (B) Approval of Meeting Minutes:**
 - **Santee City Council March 23, 2016 Regular Meeting**
 - **Santee Public Financing Authority March 23, 2016 Regular Meeting**
 - **CDC Successor Agency March 23, 2016 Regular Meeting**
- (C) Approval of Payment of Demands as presented.**
- (D) Approval of the expenditure of \$60,490.44 for March 2016 Legal Services and related costs.**

- (E) **Adoption of a Resolution adopting the Transnet Local Street Improvement Program for Fiscal Years 2016/17 through 2020/21 and amending the adopted Capital Improvement Project (CIP) budget. (Reso 035-2016)**
- (F) **Direction to staff to conduct the biennial review of the Conflict of Interest Code and report back to Council prior to October 1, 2016.**

ACTION: On motion of Council Member McNelis, seconded by Council Member Hall, the Agenda and Consent Calendar were approved as presented with all voting aye, except Council Member Minto who was absent.

2. PUBLIC HEARING:

- (A) **Public Hearing to adopt a Resolution approving the Program Year 2016 Annual Action Plan and authorizing the City Manager to submit a grant application for Community Development Block Grant (CDBG) funds to the Department of Housing and Urban Development (HUD). (Reso 036-2016)**

The Public Hearing was opened at 7:11 p.m. Director of Development Services Melanie Kush and Senior Management Analyst Romstad provided a staff report and answered Council's questions.

ACTION: On motion of Council Member McNelis, seconded by Council Member Hall, the Public Hearing was closed at 7:14 p.m. and the Resolution approving the Program Year 2016 Annual Action Plan and authorizing the City Manager to submit the grant application to HUD was adopted with all voting aye, except Council Member Minto who was absent.

3. ORDINANCES: None

4. CITY COUNCIL ITEMS AND REPORTS:

- (A) **Possible cancellation of a Regular City Council summer meeting.**

After a brief discussion and with Council consensus, the July 27, 2016 Regular Council meeting was cancelled and the City Clerk was directed to post the appropriate notices.

4. CITY COUNCIL REPORTS:

Council Member McNelis congratulated the River View Church on their five year anniversary.

5. CONTINUED BUSINESS: None

6. NEW BUSINESS:

- (A) Regional Task Force on the Homeless annual population count and approval of fair share funding request.**

Director of Development Services Melanie Kush and Senior Management Analyst Romstad provided a staff report.

ACTION: On motion of Council Member McNelis, seconded by Council Member Hall, the fair share funding fee of \$2,500 from Fiscal Year 2016-17 Community Development Block Grant funds was approved with all voting aye, except Council Member Minto who was absent.

- (B) Resolution authorizing an amendment to a professional services agreement with Dokken Engineering for "as needed" engineering services and accelerating the design funding for the Mast Park Improvements Project (CIP 2008-53) from FY 16-17 to FY 15-16. (Reso 037-2016)**

Community Services Director Bill Maertz presented the staff report utilizing a PowerPoint Presentation and answered Council's questions.

ACTION: On motion of Council Member McNelis, seconded by Council Member Hall, the Resolution authorizing the City Manager to execute an amendment to the professional services agreement with Dokken Engineering for the length of the Mast Park Improvements Project for an amount not to exceed \$898,360; approving the acceleration of the \$600,000 allocated for design work; and authorizing the Director of Development Services to negotiate and issue task orders to complete the Mast Park Improvements Project was adopted with all voting aye, except Council Member Minto who was absent.

- (C) Two Resolutions authorizing the transfer of surplus funds from the City Hall Foundation Repairs Project (CIP 2013-44) to Council Chambers Furniture Replacement Project (CIP 2016-55) and to Cuyamaca Street Pump Stations Project (CIP 2015-65) to purchase office furniture, declaring old furniture as surplus, and for the electrical wiring associated with the Cuyamaca Street irrigation pump stations and approving an increase in change orders to Global Power Incorporated for electrical work. (Reso 038-2016 & 039-2016)**

Director of Development Services Melanie Kush introduced the item and Principal Civil Engineer Carl Schmitz provided a staff report and answered Council's questions. It was noted that the only furniture items being replaced are the tables and chairs in the Council Chambers (Building 2).

ACTION: On motion of Council Member Hall, seconded by Council Member McNelis, the two Resolutions authorizing transfer of funds in the amount of \$44,384.98 from City Hall Foundation Repairs to Council Chambers Furniture Replacement, authorizing the purchase of new office furniture from Office Depot Incorporated for an amount not to exceed \$44,384.98, authorizing transfer of funds in the amount of \$20,000.00 from City Hall Foundation Repairs to the Cuyamaca Street Pump Stations, approving an increase of \$20,000 in change orders to the contract with Global Power Incorporated for the electrical wiring and installation of the Cuyamaca Street pumps, authorizing the Director of Development Services to execute the change orders, and authorizing the City Manager to execute all necessary documents were adopted with all voting aye, except Council Member Minto who was absent.

- (D) **Resolution to vacate and release a “Lien Contract and Agreement Not to Convey” and authorize the City Manager to execute a “Covenant” Not to Convey Condominium Units” for the Sunridge Apartments located at 8729 Graves Avenue. (Reso 040-2016)**

ENTERED INTO THE RECORD:

Staff provided replacement pages 2-4 to the Resolution's Exhibit A which further clarifies that there is no obligation to convert the apartments to condominiums.

Director of Development Services Melanie Kush presented the staff report utilizing a PowerPoint Presentation, and she and City Attorney Shawn Hagerty answered Council's questions.

MOTION: Council Member Hall moved to adopt the Resolution authorizing the City Manager to vacate and release the “Lien Contract and Agreement Not to Convey” and execute a “Convenient Not to Convey Condominium Units,” Council Member McNelis seconded the motion.

AMENDMENT: After discussion, Council Member Hall amended his motion to include a disclosure to be signed by both seller and buyer. Council Member McNelis agreed to the amendment.

PUBLIC SPEAKERS: Lane Jorgensen of Pardee Homes was available to answer questions.

ACTION: After further discussion, the amended motion made by Council Member Hall, seconded by Council Member McNelis, to authorize the City Manager to vacate and release the “Lien Contract and Agreement Not to Convey” and execute a “Covenant Not to Convey Condominium Units,” with the inclusion of a disclosure form to be signed by both parties, was adopted with all voting aye, except Council Member Minto who was absent.

7. COMMUNICATION FROM THE PUBLIC:

- (A) Mark Huyser urged the Council to do their best job for the Santee community.

8. CITY MANAGER REPORTS:

City Manager Marlene Best reported a closure at MCAS Miramar on Tuesday, May 3 for a practice lockdown, and reminded the Council and staff to avoid the area due to anticipated traffic delays.

This item was heard at this time:

4. ADDITIONAL CITY COUNCIL REPORTS:

Council Member McNelis requested a future agenda item to expand the Ordinance on alcohol prohibition in Santee parks to the trail systems as well.

9. COMMUNITY DEVELOPMENT COMMISSION:

(Note: Minutes appear as Item 1B)

10. SANTEE PUBLIC FINANCING AUTHORITY:

(Note: Minutes appear as Item 1B)

11. CITY ATTORNEY REPORTS: None

Council Members recessed at 7:55 p.m. and convened in Closed Session at 8:01 p.m. with all Members present, except Council Member Minto who was absent.

12. CLOSED SESSION:

(A) CONFERENCE WITH LABOR NEGOTIATORS

(Government Code section 54957.6)

Agency Designated Representative: City Manager

Employee Organization: Santee Firefighters' Association

Council Members reconvened in Open Session at 8:19 p.m. with all Members present, except Council Member Minto who was absent. Mayor Voepel stated that direction was given to staff on Item 12(A).

13. ADJOURNMENT:

There being no further business, the meeting was adjourned at 8:20 p.m.

Date Approved: June 8, 2016

Patsy Bell, City Clerk and for
Authority Secretary Marlene Best

City of Santee
COUNCIL AGENDA STATEMENT

1C

MEETING DATE June 8, 2016 **AGENDA ITEM NO.**

ITEM TITLE PAYMENT OF DEMANDS

DIRECTOR/DEPARTMENT Tim K. McDermott/Finance *TM*

SUMMARY

A listing of checks that have been disbursed since the last Council meeting is submitted herewith for approval by the City Council.

FINANCIAL STATEMENT *TM*

Adequate budgeted funds are available for the payment of demands per the attached listing.

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION *MSB*

Approval of the payment of demands as presented.

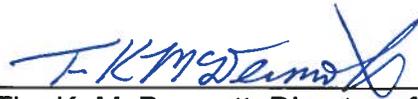
ATTACHMENTS (Listed Below)

- 1) Payment of Demands-Summary of Checks Issued
- 2) Disbursement Journal

Payment of Demands
Summary of Payments Issued

<u>Date</u>	<u>Description</u>	<u>Amount</u>
05/18/16	Accounts Payable	\$ 1,394,990.11
05/25/16	Accounts Payable	1,136,626.28
05/26/16	Accounts Payable	131,004.86
05/26/16	Payroll	<u>304,832.76</u>
	TOTAL	<u>\$ 2,967,454.01</u>

I hereby certify to the best of my knowledge and belief that the foregoing demands listing is correct, just, conforms to the approved budget, and funds are available to pay said demands.



Tim K. McDermott, Director of Finance

Voucher List
CITY OF SANTEE

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
112028	5/18/2016	11885 ARROW INTERNATIONAL	93878753	51056	EMS SUPPLIES	3,141.62
					Total :	3,141.62
112029	5/18/2016	10189 ATTENTION GETTERS DESIGN INC	39721	51058	EQUIPMENT DECALS	27.18
					Total :	27.18
112030	5/18/2016	10018 BENCHMARK LANDSCAPE SVCS INC	124883	51257	LANDSCAPE SERVICES	10,001.01
			124884	51250	LANDSCAPE SERVICES	12,249.16
					Total :	22,250.17
112031	5/18/2016	10021 BOUND TREE MEDICAL LLC	82044096	51273	EMS SUPPLIES	86.50
			82129036	51124	PHARMACEUTICALS	119.84
			82129037	51124	PHARMACEUTICALS	99.19
			82129038	51273	EMS SUPPLIES	64.94
			82130392	51273	EMS SUPPLIES	2,173.70
			82130393-EMS	51273	EMS SUPPLIES	129.37
			82130393-PHARM	51124	PHARMACEUTICALS	30.20
					Total :	2,703.74
112032	5/18/2016	10542 C2 IMAGING	777965		CITY HALL HVAC PROJECT	112.26
					Total :	112.26
112033	5/18/2016	10876 CANON SOLUTIONS AMERICA INC	988671636	51127	SCANNER MAINTENANCE	60.09
					Total :	60.09
112034	5/18/2016	10032 CINTAS CORPORATION #694	694206116-D	51227	CLEANING FLUID DSPNSR SRVC	13.05
			694206116-S	51226	UNIFORM/PARTS CLEANER RNTL	46.92
			694206729	51227	CLEANING FLUID DSPNSR SRVC	51.71
					Total :	111.68
112035	5/18/2016	10038 COSTCO WHOLESAL #403	04272016	51366	KIDS TO WORK DAY 2016	192.76
					Total :	192.76
112036	5/18/2016	10839 COUNTY OF SAN DIEGO	129261		SUMMER CONCERTS	443.00
					Total :	443.00
112037	5/18/2016	12255 CREST EQUIPMENT INC	5046	51334	PROSPECT AVE SIDEWALKS	148,100.00

Voucher List
CITY OF SANTEE

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
112037	5/18/2016	12255 CREST EQUIPMENT INC	(Continued) 5046R		RETENTION	-7,405.00
					Total :	140,695.00
112038	5/18/2016	11168 CTE INC CLARK TELECOM AND	00002784	51236	STREET LIGHT MAINTENANCE	491.66
			00002785	51236	STREET LIGHT REPAIR	2,027.51
			00002786	51236	DIG ALERT MARK-OUTS	923.02
			00002788	51236	STREET LIGHT MAINTENANCE	1,111.14
			00002789	51237	TRAFFIC SIGNAL MAINT	2,655.00
			00002819	51237	TRAFFIC SIGNAL REPAIR	4,086.80
			00002820	51237	DIG ALERT MARK-OUTS	312.56
			00002821	51236	STREET LIGHT MAINTENANCE	491.66
			00002822	51236	STREET LIGHT REPAIR	1,284.99
			00002823	51236	DIG ALERT MARK-OUTS	604.62
			00002824	51237	TRAFFIC SIGNAL MAINT	2,655.00
			00002825	51237	TRAFFIC SIGNAL MAINT	2,878.09
			00002826	51237	DIG ALERT MARK-OUTS	293.68
					Total :	19,815.73
112039	5/18/2016	10045 DIAMOND ENVIRONMENTAL SERVICES	0000690899		MURAL PROJECT	59.00
			0000690901		MURAL PROJECT	375.00
					Total :	434.00
112040	5/18/2016	10363 DIAMONDBACK FIRE & RESCUE	12968	51340	EQUIPMENT REPAIR PARTS	118.53
112041	5/18/2016	10053 EL CAJON PLUMBING & HEATING	289300	51074	PLUMBING SUPPLIES	19.87
					Total :	19.87
112042	5/18/2016	10057 ESGIL CORPORATION	05/02/16-05/06/16 05/09/16-05/13/16		SHARE OF FEES SHARE OF FEES	26,116.91 15,411.96
					Total :	41,528.87
112043	5/18/2016	10146 EXPRESSIONS DANCE AND MOVEMENT	WINTER-2016		INSTRUCTOR PAYMENT	273.00
112044	5/18/2016	10580 FASTENAL COMPANY	CAELC62104	51188	UTILITY VISE	103.19
					Total :	273.00

Voucher List
CITY OF SANTEE

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
112044	5/18/2016	10580 FASTENAL COMPANY	(Continued)			
112045	5/18/2016	10251 FEDERAL EXPRESS	5-407-92230		SHIPPING CHARGES	103.19
112046	5/18/2016	11433 FERNANDEZ, JANET	05042016		EMPLOYEE REIMBURSEMENT	19.93
112047	5/18/2016	10009 FIRE ETC	88378			19.93
			88409		FIRE EXTINGUISHER SERVICE	219.30
			88431	51078	SAFETY EQUIPMENT	219.30
				51355	SAFETY APPAREL	396.48
112048	5/18/2016	12351 FIREHOUSE SUBS	05112016		REFUND - UNUSED GRANT FUNDS	259.20
112049	5/18/2016	12074 FOREMOST PROMOTIONS	342499		PUBLIC EDUCATION SUPPLIES	759.24
112050	5/18/2016	11196 HD SUPPLY FACILITIES	9145220022	51085	SHOP SUPPLIES	1,414.92
112051	5/18/2016	10144 HDL COREN & CONE	0022661-IN	51247	PROPERTY TAX AUDIT	283.51
112052	5/18/2016	10256 HOME DEPOT CREDIT SERVICES	1154593			440.00
			7154499		VEHICLE SUPPLIES	440.00
112053	5/18/2016	11550 HUISMAN, AARON	050416		EMPLOYEE REIMBURSEMENT	62.14
112054	5/18/2016	11724 ICF JONES & STOKES INC	0114401			62.14
			0114402		MSCP SUBAREA PLAN & EIR	4,625.00
112055	5/18/2016	10203 LAKESIDE EQUIPMENT SALES &	128501		MURAL PROJECT	4,625.00
					MSCP SUBAREA PLAN & EIR	4,245.00
					MSCP SUBAREA PLAN & EIR	4,420.00
					Total :	8,665.00

Voucher List
CITY OF SANTEE

Bank code : ubgen		Invoice		PO #	Description/Account	Amount
Voucher	Date	Vendor	Invoice			
112055	5/18/2016	10203 LAKESIDE EQUIPMENT SALES &	(Continued)			
112056	5/18/2016	10174 LN CURTIS AND SONS	1390013-01	51344	SAFETY EQUIPMENT	Total : 400.00
112057	5/18/2016	11860 MARCHEM PACIFIC INC	00021986	51346	BINDER CHEMICAL	Total : 687.42
112058	5/18/2016	12053 MARKEN PPE RESTORATION	20103P	51256	TURNOUT INSPECTION/REPAIR	Total : 2,116.37
112059	5/18/2016	10079 MEDICO PROFESSIONAL	1795542	51277	MEDICAL LINEN SERVICE	Total : 1,007.54
			1795543	51277	MEDICAL LINEN SERVICE	Total : 1,007.54
112060	5/18/2016	12332 MICHAEL BAKER	940411	51371	WALMART EXPANSION EIR	Total : 20.02
112061	5/18/2016	10306 MOTOROLA SOLUTIONS INC	13108944	51352	PORTABLE RADIOS	Total : 12.68
112062	5/18/2016	10218 OFFICE DEPOT	338368	51368	CHAMBER FURNITURE DEPOSIT	Total : 38,134.72
112063	5/18/2016	10218 OFFICE DEPOT	838589931001	51096	OFFICE SUPPLIES	Total : 38,134.72
112064	5/18/2016	10344 PADRE DAM MUNICIPAL WATER DIST	90000366		GROUP BILL	Total : 14,795.00
112065	5/18/2016	10161 PRIZM JANITORIAL SERVICES INC	10100	51173	JANITORIAL SERVICES	Total : 16.39
			10117	51173	JANITORIAL SERVICES	Total : 22,439.91
			10118	51174	JANITORIAL SERVICES	Total : 322.26
112066	5/18/2016	10095 RASA	4956	51253	MAP CHECK	Total : 2,506.92
			4970	51253	MAP CHECK	Total : 1,973.85
			4971	51253	MAP CHECK	Total : 4,803.03

Voucher List
CITY OF SANTEE

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
112066	5/18/2016	10095 RASA	(Continued) 4972	51253	MAP CHECK	860.00
					Total :	3,630.00
112067	5/18/2016	10097 ROMAINE ELECTRIC CORPORATION	12-034168	51255	EQUIPMENT REPAIR	268.38
					Total :	268.38
112068	5/18/2016	10606 S.D. COUNTY SHERIFF'S DEPT.	SHERIFF MAR 2016		LAW ENFORCEMENT MAR 2016	1,049,488.57
					Total :	1,049,488.57
112069	5/18/2016	10768 SANTEE SCHOOL DISTRICT	7457	51202	CHET HARRITT FIELDS LIGHTS	1,118.10
					Total :	1,118.10
112070	5/18/2016	10584 SHERWIN WILLIAMS CO	2044-5 5871-8 9236-2	51335	ANTI-GRAFFITI PAINT PAINT SUPPLIES ANTI-GRAFFITI SEALANT	485.41 180.98 102.25
					Total :	768.64
112071	5/18/2016	11056 STANDARD ELECTRONICS	23885	51175	ALARM REPAIRS	811.96
					Total :	811.96
112072	5/18/2016	10217 STAPLES BUSINESS ADVANTAGE	3299928626 3300008494 3300008495	51106 51215 51171	OFFICE SUPPLIES OFFICE SUPPLIES OFFICE SUPPLIES	54.15 147.79 81.25
					Total :	283.19
112073	5/18/2016	10250 THE EAST COUNTY	00041146/00041317		BID & PUBLIC NOTICE	518.00
					Total :	518.00
112074	5/18/2016	10126 THE LIGHTHOUSE INC	0248914	51147	VEHICLE SUPPLIES	87.37
					Total :	87.37
112075	5/18/2016	10158 THE SOCO GROUP INC	0276730-IN CL68871	51149 51288	DELIVERED FUEL FLEET CARD FUELING	852.08 1,135.79
					Total :	1,987.87
112076	5/18/2016	10232 XEROX CORPORATION	084256796 084256797	51116 51116	FIRE ADMIN COPY CHARGES FIRE ADMIN COPY CHARGES	-8.29 3.86

Voucher List
CITY OF SANTEE

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
112076	5/18/2016	10232 XEROX CORPORATION	(Continued) 084534606	51152	COPY CHARGES & LEASE	354.96
					Total :	350.53
112077	5/18/2016	10318 ZOLL MEDICAL CORPORATION	2370428	51156	EMS SUPPLIES	222.75
					Total :	222.75

50 Vouchers for bank code : ubgen

50 Vouchers in this report

Bank total : 1,394,990.11
Total vouchers : 1,394,990.11

Prepared by: 
Date: 5/18/2016

Approved by: 
Date: 5-18-16

Voucher List
CITY OF SANTEE

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
112078	5/25/2016	11445 AMERICAN MESSAGING	L1072898QE		FD PAGER SERVICE	145.01
112079	5/25/2016	10014 ASAP ENGRAVERS	37748	51057	NAME BADGES	163.82
					Total :	145.01
112080	5/25/2016	10189 ATTENTION GETTERS DESIGN INC	39749	51058	IDENTIFICATION DECALS	32.55
					Total :	163.82
112081	5/25/2016	10020 BEST BEST & KRIEGER LLP	LEGAL SVCS APR 2016		LEGAL SERVICES APR 2016	47,073.15
					Total :	47,073.15
112082	5/25/2016	11513 BOND, ELLEN	06012016-263		MEADOWBROOK HARDSHIP PGRM	28.27
					Total :	28.27
112083	5/25/2016	10021 BOUND TREE MEDICAL LLC	82113862	51273	EMS SUPPLIES	213.80
			82122215	51124	PHARMACEUTICALS	33.56
			82122216	51273	EMS SUPPLIES	262.42
			82135842	51124	PHARMACEUTICALS	11.58
			82135843	51273	EMS SUPPLIES	224.36
			82135844	51273	EMS SUPPLIES	466.08
			82135845	51273	EMS SUPPLIES	8.42
			82135846	51124	PHARMACEUTICALS	38.98
			82137138	51273	EMS SUPPLIES	41.88
					Total :	1,301.08
112084	5/25/2016	12189 BROWN, MATTHEW	050116		EMPLOYEE REIMBURSEMENT	89.00
					Total :	89.00
112085	5/25/2016	10098 BURNER, RONALD	43016	51213	ATHLETIC FIELD COORDINATOR	2,083.34
					Total :	2,083.34
112086	5/25/2016	10876 CANON SOLUTIONS AMERICA INC	988671635	51127	PLOTTER MAINT & USAGE	37.83
					Total :	37.83

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
112087	5/25/2016	11402 CARROLL, JUDI	06012016-96		MEADOWBROOK HARDSHIP PGRM	28.53
112087	5/25/2016	11402 CARROLL, JUDI	(Continued)			
112088	5/25/2016	10032 CINTAS CORPORATION #694	694208584-D 694208584-S	51227 51226	CLEANING FLUID DSPNSR SRVC UNIFORM/PARTS CLEANER RNTL	Total : 13.05 46.92
112089	5/25/2016	11409 CLAYTON, SYLVIA	06012016-340		MEADOWBROOK HARDSHIP PGRM	Total : 29.65
112090	5/25/2016	11330 CLEANSTREET	82199	51203	APRIL STREET SWEEPING	14,876.64
112091	5/25/2016	10035 COMPETITIVE METALS INC	216454		LIGHT POLES	Total : 248.26
112092	5/25/2016	10036 COOPERATIVE PERSONNEL SERVICES	SOP41594		CPS CONSULTING - FF/PM	Total : 1,243.00
112093	5/25/2016	12153 CORODATA RECORDS	RS4234640		DOCUMENT RETRIEVAL	Total : 166.78
112094	5/25/2016	10358 COUNTY OF SAN DIEGO	16CTOFSAN10 16CTOFSASN10	51222	SHERIFF RADIOS 800 MHZ ACCESS (FIRE/PS)	Total : 4,345.00 1,265.00
112095	5/25/2016	10333 COX COMMUNICATIONS	052335901 063453006 066401501 112256001		8950 COTTONWOOD AVE 9534 VIA ZAPADOR 10601 N MAGNOLIA AVE 9130 CARLTON OAKS DR	Total : 253.94 323.63 37.71 164.12
112096	5/25/2016	10595 CUTTER'S EDGE INDUSTRIES INC	050216-2	51067	EQUIPMENT REPAIR	Total : 378.28
						Total : 378.28

Voucher List
CITY OF SANTEE

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
112097	5/25/2016	11295 DOKKEN ENGINEERING	30055	50583	VIA DE CRISTINA PARK	1,925.00
112098	5/25/2016	10057 ESGIL CORPORATION	04164651		FIRE INSPECTIONS-04/2016	Total : 1,925.00
112098	5/25/2016	10057 ESGIL CORPORATION			(Continued)	
112099	5/25/2016	10196 FIRE PREVENTION SERVICES INC	05162016		WEED ABATEMENT	Total : 498.00
112100	5/25/2016	10065 GLOBAL POWER GROUP INC	43682	51135	ELECTRICAL REPAIRS	2,680.13
112101	5/25/2016	10256 HOME DEPOT CREDIT SERVICES	7973902	51086	STATION SUPPLIES	Total : 2,680.13
112102	5/25/2016	10075 IRON MOUNTAIN INFO MGMT INC	200939933		DATA STORAGE	450.00
112103	5/25/2016	10151 KONICA MINOLTA BUSINESS	9002389931	51189	COPIER MAINT & USAGE	Total : 138.76
112104	5/25/2016	10203 LAKESIDE EQUIPMENT SALES &	128733	51137	WATER TRAILER	190.87
112105	5/25/2016	12317 LEKOS ELECTRIC INC	1433.02 1433.02R	51363	MAST BLVD SIGNAL UPGRADES RETENTION	Total : 190.87
112106	5/25/2016	10207 LOCKHART TRAINING	1341		INSTRUCTOR PAYMENT	36.10
112107	5/25/2016	12203 LORI ESCALERA DESIGN	3130	51327	COMMUNITY MURAL PROJECT	Total : 62.99
						135,156.19 -6,757.81
						Total : 128,398.38
						273.00
						Total : 273.00
						3,391.50
						Total : 3,391.50

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
112108	5/25/2016	11986 MARION B BORG ENVIRONMENTAL	SANTEE01-24 SANTEE03-05	51024	FANITA RCH CONSULTING SVCS CONSULTING SVCS	5,425.00 735.00
112109	5/25/2016	10079 MEDICO PROFESSIONAL	1798836 1798837	51277 51277	MEDICAL LINEN SERVICE MEDICAL LINEN SERVICE	23.48 12.68
				Total :		6,160.00
112110	5/25/2016	11996 MES - MUNICIPAL EMERGENCY SVCS	IN1026612	51290	FIREFIGHTER TURNOUTS	21,811.68
112111	5/25/2016	11666 MONTGOMERY, TREVIN	051616		EMPLOYEE REIMBURSEMENT	25.00
112112	5/25/2016	10308 O'REILLY AUTO PARTS	2968-472198	51139	VEHICLE REPAIR PART	12.30
112113	5/25/2016	10344 PADRE DAM MUNICIPAL WATER DIST	24206565 24206698 24218157 24218344 90000367		10580 PROSPECT AVE 10541 PROSPECT AVE 10054 PROSPECT AVE 10027 PROSPECT AVE GROUP BILL	303.04 283.63 262.67 256.41 12,596.61
				Total :		12.30
112114	5/25/2016	11442 PATTERSON, LUANNE	06012016-225		MEADOWBROOK HARDSHIP PGRM	27.35
112115	5/25/2016	12290 PERLMUTTER PURCHASING POWER	N050416-1	51354	TRAINING ROOM LECTERN	1,694.99
				Total :		27.35
112116	5/25/2016	10241 JAN SHERAR	050416		PETTY CASH REIMBURSEMENT	165.17
112117	5/25/2016	10157 PRIMO DJ'S	33-0250304		FIDO FEST	165.17
				Total :		165.17
				Total :		650.00

Voucher List
CITY OF SANTEE

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
112118	5/25/2016	10161 PRIZM JANITORIAL SERVICES INC	10116	51173	CARPET CLEANING	650.00
					Total :	600.00
112119	5/25/2016	10101 PROFESSIONAL MEDICAL SUPPLY	Z984021 Z984022	51099 51099	OXYGEN CYLINDERS & REFILLS OXYGEN CYLINDERS & REFILLS	600.00
					Total :	40.50
						58.50
112120	5/25/2016	12256 ROE, DARLENE	06012016-318		MEADOWBROOK HARDSHIP PGRM	99.00
					Total :	28.73
112121	5/25/2016	10097 ROMAINE ELECTRIC CORPORATION	12-034275	51255	VEHICLE SUPPLIES	143.26
112122	5/25/2016	12046 SANCON ENGINEERING INC	7 7R	51197	CITYWIDE CMP LINING/REHAB RETENTION	143.26
					Total :	159,195.87
						-7,959.79
112123	5/25/2016	10768 SANTEE SCHOOL DISTRICT	7489	51202	CHET HARRITT FIELDS LIGHTS	151,236.08
					Total :	452.10
112124	5/25/2016	10768 SANTEE SCHOOL DISTRICT	7490 7491	51142 51155	IRRIGATION/MOWING RIO SECO SHARED WATER/SEWER COST	452.10
					Total :	304.43
						183.46
112125	5/25/2016	10110 SECTRAN SECURITY INC	16050324	51177	TRANSPORT SERVICES	487.89
					Total :	109.20
112126	5/25/2016	11403 ST. JOHN, LYNNE	06012016-78		MEADOWBROOK HARDSHIP PGRM	109.20
					Total :	28.40
112127	5/25/2016	10217 STAPLES BUSINESS ADVANTAGE	3300630697 3300630699 3300630700	51108 51108 51190	OFFICE SUPPLIES OFFICE SUPPLIES OFFICE SUPPLIES	28.40
					Total :	116.37
						12.80
						98.19

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
112128	5/25/2016	11727 TC CONSTRUCTION CO INC	26954 26954R	51254	BUENA VISTA & RAILROAD AVE RETENTION	227.36 742,616.81 -37,130.84
					Total :	705,485.97
112129	5/25/2016	10250 THE EAST COUNTY	00041307		CONTRACT ADVERTISING	77.00
112130	5/25/2016	10126 THE LIGHTHOUSE INC	0249739	51147	VEHICLE REPAIR PART	77.00 21.52
					Total :	21.52
112131	5/25/2016	10158 THE SOCO GROUP INC	0280252-IN CL69230	51149 51288	DELIVERED FUEL FLEET CARD FUELING	561.70 1,200.23
112131	5/25/2016	10158 THE SOCO GROUP INC	(Continued)			
112132	5/25/2016	10550 UNIFORMS PLUS INC	41898	51110	CLASS B UNIFORM	1,761.93 126.83
					Total :	126.83
112133	5/25/2016	10692 UNITED PARCEL SERVICE	000006150X186		SHIPPING CHARGES	32.14
112134	5/25/2016	10642 USPS-HASLER	04292016		POSTAGE REIMBURSEMENT	32.14 1,966.22
					Total :	1,966.22
112135	5/25/2016	10211 VISION INTERNET PROVIDERS	32634		WEB HOSTING	200.00
112136	5/25/2016	10206 WESTERN PUMP INC	J004985	51336	FUEL MANAGEMENT SYSTEM	200.00 15,349.78
					Total :	200.00
112137	5/25/2016	10232 XEROX CORPORATION	084462367 084462368 084462369	51216 51119 51118	COPY CHARGES & LEASE COPY CHARGES & LEASE COPY CHARGES	15,349.78 86.07 332.85 75.36
					Total :	15,349.78

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
			084462370	51151	COPY CHARGES & LEASE	138.39
			084462371	51192	APRIL COPIER LEASE	227.14
			084534607	51115	COPY CHARGES & LEASE	175.38
			084534608	51117	COPIER CHARGES (STATION 4)	86.10
			084545107	51193	APRIL COPIER LEASE	367.28
Total :						1,488.57
Bank total :						1,136,626.28
Total vouchers :						1,136,626.28

60 Vouchers for bank code : ubgen

60 Vouchers in this report

Prepared by: *[Signature]*
Date: 5-25-16

Approved by: *[Signature]*
Date: 5-25-16

Voucher List
CITY OF SANTEE

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
112138	5/26/2016	10780 COUNTY OF SAN DIEGO SHERIFF	PPE 05/18/16		DISBURSEMENT FEE	12.00
			PPE 05/18/16 W/O		WITHHOLDING ORDER	633.29
					Total :	645.29
112139	5/26/2016	10508 LIFE INSURANCE COMPANY OF	May 2016		LIFE INSURANCE	2,706.01
					Total :	2,706.01
112140	5/26/2016	10779 NATIONAL BENEFIT SERVICES LLC	PPE 05/18/16		FLEXIBLE SPENDING ACCOUNT	2,048.73
					Total :	2,048.73
112141	5/26/2016	10784 NATIONAL UNION FIRE INSURANCE	May 2016		VOLUNTARY AD&D	117.86
					Total :	117.86
112142	5/26/2016	10353 PERS	05 16 4		RETIREMENT PAYMENT	89,582.41
					Total :	89,582.41
112143	5/26/2016	10335 SAN DIEGO FIREFIGHTERS FEDERAL	May 2016		LONG TERM DISABILITY-SAFETY	1,102.50
					Total :	1,102.50
112144	5/26/2016	10424 SANTEE FIREFIGHTERS	PPE 05/18/16		DUES/PEC/BENEVOLENT/BC EXP	2,319.99
					Total :	2,319.99
112145	5/26/2016	10776 STATE OF CALIFORNIA	PPE 05/18/16		WITHHOLDING ORDER	267.69
					Total :	267.69
112146	5/26/2016	10783 UNITED WAY OF SAN DIEGO COUNTY	May 2016		UNITED WAY	122.00
					Total :	122.00
112147	5/26/2016	10001 US BANK	PPE 05/18/16		PARS RETIREMENT	697.66
					Total :	697.66
112148	5/26/2016	10959 VANTAGE TRANSFER AGENT/457	PPE 05/18/16		ICMA - 457	28,121.48
					Total :	28,121.48
112149	5/26/2016	10782 VANTAGEPOINT TRNSFR AGT/801801	PPE 05/18/16		RETIREE HEALTH SAVINGS ACCOL	3,273.24
					Total :	3,273.24

Bank code : ubgen

Voucher	Date	Vendor	Invoice	PO #	Description/Account	Amount
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12 Vouchers for bank code : ubgen

12 Vouchers in this report

Bank total : 131,004.86

Total vouchers : 131,004.86

Prepared by: Made for
 Date: 5-26-16

Approved by: [Signature]
 Date: 5-26-16

City of Santee
COUNCIL AGENDA STATEMENT

MEETING DATE: June 8, 2016

AGENDA ITEM NO.

ITEM TITLE RESOLUTIONS CALLING FOR A NOVEMBER 8, 2016 GENERAL MUNICIPAL ELECTION

DIRECTOR/DEPARTMENT Patsy Bell, CMC, City Clerk *PB*

SUMMARY The City of Santee is scheduled to conduct a General Municipal Election on November 8, 2016 for the purpose of electing one (1) Mayor and one (1) Member of the City Council. The candidate Filing Period for the November election is from 8:00 a.m. on Monday, July 18, 2016 through 5:00 p.m. on Friday, August 12, 2016. If an incumbent does not file, the period is extended to Wednesday, August 17, at 5:00 p.m. for candidates other than the incumbent to file for that office.

Adoption of the attached four (4) Resolutions is required to begin the election process and consolidate with the statewide election to be held on the same date.

The Resolutions are:

1. Calling and giving notice of the November 8, 2016 election for one (1) Mayor and one (1) Member of the City Council
2. Requesting the Board of Supervisors to conduct and consolidate the General Municipal Election with the Statewide General Election and authorizing the Registrar of Voters to provide services.
3. Pertaining to a prepaid Candidate's Statement. Candidates may file a Candidate's Statement for the Voter's Pamphlet and Council determines if the statement is to be 200 or 400 words. Historically, Council has designated a 200 word statement, which is one-half of a page and a lesser cost. This Resolution continues to reflect a 200 word statement. The Registrar of Voters estimates a cost of approximately \$725 for a 200 word statement. The Federal Voting Rights Act requires voters' pamphlets be translated in other languages as specified by the Registrar of Voters (Spanish, Vietnamese, Tagalog and Chinese).
4. Regarding tie votes is **OPTIONAL** and is being provided to Council at this time for consideration. Resolution of a tie vote may be decided either by lot (e.g., tossing a coin, etc.) or by conducting a special runoff election involving only those candidates who receive an equal number of votes. If by lot, adoption of this Resolution would be appropriate. If Council should decide a Special Runoff Election be conducted, then the appropriate Resolution would be brought back at the next meeting. A Special Election would cost in excess of \$300,000.

FINANCIAL STATEMENT *jm* There is \$29,000 budgeted for election costs. The Registrar of Voters Office has estimated their fee to conduct the election will fall between \$18,000 and \$34,000. Final costs are not known until after the completion of the election.

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION *MOB* Adopt the 4 Resolutions.

ATTACHMENTS Resolutions (4)

RESOLUTION NO.

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE,
CALIFORNIA, CALLING AND GIVING NOTICE OF THE HOLDING OF A
GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY,
NOVEMBER 8, 2016, FOR THE ELECTION OF CERTAIN OFFICERS
AS REQUIRED BY THE PROVISIONS OF THE LAWS OF THE STATE
OF CALIFORNIA RELATING TO CHARTER CITIES**

WHEREAS, under the provisions of the laws relating to Charter Cities in the State of California, a General Municipal Election shall be held on November 8, 2016, for election of Municipal Officers.

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

SECTION 1. That pursuant to the laws of the State of California relating to Charter Cities there is called and ordered to be held in the City of Santee, California on Tuesday, November 8, 2016, a General Municipal Election for the purpose of electing one (1) Mayor and one (1) Member of the City Council for the full term of four years.

SECTION 2. That the Ballots to be used at the election shall be in such form and content as required by law.

SECTION 3. That the City Clerk is authorized, instructed and directed to procure and furnish any and all official ballots, notices, printed matter and all supplies, equipment and paraphernalia that may be necessary in order to properly and lawfully conduct the election.

SECTION 4. That the polls for the election shall be open at seven o'clock a.m. of the day of the election and shall remain open continuously from that time until eight o'clock p.m. of the same day when the polls shall be closed, pursuant to Election Code Section 10242, except as provided in Section 14401 of the Elections Code of the State of California.

SECTION 5. That in all particulars not recited in this Resolution, the election shall be held and conducted as provided by law for holding municipal elections.

SECTION 6. That notice of the time and place of holding the election is given and the City Clerk is authorized, instructed and directed to give further or additional notice of the election, in time, form and manner as required by law.

SECTION 7. That the City Clerk shall certify to the passage and adoption of this Resolution and shall enter it into the book of original Resolutions.

RESOLUTION NO.

SECTION 8. The City Council authorized the City Clerk to administer said election and all reasonable and actual election expenses shall be paid by the City upon presentation of a properly submitted bill.

ADOPTED by the City Council of the City of Santee, California, at a Regular Meeting thereof held this 8th day of June 2016, by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

APPROVED:

RANDY VOEPEL, MAYOR

ATTEST:

PATSY BELL, CMC, CITY CLERK

RESOLUTION NO:

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE,
CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY
OF SAN DIEGO CONSOLIDATE A GENERAL MUNICIPAL ELECTION TO BE HELD
IN THE CITY OF SANTEE ON TUESDAY, NOVEMBER 8, 2016, WITH THE
STATEWIDE GENERAL ELECTION TO BE HELD ON THE SAME DAY**

WHEREAS, the City Council of the City of Santee has called a General Municipal Election to be held in this City on Tuesday, November 8, 2016, for the purpose of the election of one (1) Mayor and one (1) Member of the City Council; and

WHEREAS, it is desirable that the General Municipal Election be consolidated with the Statewide General Election to be held on the same date and that within the city precincts, polling places and election officers of the two elections be the same, and that the Registrar of Voters of the County of San Diego canvass the returns of the General Municipal Election and that the election be held in all respects as if there were only one election; and

WHEREAS, Section 439.1 of the Administrative Code of the County of San Diego authorizes the Registrar of Voters of the County of San Diego to render specified services relating to the conduct of an election to any city or district which has by resolution requested the Board of Supervisors to permit the Registrar to render the services, subject to requirements set forth in that section.

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

SECTION 1. That pursuant to the requirements of Section 10403 of the Elections Code, the City Council of the City of Santee does hereby request the Board of Supervisors of the County of San Diego to consent and agree to the consolidation of the General Municipal Election for the election of one (1) Mayor and one (1) Member of the City Council with the Statewide General Election to be held Tuesday, November 8, 2016, in the City of Santee, and thereby authorize the Registrar of Voters to perform and render all services and proceedings necessary to conduct said election in the manner provided by Section 10418 of the Elections Code.

SECTION 2. That the Registrar of Voters is authorized to canvass the returns of the General Municipal Election. The election shall be held in all respects as if there were only one election, and only form of one ballot shall be used.

SECTION 3. That the County of San Diego shall be reimbursed in full by the City of Santee for the services performed by the Registrar of Voters for the said election upon presentation of a bill.

SECTION 4. That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolution.

RESOLUTION NO:

SECTION 5. That the City Clerk is hereby directed to file a certified copy of this Resolution with both the San Diego County Board of Supervisor and the Registrar of Voters of County of San Diego.

ADOPTED by the City Council of the City of Santee, California, at a Regular Meeting thereof held this 8th day of June 2016, by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

APPROVED:

RANDY VOEPEL, MAYOR

ATTEST:

PATSY BELL, CMC, CITY CLERK

RESOLUTION NO:

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE,
CALIFORNIA, ADOPTING REGULATIONS FOR CANDIDATES FOR
ELECTIVE OFFICE PERTAINING TO CANDIDATE STATEMENTS
SUBMITTED TO THE VOTERS AT A GENERAL MUNICIPAL ELECTION
TO BE HELD ON TUESDAY, NOVEMBER 8, 2016**

WHEREAS, Section 13307 of the Elections Code of the State of California provides that the governing body of any local agency adopt regulations pertaining to materials prepared by any candidate for a municipal election, including costs of the candidate's statement.

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

SECTION 1. GENERAL PROVISIONS. That pursuant to Section 13307 of the Elections Code of the State of California, each candidate for elective office to be voted for at the General Municipal Election to be held in the City of Santee on November 8, 2016, may prepare a candidate's statement on an appropriate form provided by the City Clerk. Such statement may include the name, age and occupation of the candidate and a brief description of no more than 200 words of the candidate's education and qualifications expressed by the candidate himself or herself. Such statement shall not include party affiliation of the candidate, nor membership or activity in partisan political organizations. The statement shall be filed in the Office of the City Clerk at the time the candidate's nomination papers are filed. The statement may be withdrawn, but not changed, during the period for filing nomination papers and until 5:00 p.m. of the next working day after the close of the nomination period.

SECTION 2. FOREIGN LANGUAGE POLICY.

- A. Pursuant to the Federal Voting Rights Act, candidate statements will be translated into all languages required by the Registrar of Voters Office of the County of San Diego. The County is required to translate candidate's statements into the following languages: Spanish, Vietnamese, Tagalog and Chinese.
- B. All translations shall be provided by professionally-certified translators.
- C. The Registrar of Voters will print and mail separate sample ballots and candidates' statements in Spanish, Vietnamese, Tagalog and Chinese to only those voters who are on the County voter file as having requested a sample ballot in a particular language. The Registrar of Voters will make the sample ballots and candidates' statements in the required languages available at all polling places, on the County's website and in the Election Official's office.

SECTION 3. ADDITIONAL MATERIALS. No candidate will be permitted to include additional materials in the sample ballot package.

RESOLUTION NO:

SECTION 4. PAYMENT. The City Clerk shall estimate the total cost of printing, handling, translating as specified, and mailing the candidate's statements filed pursuant to the Elections Code, including costs incurred as a result of complying with the Federal Voting Rights Act and require each candidate filing a statement to pay in advance his or her estimated pro rata share of \$725 as a condition of having his or her statement included in the voter's pamphlet.

SECTION 5. All previous Resolutions establishing Council policy on payment for candidate's statements are repealed.

SECTION 6. The City Clerk shall provide each candidate or the candidate's representative a copy of this Resolution at the time nominating petitions are issued.

SECTION 7. The City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

SECTION 8. The City Clerk is hereby directed to file a certified copy of this Resolution with the Registrar of Voters of the County of San Diego.

ADOPTED by the City Council of the City of Santee, California, at a Regular Meeting thereof held this 8th day of June 2016, by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

APPROVED:

RANDY VOEPEL, MAYOR

ATTEST:

PATSY BELL, CMC, CITY CLERK

RESOLUTION NO.

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE,
CALIFORNIA ADOPTING A PROCEDURE TO RESOLVE TIE VOTES BY LOT**

WHEREAS, pursuant to Section 15651(b) of the Elections Code of the State of California, the City Council may adopt a procedure to resolve a tie vote by lot or by conducting a special runoff election involving only those candidates who received an equal number of votes and the highest number of votes.

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

SECTION 1. Pursuant to Elections Code 15651(b) of the Elections Code of the State of California, if at any election, two or more persons receive an equal and the highest number of votes for an office to be voted upon in the City of Santee, the tie shall be resolved by lot.

SECTION 2. Upon a tie vote, the City Council shall forthwith summon the candidates who have received the tie votes, whether upon the canvass of the returns or upon a recount by a court, to appear before Council at such time and place as may be designated by Council. The Council shall at that time and place determine the tie by lot.

SECTION 3. That the City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolution.

ADOPTED by the City Council of the City of Santee, California, at a Regular Meeting thereof held this 8th day of June 2016, by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

APPROVED:

RANDY VOEPEL, MAYOR

ATTEST:

PATSY BELL, CMC, CITY CLERK

City of Santee
COUNCIL AGENDA STATEMENT

1E

MEETING DATE June 8, 2016

AGENDA ITEM NO.

ITEM TITLE SECOND READING AND ADOPTION OF AN ORDINANCE OF THE CITY OF SANTEE, CALIFORNIA, AMENDING CHAPTER 17.32 OF THE SANTEE MUNICIPAL CODE RELATED TO ELECTION SIGNS AND TEMPORARY NONCOMMERCIAL SIGNS

DIRECTOR/DEPARTMENT Patsy Bell, CMC, City Clerk *PB*

SUMMARY

The introduction and first reading of the above-entitled Ordinance was approved at a Regular Council Meeting on May 25, 2016. The Ordinance is now presented for second reading by title only, and adoption.

Vote at First Reading: AYES: DALE, HALL, MCNELIS, MINTO
 NOES: NONE
 ABSENT: VOEPEL

FINANCIAL STATEMENT *for* None

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION *msB*

Adopt Ordinance.

ATTACHMENTS

Ordinance

ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTEE,
CALIFORNIA, AMENDING CHAPTER 17.32 OF THE SANTEE
MUNICIPAL CODE RELATING TO ELECTION SIGNS AND
TEMPORARY NONCOMMERCIAL SIGNS**

WHEREAS, Chapter 17.32 of the Santee Municipal Code regulates signs within the City of Santee; and

WHEREAS, Section 17.32.040(A)(28) of the Santee Municipal Code establishes regulations for election signs; and

WHEREAS, a recent U.S. Supreme Court decision, *Reed v. Gilbert*, (2015) 135 S. Ct. 2218, prohibits cities from regulating election signs differently than other temporary noncommercial signs; and

WHEREAS, in order to comply with *Reed*, the City desires to amend Section 17.32.040(A)(28) to regulate all temporary noncommercial signs, rather than election signs.

NOW THEREFORE, the City Council of the City of Santee, California, does ordain as follows:

Section 1. The City Council of the City of Santee hereby amends Section 17.32.040(A)(28) of the Santee Municipal Code as follows:

17.32.040 General provisions.

A. Exempt Signs. The following signs shall be exempt from the application, permit and fee requirements of this chapter. However, building permits may be required, all signs shall be located in accordance with the setback regulations contained in Section 17.32.060(A)(4) of this chapter.

28. Temporary Noncommercial Signs. Temporary noncommercial signs containing an ideological, political, or other message that does not relate to a commercial transaction shall be permitted subject to the following provisions and any other applicable provisions within this chapter:

a. Any person, party or group posting signs in the city shall abide by the provisions set forth in this chapter,

b. All temporary noncommercial signs shall be placed or erected no earlier than thirty-four calendar days prior to an election and shall be removed no later than ten calendar days following the date of the election,

c. A temporary noncommercial sign shall not exceed thirty-two square feet in total area for one side; double-faced signs shall not exceed thirty-two square feet per side. No signs shall be placed in a manner that would obstruct visibility of or impede pedestrian or vehicular traffic, or endanger the health, safety or welfare of the community,

ORDINANCE NO. _____

d. All temporary noncommercial signs shall not exceed an overall height of six feet from the finished grade immediately around the sign,

e. No temporary noncommercial signs shall be lighted either directly or indirectly unless said sign is erected, painted or constructed on an authorized structure already providing illumination,

f. Temporary noncommercial signs shall be allowed within the public right-of-way, except that signs placed in a manner so as to obstruct pedestrian, bicyclist, or driver views in violation of Section 17.32.060 of the Santee Municipal Code shall be removed, and no signs shall be allowed in the median,

g. No temporary noncommercial sign shall be posted in violation of any provisions of this chapter;

Section 2. The City Council of the City of Santee hereby amends Section 17.32.020 of the Santee Municipal Code to add definitions for "Commercial sign," "Noncommercial sign" and "Temporary Noncommercial Sign" and to delete the definition of "Election sign." The definitions added to Section 17.32.020 are as follows:

"Commercial sign" means any structure, housing, device, figure, statuary, painting, display, message placard, or other contrivance, or any part thereof, which is designed, constructed, created, engineered, intended, or used to advertise, or to provide data or information in the nature of advertising, for any of the following purposes: to designate, identify or indicate the name of the business of the owner or occupant of the premises upon which the advertising display is located; or, to advertise the business conducted, services available or rendered, or the goods produced, sold, or available for sale, upon the property where the advertising display is erected.

"Noncommercial sign" means a sign containing an ideological, political, or other message that does not relate to a commercial transaction.

"Temporary noncommercial sign" means a noncommercial sign not otherwise prohibited by this chapter that is not permanently affixed to a building or structure.

Section 3. If any section, subsection, subdivision, sentence, clause, phrase, or portion of this Ordinance for any reason is held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance, and each section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be declared invalid or unconstitutional.

Section 4. The City Council hereby authorizes and directs the City Manager to undertake such actions and execute such documents as may be reasonably necessary or convenient to the carrying out and administration of the actions authorized by this Ordinance.

ORDINANCE NO. _____

Section 5. This Ordinance shall become effective thirty (30) days after its passage.

Section 6. The City Clerk is directed to publish notice of this Ordinance as required by law.

INTRODUCED AND FIRST READ at a Regular Meeting of the City Council of the City of Santee, California, on the 25th day of May, 2016, and thereafter **ADOPTED** at a Regular Meeting of said City Council held on the 8th day of June 2016, by the following vote to wit:

AYES:

NOES:

ABSENT:

APPROVED:

RANDY VOEPEL, MAYOR

ATTEST:

PATSY BELL, CMC, CITY CLERK

City of Santee
COUNCIL AGENDA STATEMENT

1F

MEETING DATE June 8, 2016

AGENDA ITEM NO.

ITEM TITLE AUTHORIZATION TO REJECT BID PROCESS #16/17-20021 FOR FOUNTAIN MAINTENANCE AND REPAIRS AND FIND IN SUPPORT OF AND AUTHORIZE AN OPEN MARKET CONTRACT WITH CALIFORNIA WATERS DEVELOPMENT INCORPORATED

DIRECTOR/DEPARTMENT Bill Maertz, Community Services *MM*

SUMMARY The current contract for fountain maintenance and as-needed repairs will expire on June 30, 2016. In compliance with the City's purchasing ordinance, Santee Municipal Code 3.24.110, the Finance Department administered a formal bid process for a new contract for said services in March 2016. Bids were due and one bid was received from California Waters Development Incorporated on May 3, 2016 for Bid #16/17-20021 however the bid exceeded the City's budget. City staff has deemed the bidder responsible, therefore staff recommends rejecting the bid process for Bid #16/17-20021 and awarding a reduced and revised contract via open market with California Waters Development Incorporated for an amount not to exceed \$39,688.00, which includes anticipated costs for labor and materials. The term of the initial contract shall be July 1, 2016 through June 30, 2017 (FY 2016-17) with three (3) subsequent 12-month options to renew. Annual increases for this contract, if any, shall be at the sole discretion of the City and shall not exceed the San Diego All-Urban Consumers Index (CPI) for the preceding calendar year.

Santee Municipal Code (SMC) section 3.24.120.B.4 allows the City to enter into a contract on the open market, without compliance with the bidding procedure, when City Council determines that due to special circumstances it would be in the City's best interest to do so. In this case, California Waters Development Incorporated has satisfactorily performed the current contract for the past three years and possesses all required licenses for the profession.

Santee's Purchasing Ordinance requires City Council approval of all purchases exceeding \$20,000. Staff recommends utilizing open market purchasing to enter into a contract for Fountain Maintenance and Repairs with California Waters Development Incorporated. Staff also requests City Council authorization for the City Manager to approve future purchase orders per subsequent contract renewals and annual change orders up to ten percent (10%) of the then-current contract amount; and for the Director of Community Services to execute a Notice of Completion and the City Clerk to file said Notice of Completion for each term of the contract once the work for that term has been completed to the satisfaction of the Director. *mm*

FINANCIAL STATEMENT - Funding for this contract is included in the Town Center LMD and Mission Creek LMD accounts in the proposed FY 2016-17 amended operating budget.

ENVIRONMENTAL REVIEW - This is categorically exempt from the California Environmental Quality Act ("CEQA") pursuant to section 15301 (maintenance of existing structures, facilities or mechanical equipment).

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION *MMB*

1. Reject the bid process for Bid #16/17-20021 and award a contract for Fountain Maintenance and Repairs via open market with California Waters Development Incorporated for an amount not to exceed \$39,688.00; and
2. Authorize the City Manager to approve three (3) additional 12-month options to renew along with the corresponding purchase orders; and
3. Authorize the City Manager to approve annual change orders up to ten percent (10%) of the then-current contract amount; and
4. Authorize the Director of Community Services to execute a Notice of Completion and the City Clerk to file said Notice of Completion upon satisfactory completion of work for each contract term.

ATTACHMENTS
None

City of Santee
COUNCIL AGENDA STATEMENT

1G

MEETING DATE June 8, 2016

AGENDA ITEM NO.

ITEM TITLE RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA, ACCEPTING THE PROSPECT AVENUE SIDEWALK IMPROVEMENTS (CIP 2013-06) AS COMPLETE

DIRECTOR/DEPARTMENT *SqJ FOR*
Melanie Kush, Development Services

SUMMARY This item requests City Council accept the Prospect Avenue Sidewalk Improvements (CIP 2013-206) as complete. This project installed asphalt sidewalks, pedestrian ramps and improved the existing storm drain system on Prospect Avenue from the SR125 overcrossing to South Slope Street.

City Council awarded the construction contract to Crest Equipment Inc. in the amount of \$343,307.00 on November 18, 2015, and authorized the Director of Development Services to approve change orders in an amount not to exceed \$34,330.70 for unforeseen items and additional work. The Notice to Proceed was issued on March 7, 2016 and all work was completed on May 23, 2016. Two change orders were approved for the project in the amount of \$23,240.66 for a total contract price of \$366,547.66.

Staff requests City Council accept the project as complete and direct the City Clerk to file a Notice of Completion.

m

FINANCIAL STATEMENT

This project was funded by a Safe Routes to School Program Grant in the amount of \$449,200.00 and a local match provided by Traffic Mitigation Fees in the amount of \$49,900.00. The total project budget was \$499,100.00.

Design & Bidding	\$ 65,616.29
Original Construction Contract	343,307.00
Construction Change Orders	23,240.66
Construction Engineering/Management	16,061.43
Project Close Out & Grant Reporting	<u>15,000.00</u>
Total Project Cost	<u>\$ 463,225.38</u>

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION *mob*

Adopt the attached Resolution accepting the Prospect Avenue Sidewalk Improvements (CIP 2013-06) as complete, and direct the City Clerk to file a Notice of Completion.

ATTACHMENT
Resolution

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA,
ACCEPTING THE PROSPECT AVENUE SIDEWALK IMPROVEMENTS (CIP 2013-06)
AS COMPLETE**

WHEREAS, the City Council awarded the construction contract for the Prospect Avenue Sidewalk Improvements (CIP 2013-06) to Crest Equipment, Inc. on November 18, 2015, for \$343,307.00; and

WHEREAS, City Council authorized the Director of Development Services to approve construction change orders not to exceed \$34,330.70; and

WHEREAS, Staff approved two construction change orders in the amount of \$23,240.66; and

WHEREAS, the project was completed for a total construction contract amount of \$366,547.66; and

WHEREAS, Crest Equipment, Inc. has completed the project in accordance with the contract plans and specifications.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Santee, California, that the work for the construction of the Prospect Avenue Sidewalk Improvements (CIP 2013-06) is accepted as complete on this date and the City Clerk is directed to record a "Notice of Completion".

ADOPTED by the City Council of the City of Santee, California, at a Regular meeting thereof held this 8th day of June 2016, by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

APPROVED:

RANDY VOEPEL, MAYOR

ATTEST:

PATSY BELL, CMC, CITY CLERK

2A

City of Santee
COUNCIL AGENDA STATEMENT

MEETING DATE June 8, 2016

AGENDA ITEM NO.

ITEM TITLE: A PUBLIC HEARING ON AN APPEAL OF THE DECISION OF THE DIRECTOR OF DEVELOPMENT SERVICES TO DECLARE UNLAWFUL CONDITIONS THAT CONSTITUTE PUBLIC NUISANCES AND DANGER TO THE HEALTH, SAFETY AND GENERAL WELFARE OF OCCUPANTS, SURROUNDING COMMUNITY AND THE PUBLIC, AT PROPERTY LOCATED AT 10504 SANTANA STREET, AND ASSOCIATED "ORDER TO VACATE" AND "NOTICE AND ORDER TO REPAIR OR ABATE DANGEROUS BUILDING AND PUBLIC NUISANCE" AND "SUPPLEMENTAL ATTACHMENT" BY AUGUST 11, 2016

DIRECTOR/DEPARTMENT: Melanie Kush, Development Services 

BACKGROUND:

This is a public hearing on an appeal of the May 13, 2016 action by the Director of Development Services requiring the property at 10504 Santana Street to be vacated due to unsafe and substandard conditions. The residence and structures were boarded on May 13, 2016 by city staff, following an inspection of the property to prevent unauthorized re-entry into the residence and sheds. A Notice and Order to Repair or Abate Dangerous Building and Public Nuisance ("Notice and Order") was issued with a deadline to bring the property into full compliance with all applicable Codes by August 11, 2016. A "Supplemental Attachment" to the "Notice and Order" was provided on May 18, 2016 outlining additional building and fire code violations requiring abatement. On May 17, 2016, the property owner filed an appeal of the Notice and Order with the City Clerk in accordance with Section 15.22.070 of the Santee Municipal Code. A copy of the appeal is attached. Nevertheless, the property owner is currently seeking a licensed contractor to perform the necessary work.

The purpose of this Hearing is to review the record upon which that decision was made and affirm, reverse or modify the action of the Director of Development Services. The "Notice and Order", along with a "Supplemental Attachment," photographs, and a chronology of events leading up to the declaration, are included with the staff report. The full and complete record is attached as a separate document which is available for review at City Hall. Certain documents that are referenced in this Staff Report are included as numbered Attachments. The City Council may act on the information presented, or may refer this item to a hearing officer for additional review prior to taking final action.

ENVIRONMENTAL REVIEW: N/A 

FINANCIAL STATEMENT: The appellant has paid the \$313.00 appeal fee. Staff will pursue cost recovery associated with this code enforcement case.

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION: 

1. Open the hearing and receive testimony;
2. Adopt Resolution affirming the Decision of the Director of Development Services to declare unlawful conditions that constitute public nuisances and danger to the health, safety and general welfare of occupants, surrounding community and the public, at property located at 10504 Santana street, and associated "Order to Vacate" and "Notice and Order to Repair or Abate Dangerous Building and Public Nuisance" and "Supplemental Attachment" by August 11, 2016.

ATTACHMENTS

- | | |
|--|------------------------------------|
| 1. Staff Report | 8. Notice and Order and Supplement |
| 2. Resolution | 9. Order to Vacate |
| 3. Location Map | 10. Fire Department Report |
| 4. Administrative Citation dated 7/15/2015 | 11. Photographs |
| 5. Citation Appeal Decision | 12. Code Enforcement Case File |
| 6. Inspection Warrant and Affidavit | |
| 7. Inspection Warrant Return | |

STAFF REPORT
June 8, 2016

**APPEAL OF THE DECISION OF THE DIRECTOR OF DEVELOPMENT SERVICES TO
DECLARE UNLAWFUL CONDITIONS THAT CONSTITUTE PUBLIC NUISANCES AND
DANGER TO THE HEALTH, SAFETY AND GENERAL WELFARE OF OCCUPANTS,
SURROUNDING COMMUNITY AND THE PUBLIC, AT PROPERTY LOCATED AT 10504
SANTANA STREET, AND ASSOCIATED "ORDER TO VACATE" AND "NOTICE AND
ORDER TO REPAIR OR ABATE DANGEROUS BUILDING AND PUBLIC NUISANCE"
AND "SUPPLEMENTAL ATTACHMENT" BY AUGUST 11, 2016**

BACKGROUND

In 2012, the residence caught fire and the property was boarded up until the property owner obtained the necessary building permits. As part of the building permit process, a property owner is subject to inspections showing progress at least every 180 days until the permit is "signed off" or "finalized." Through a series of inspections requested by the property owner, the permit remained "active" until February 2016.

In 2015, Code Enforcement staff re-established efforts to address both exterior property conditions (outdoor storage of junk and debris), as well as to ascertain the status of work permitted under the Building Permits. The property owner refused an inspection by Code Enforcement but allowed the building inspector to inspect only that section of the property related to the building permits. The building inspector found that the construction was not completed in accordance with approved plans, and advised the property owner to submit revised plans. Revised plans were not submitted, and eventually the Building Permits expired, as noted above.

It has been the subject of Code Enforcement efforts since at least 2005 for violations including inoperable vehicles, unpermitted construction, junk and debris, and unpermitted occupancy of attic, garage and auxiliary structures.

CHRONOLOGY

A detailed chronology of events leading up to the declaration is provided below.

July 15, 2015: An inspection was conducted by the Building Inspector; the first one since May 23, 2014. Code Enforcement was denied entry to the property, but multiple Santee Municipal Code violations were observed from the sidewalk. The property owner claimed that her garage had not been converted despite evidence of bedrooms in the garage visible through the French doors attached to the front of the structure. An Administrative Citation was issued at this time for the violations observed.

August 11, 2015: An appeal request was received from the property owner to appeal the Administrative Citation. The Hearing Officer made several attempts to contact the property owner and arrange a hearing date and time.

August 21, 2015: After no response from the property owner, the Hearing Officer set a date of September 10, 2015 for the Administrative Citation hearing. A letter was mailed certified mail to the property owner. That same day, the property owner contacted the Hearing Officer and was informed of the appeal hearing date and time.

August 27, 2015: A progress inspection was made by the building inspector. The property owner was instructed to bring updated plans into the City because her construction did not match the approved plans.

September 10, 2015: The Appeal Hearing for the Administrative Citation was held in the absence of the property owner or any designee. The Hearing Officer affirmed the issuance of the Administrative Citation and deemed all fines were due payable immediately.

September 15, 2015: A letter advising the property owner of the results of the appeal hearing was mailed both certified and regular mail.

October, 2015 – April 2016: Periodic, drive-by inspections of the property revealed no change in the exterior conditions.

February 24, 2016: All building permits for the property expired. The second story addition permit was last inspected August 27, 2015.

February 26, 2016: The property owner came to the Development Services public counter and attempted to drop off the same plans that were originally permitted. The property owner was instructed that the permit had expired and that plans were needed that match what was actually built.

April 22, 2016: An inspection warrant was obtained by the City Attorney on behalf of the Code Enforcement Division. The warrant did not require advance notice of an inspection.

April 28, 2016: An inspection of the property was conducted. On scene during the inspection were Sheriffs, Code Enforcement, the Building Inspector, and the Fire Marshall. The property owner was notified of the most immediate fire hazard, a gas stove that was in violation of clearance requirements. Additionally, evidence of twelve (12) separate bedrooms was found on the property; the residence was only permitted for six (6) bedrooms on the expired permit. The garage was divided into two unpermitted bedrooms, the sun porch was divided into three unpermitted bedrooms, and the auxiliary structure was set up like a bedroom. Additionally, wiring was exposed throughout the property, with improper fire blocking and inadequate weather proofing.

May 11, 2016: An internal meeting was held with City Staff reviewing the findings of the property during the execution of the inspection warrant. At this time, it was determined that the property should be declared dangerous due to multiple Municipal Code, Building Code, Electrical Code, Fire Code, and Health and Safety Code violations which posed an immediate threat to the health and safety of the occupants, surrounding community, and the public.

May 13, 2016: San Diego County Sheriffs, Code Enforcement, the Fire Marshall, and a Building Inspector notified the property owner of the "Unsafe to Occupy" declaration. In accordance with the Uniform Code for the Abatement of Dangerous Buildings and Chapter 15.22 of the Santee Municipal Code, a "Notice and Order to Repair or Abate Dangerous Building and Public Nuisance" ("Notice and Order") and an Order to Vacate were served on the property owner and posted at the property. The property owner and all tenants on scene were advised to take their personal belongings and vacate the property. A Homeless Outreach counselor was on scene to assist any residents that were left without a place to go, but the property owner advised all residents that they could go with her. No resident of the property utilized the services of the Homeless Outreach counselor. Additionally, the property owner had more than two hours to gather belongings before the windows and doors were boarded up by the Public Services division. During this time the property owner took blankets, personal effects, and the contents of her refrigerator. San Diego Gas & Electric came to disconnect the electric and gas services due to the fire hazard conditions at the property. The electric meter was removed. The gas technician attempted to leave the gas meter at the property, but advised that the meter was broken and that the property owner would need to obtain a new meter so he removed the one on the property. The Notice and Order given to the property owner included a list of violations that needed to be corrected in order to bring the home up to all applicable code standards.

May 17, 2016: The property owner filed a timely appeal of the Notice and Order.

May 18, 2016: A "Supplemental Attachment" to the Notice and Order was mailed to the property owner.

May 20, 2016: The property owner met with Code Enforcement and a licensed contractor to walk through the property so the contractor could provide an accurate quote to the property owner. Code Enforcement has required that a licensed contractor be hired to correct the work that has been performed on the property.

STAFF RECOMMENDATION

1. Open the hearing and receive testimony.

2. Adopt Resolution affirming the Decision of the Director of Development Services to declare unlawful conditions that constitute public nuisances and danger to the health, safety and general welfare of occupants, surrounding community and the public, at property located at 10504 Santana street, and associated "Order to Vacate" and "Notice and Order to Repair or Abate Dangerous Building and Public Nuisance" and "Supplemental Attachment" by August 11, 2016.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA, DENYING THE APPEAL AND UPHOLDING THE ACTION OF THE DIRECTOR OF DEVELOPMENT SERVICES TO DECLARE UNLAWFUL CONDITIONS THAT CONSTITUTE PUBLIC NUISANCES AND DANGER TO THE HEALTH, SAFETY AND GENERAL WELFARE OF OCCUPANTS, SURROUNDING COMMUNITY AND THE PUBLIC, AT PROPERTY LOCATED AT 10504 SANTANA STREET, AND ASSOCIATED "ORDER TO VACATE" AND "NOTICE AND ORDER TO REPAIR OR ABATE DANGEROUS BUILDING AND PUBLIC NUISANCE" AND "SUPPLEMENTAL ATTACHMENT" BY AUGUST 11, 2016

WHEREAS, in 2012 the property owner obtained two building permits numbered 12-292 and 12-823 to add a second story to a single-family residence, with balconies and to reconstruct the two-car garage at property located at 10504 Santana Street in the R-2 Low-Medium Density Residential Zone; and

WHEREAS, on July 15, 2015, Code Enforcement staff attempted to conduct a site inspection to assess Santee Municipal Code violations in response to neighborhood complaints and visible exterior structural modifications to the single-family residence not reflected in the building permit plans, and was denied access to the property to conduct said inspection; and

WHEREAS, on July 15, 2015, an Administrative Citation was issued to the property owner regarding Santee Municipal Code violations related to the Building Code (Title 15), the Zone Code (Title 17) and Public Services (Title 13); and

WHEREAS, the property owner filed an appeal to the Administrative Citation on August 11, 2015, and;

WHEREAS, on August 21, 2015, an appeal hearing date was set for September 10, 2015, and the property owner was notified that same day; and

WHEREAS, on August 27, 2015, a progress inspection was made by the building inspector, and the construction was found to be incomplete; and

WHEREAS, on September 10, 2015, the appeal hearing was held in the absence of the property owner, and the hearing officer found that the Code violations existed on the date of the Administrative Citation; and

WHEREAS, on September 15, 2015, a letter advising the property owner of the appeal hearing findings was sent to the property owner; and

WHEREAS, between October, 2015, and April, 2016, periodic drive-by inspections revealed no change to the exterior of the property; and

RESOLUTION NO. _____

WHEREAS, the building permits expired on February 24, 2016, because 180 days had lapsed since the last inspection, and the property owner was advised of same on February 26, 2016; and

WHEREAS, on April 22, 2016, the Superior Court of the State of California, County of San Diego, East County Division, issued an Inspection Warrant which commanded both interior and exterior inspection of the property by City Staff, law enforcement personnel, and any other law enforcement agency acting as an agent of the City; and

WHEREAS, on April 28, 2016, an inspection was conducted pursuant to the Inspection Warrant, and Code violations were identified and documented at the property; and

WHEREAS, on May 11, 2016, all code violations were identified by Code Enforcement, the Building Inspector, and the Fire Marshall; and

WHEREAS, on May 13, 2016, the property owner was advised that pursuant to the Uniform Code for the Abatement of Dangerous Buildings and Chapter 15.22 of the Santee Municipal Code, the property was declared "Unsafe to Occupy", and, as such, all residents were instructed to vacate the residence with necessary personal belongings; and

WHEREAS, on May 13, 2016, a "Notice and Order to Repair or Abate Dangerous Building and Public Nuisance" was delivered to the property owner identifying the violations requiring abatement, and followed by a "Supplemental Attachment" to the Notice and Order" dated May 18, 2016; and

WHEREAS, on May 17, 2016, the property owner filed a timely appeal of the "Notice and Order to Repair or Abate Dangerous Building and Public Nuisance"; and

WHEREAS, on May 26, 2016, the Notice of Public Hearing and Appeal was mailed to the property owner, and to property owners within 300 feet of the subject site and published in the San Diego Union Tribune on May 27, 2016; and

WHEREAS, on June 8, 2016, the City Council held a public hearing on the appeal; and

WHEREAS, the City Council considered the Staff Report, the complete Code Enforcement record and public testimony.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Santee, California that, based upon the evidence presented in the record, the appeal is hereby denied, and the City Council furthermore upholds the action of the Director of Development Services to declare unlawful conditions that constitute public

RESOLUTION NO. _____

nuisances and danger to the health, safety and general welfare of occupants, surrounding community and the public, at property located at 10504 Santana Street, and associated "Order to Vacate" and "Notice and Order to Repair or Abate Dangerous Building and Public Nuisance" dated May 13, 2016, and "Supplemental Attachment," dated May 18, 2016, by August 11, 2016

ADOPTED by the City Council of the City of Santee, California, at a regular meeting thereof held this 8th day of June, 2016, by the following roll call vote to wit:

AYES:

NOES:

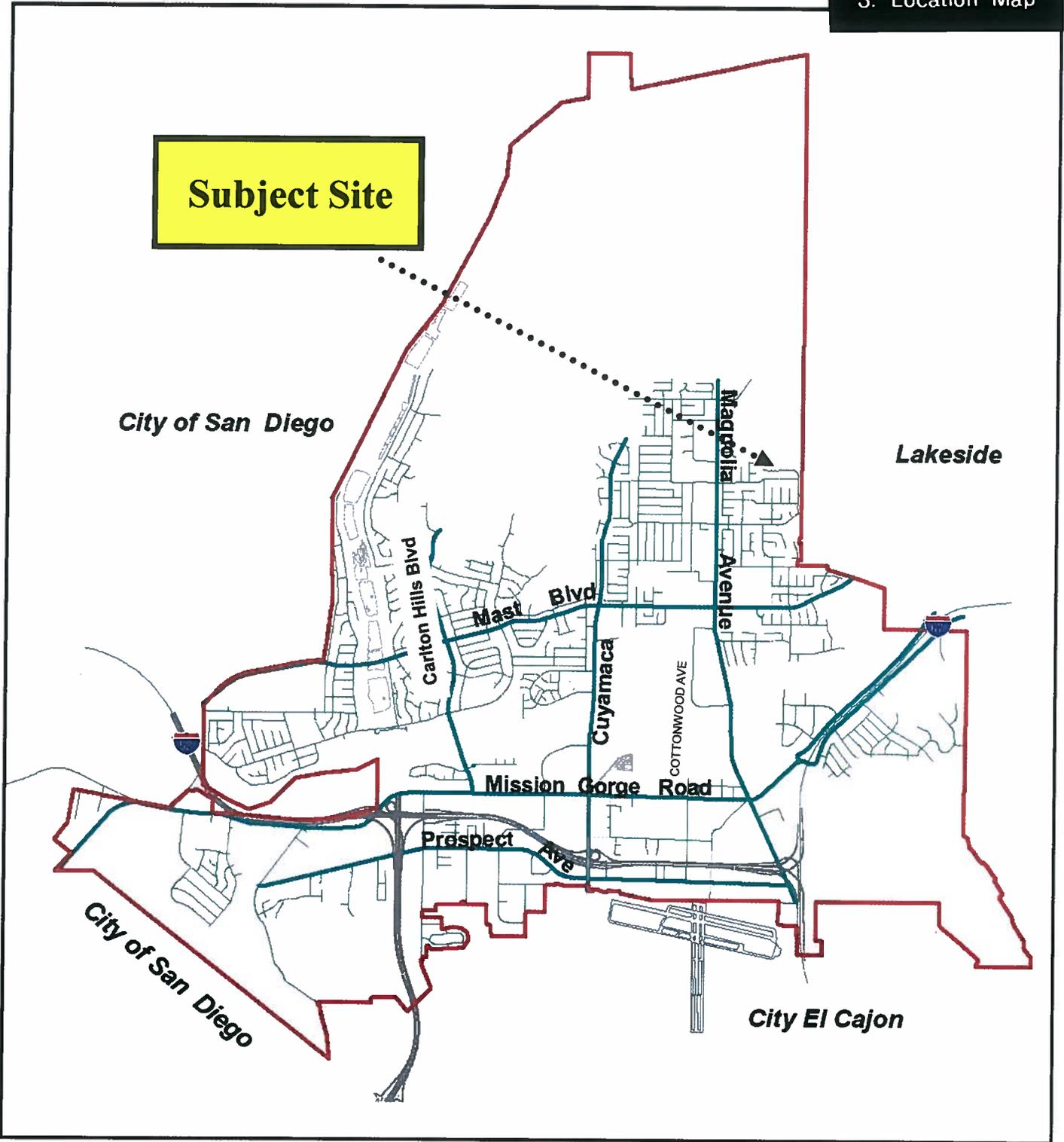
ABSENT:

APPROVED:

RANDY VOEPEL, MAYOR

ATTEST:

PATSY BELL, CMC, CITY CLERK



THE CITY OF SANTEE
Appeal of Director's Decision
10504 Santana Street

Notes: 1. All lot and parcel boundaries are shown as they appear on the City's parcel map and are not necessarily as they appear on the ground. 2. No warranty is made by the City for any errors or omissions.

Map 1
The City of Santee
Department of Development Services

7871 Marford Avenue
 Santee, CA 92087
 619-434-7733





Santana Street.

Len Street

**10504 Santana Street
APN: 378-300-63-00**

Appeal of Director's Decision





City of Santee
 10601 Magnolia Avenue
 Santee, CA 92071
 619/258-4100 ext. 167

Citation # No. 1353
 Case # 15-108

ADMINISTRATIVE CITATION

1st Citation - \$100 X1 300 <u>400</u>	2nd Citation - \$200	3rd Citation - \$500	4th & Subsequent Citation(s) - \$1,000
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These civil fines are calculated per violation, per violation, per occurrence, and are cumulative. Payment does not excuse correction of the violation(s), nor shall it bar further enforcement action by the City. Payment of \$~~400~~ 50 is due no later than 30 days from issue date (see reverse side for payment instructions).

IMPORTANT INFORMATION: If you fail to correct the violation(s) by the correction date or re-violate anytime within 18 months, the next level Administrative Citation may be issued.

Date Citation Issued <u>07-15-15</u>	Date Violation Observed <u>07-15-15</u>	Time: AM/PM <u>3:35</u>	Day of Week <u>WEDNESDAY</u>
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Location of Violation (Address) <u>10504 SANTANA STREET</u>	Assessor's Parcel Number <u>378-300-6300</u>
--	---

Person Cited: Last <u>REBECCA</u>	First <u>ZULAU</u>	Middle
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Title/Relationship to the Violation <u>OWNER</u>	Business Name (if applicable)
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Mailing Address <u>10504 SANTANA STREET</u>	Phone Number <u>(619) 448-5999</u>
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Code Sections Violated	Description of Violation(s)
<u>SMC CHAPTER 15</u>	<u>TWO-STORY BUILDING IN REAR YARD</u>
<u>SMC 17.24.040 AZ</u>	<u>NEEDS BUILDING PERMIT</u>
<u>SMC 17.10.060 AR</u>	<u>NO-TWO CAR GARAGE</u>
<u>SMC 13.42</u>	<u>JUNK, DEBRIS, TRASH</u>
	<u>STORM WATER POLLUTION CONTROL</u>

- Corrections Required
- APPLY FOR BUILDING PERMIT FOR TWO STORY BUILDING
 - REMOVE SLIDING AND FRENCH DOORS IN GARAGE OPENING
 - SO AREA CAN ACCOMMODATE TWO MOTOR VEHICLES
 - RELOCATE OR DISPOSE OF TRASH, JUNK & DEBRIS

Correction Date: 08-22-15 (619) 258-4100 EXT 121

ISSUING ENFORCEMENT OFFICER TELEPHONE NO.	OFFICERS SIGNATURE AND DATE
Officers Name (Print) <u>MICHAEL BROGDON</u>	<u>Michael Brogdon 07-15-15</u>
PERSON CITED:	
Violators Signature: <u>REFUSED</u>	Date: <u>07-15-15</u>

Signing this citation acknowledges receipt only, and is not an admission of guilt

Copy to: _____
 Citation Served In person to: REBECCA ZULAU Posted on Property Other: _____

SEE REVERSE SIDE FOR IMPORTANT INFORMATION AND PAYMENT INSTRUCTIONS

WHITE: CE FILE COPY YELLOW: PERSON CITED ELECTRONIC COPY TO FINANCE AND CITY CLERK



MAYOR
Randy Voepel

CITY COUNCIL
Jack E. Dale
Rom Hall
Rob McNelis
John W. Minto

**ADMINISTRATIVE CITATION
APPEAL HEARING**

RECEIVED
SEP 16 2015
Dept. of Development Services
City of Santee

September 15, 2015

APPELLANT NAME: Rebecca Zulauf
MAILING ADDRESS: 10504 Santana Street
Santee, CA 92071
SUBJECT PROPERTY: 10504 Santana Street
Santee, CA 92071
HEARING DATE: September 10, 2015
CASE NUMBER: 15-108
CITATION NUMBERS: 1353

In the matter of the above referenced appeal hearing, the following findings are made:

Background

An Administrative Citation was issued to Rebecca Zulauf on July 15, 2015 in the amount of \$400 for violations pertaining to: 1) failure to obtain required building permits for construction in rear yard; 2) failure to provide two parking spaces within the property's garage; 3) accumulation of visible junk, trash and debris; and 4) inadequate storm water management and discharge control on the property. An appeal was filed on August 11, 2015. No fees were paid by the Appellant as a hardship waiver was requested. The hardship waiver was neither approved nor denied.

Facts and Findings

Assistant to the City Manager, Kathy Valverde, attempted to contact Appellant via telephone on three separate occasions, over the course of eight days, to discuss her request for a hardship waiver and to schedule a hearing date. With no response from the Appellant, a letter was sent on August 21, 2015 via certified mail indicating the City's attempts to contact her and informing her that a hearing date had been scheduled (see Attachment A). This same day, on August 21, Appellant contacted the

Assistant to the City Manager via telephone. At that time, Appellant was informed of the hearing date and was notified of the letter being mailed to her that day. Appellant was also informed that failure to attend the hearing as scheduled, or failure to contact the City prior to the hearing to reschedule, would result in the administrative citation being upheld and all corresponding fines due.

Appellant failed to appear for the hearing as scheduled on September 10, 2015 at 11:00 a.m. Appellant also did not make contact with the City or the Assistant to the City Manager prior to the hearing date.

Photos of the property dated July 13 and July 15, 2015 were provided by the City's Code Compliance Assistant indicating that code violations occurred as cited.

Conclusion/Decision

The Assistant to the City Manager affirms the issuance of the Administrative Citation. Civil fines totaling \$400 for Administrative Citation No. 1353 are hereby due and payable to the City effective immediately.

Per Santee Municipal Code section 1.14.120, the City may pursue any and all legal and equitable remedies for the collection of unpaid fines, interest and penalties relating to any administrative citation. This may include filing a claim in small claims court or superior court, and/or establishing a special assessment against the real property upon which the violation occurred.



Kathy Valverde
Assistant to the City Manager

cc: Patsy Bell, City Clerk
Tim McDermott, Finance Director
Melanie Kush, Acting Director of Development Services
✓ Amanda Jaeger, Code Compliance Officer
Michael Brogdon, Code Compliance Assistant

CITY OF SANTEE



MAYOR
Andy Voepel

CITY COUNCIL
Jack E. Dale
Ronn Hall
Rob McNelis
John W. Minto

August 21, 2015

Rebecca Zulauf
10504 Santana Street
Santee, CA 92071

Dear Ms. Zulauf,

On August 11, 2015, you submitted a request for a Hearing before a Hearing Officer, in accordance with Santee Municipal Code section 1.14, to appeal Administrative Citation No. 1353 in the amount of \$400. At that time, you also requested a hardship waiver to waive payment of the fines prior to the hearing date.

I have attempted to contact you via phone to discuss your request for a hardship waiver and to schedule a hearing date. Messages were left at the phone number you provided (619) 448-5999 on three separate occasions: August 13, August 17 and August 20, 2015.

As I have not received a response from you to date, I have scheduled a hearing as follows:

Administrative Citation Hearing
Thursday, September 10 at 11:00 a.m.
Santee City Hall, Building 1
10601 Magnolia Avenue
Santee, CA 92071

Please note, the administrative citation will be deemed upheld and the corresponding fines will be due immediately if you fail to show for the hearing as scheduled, or do not contact me in advance of the hearing date to schedule other arrangements.

Thank you for your attention to this matter.

Respectfully,

Kathy Valverde
Assistant to the City Manager
(619) 258-4100 ext. 193

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SAN DIEGO, EAST COUNTY DIVISION

IN THE MATTER OF THE
APPLICATION OF THE CITY OF
SANTEE TO INSPECT THE PROPERTY
AT ASSESSOR'S PARCEL NUMBER
378-300-63-00, KNOWN AS 10504
SANTANA STREET , SANTEE,
CALIFORNIA

Warrant No. *E2016-288*
[PROPOSED] INSPECTION WARRANT
[Code Civ. Proc. §§ 1822.50-1822.60]

1 INSPECTION WARRANT

2 Proof, by affidavit, was made this day before me by Amanda Jaeger that there is good
3 cause and reason to believe that there are building, fire, safety, plumbing, electrical, health, labor,
4 and/or zoning code violations on the property located at 10504 Santana Street, Santee, CA 92071
5 (“Property”).

6 THIS INSPECTION WARRANT IS HEREBY DIRECTED to any City of Santee
7 Building Inspector, Fire Inspector, Environmental Inspector, Planning or Zoning Inspector,
8 Animal Control Officer, Sheriff’s Officer, and/or any other law enforcement agency acting as an
9 agent of the City of Santee (“You”).

10 YOU ARE HEREBY COMMANDED IN THE NAME OF THE PEOPLE to conduct an
11 inspection of the Property as authorized by Code of Civil Procedure sections 1822.50 through
12 1822.60 (“Inspection”). The Inspection shall include the interior and exterior of any open fields,
13 yards, structures, buildings, homes, houses, sheds, garages, rooms, basements, attics, storage
14 facilities, and vehicles located on the Property or vehicles in the vicinity that can be connected to
15 the Property via registration records. The purpose of this Inspection will be to verify the
16 existence, scope, and extent of any violations of the Santee Municipal Code (“SMC”), the
17 California Building Standards Code (“CBSC”), and/or any other applicable law on the Property.
18 You are authorized to photograph and/or videotape the Inspection for evidentiary purposes. No
19 person shall interfere with the execution of this Inspection Warrant. Any peace officer may
20 accompany the execution of this Inspection Warrant in order to keep the peace, to prevent any
21 interference with the execution of this Inspection Warrant, and may use reasonable force to enter
22 the Property if refused entry.

23 The Property is approximately 6,100 square feet in size and improved with a two-story
24 structure of approximately 1,965 square feet, which is two-tone tan and brown in color and has a
25 light brown roof. The Property is located on the south side of the street and the front entrance
26 door faces north. The numbers, “10504,” are painted in black on the face of the curb in front of
27 the Property. The Property is commonly indicated by its mailing address, 10504 Santana Street,
28 Santee, California 92071.

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YOU ARE FURTHER COMMANDED to conduct the Inspection between the hours of 8:00 a.m. and 6:00 p.m.

YOU ARE FURTHER COMMANDED to conduct the Inspection in the presence of an owner or occupant of the Property. No advanced notice of the execution of this Inspection Warrant is required.

Unless otherwise extended or renewed, this Inspection Warrant shall be effective for a period of 14 days from the date of signature. This Inspection Warrant shall be returned to this Court within 30 days.

Given under my hand and dated this 22nd day of April, 2016.

/s/ EXARLOS
JUDGE OF THE SUPERIOR COURT
CENTRAL DIVISION

COPY

1 SHAWN HAGERTY, Bar No. 182435
shawn.hagerty@bbklaw.com
2 VICTORIA D. HESTER, Bar No. 301045
Victoria.hester@bbklaw.com
3 BEST BEST & KRIEGER LLP
655 West Broadway, 15th Floor
4 San Diego, California 92101
Telephone: (619) 525-1300
5 Facsimile: (619) 233-6118

6 Attorneys for Applicant,
CITY OF SANTEE

7
8 [EXEMPT FROM FILING FEES PURSUANT TO
GOVERNMENT CODE SECTION 6013]

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA

10 COUNTY OF SAN DIEGO, EAST COUNTY DIVISION

11
12 IN THE MATTER OF THE
APPLICATION OF THE CITY OF
13 SANTEE TO INSPECT THE PROPERTY
AT ASSESSOR'S PARCEL NUMBER
14 378-300-63-00, KNOWN AS 10504
SANTANA STREET, SANTEE,
15 CALIFORNIA

Warrant No. *E2016-288*

**DECLARATION OF AMANDA JAEGER IN
SUPPORT OF AN INSPECTION
WARRANT**

[Code Civ. Proc. §§ 1822.50-1822.60]

1 4. The Subject Property is approximately 6,100 square feet in size and improved with
2 a one-story structure of approximately 1,400 square feet, which is two-tone tan and brown in
3 color and has a light brown roof. The Subject Property is located on the south side of the street
4 and the front entrance door faces north. The numbers, "10504," are painted in black on the face
5 of the curb in front of the Property. The Subject Property is commonly indicated by its mailing
6 address, 10504 Santana Street, Santee, California 92071.

7 5. Based on my research and correspondence with her, I believe the Subject Property
8 is owned by Rebecca A. Zulauf ("Owner").

9 6. The Subject Property has been the focus of code enforcement efforts since 2007.

10 7. Since 2008, the City has received complaints from neighbors, relatives, and
11 tenants of Owner all complaining of unpermitted use of the property, unpermitted construction, as
12 well as other violations of the SMC.

13 8. Since 2009, the Subject Property has continually been in violation in some respect
14 of the SMC upon every inspection. Owner was notified in 2009 that a building permit was
15 required for all construction, and that Subject Property did not have an occupancy permit for
16 habitation in the attic space.

17 9. In 2010, Owner received a Notice of Violation advising her of the SMC
18 stormwater requirements after an oil spill was improperly cleaned up at the Subject Property.
19 Also in 2010, a Notice of Violation was recorded on Subject Property for non-permitted work in
20 the attic space.

21 10. In 2012, a fire occurred at Subject Property, causing water and power to be shut
22 off. After many extensions from the City, Owner eventually obtained a building permit for repair
23 of the damaged part of the structure.

24 11. Also in 2012, Owner obtained a building permit for a second story addition. The
25 two permits were effectively one active building permit for repair of the fire damaged sections of
26 the building and the second story addition.

1 12. Owner has made minimal progress on the reconstruction of and addition to Subject
2 Property since 2010. EsGil, the City's contracted Building Inspector, has provided Owner
3 numerous permit deadline extensions.

4 13. In 2014, the City received complaints about the Subject Property, alleging that
5 individuals were residing in recreational vehicles and sheds (in violation of the SMC), that junk
6 and debris was present on the Subject Property, and that unpermitted construction was occurring
7 on the Subject Property. Despite several notices and other contact from the City, the Owner has
8 made little or no effort to rehabilitate the Subject Property.

9 14. More recently, on July 15, 2015, I accompanied Michael Brogdon, Code
10 Enforcement Assistant, and Randy Armbruster, Building Inspector, to the Subject Property. The
11 Owner had scheduled an inspection for an open and active building permit at the Subject
12 Property. Mr. Brogdon and I requested access to the Subject Property to ensure that the rest of
13 the Subject Property was in compliance with the SMC, but the Owner refused entry to any Code
14 Enforcement officials.

15 15. The Owner allowed Inspector Armbruster onto the Subject Property, but allowed
16 him to inspect only the areas applicable to the building permit (near the garage), where there had
17 been a fire in 2012. The Owner was still attempting to repair the Subject Property to bring it into
18 compliance with the SMC.

19 16. When I arrived at the Subject Property, I noticed multiple vehicles, as well as a
20 substantial amount of junk, trash and debris in the yard.

21 17. I also noticed one person sitting in a car in front of the residence who seemed to be
22 waiting for our arrival.

23 18. While Inspector Armbruster and the Owner were walking through a section of the
24 Subject Property, I stood on the sidewalk and approached the mailbox to identify any possible
25 code violations. A man, who identified himself as the house manager but did not give me a name,
26 ordered me to leave the Subject Property. I advised him that I was legally allowed to approach
27 the mailbox, but I turned around and went back out into the street at that time.

1 19. I identified multiple SMC violations, including a shed in the rear yard that exceeds
2 the size allowed without a permit; junk and debris stored in view from the public right of way;
3 and stormwater violations. I also heard a person in one of the recreational vehicles.

4 20. I asked the Owner whether anyone resided in the recreational vehicles and she
5 stated that no one resided there, but she would not allow me to look inside. Mr. Brogdon
6 requested a voluntary inspection and advised the Owner that we could work with her to bring her
7 into compliance, but she again refused.

8 21. Mr. Brogdon issued an Administrative Citation for four violations of the SMC.
9 The Owner refused to sign the Citation, but a copy was given to her.

10 22. On August 11, 2015, the Owner filed an appeal of the Administrative Citation.
11 The Owner was notified that an appeal hearing was scheduled for September 10, 2015.

12 23. The Owner failed to appear at the September 10, 2015 Administrative Citation
13 appeal hearing. As a result, the hearing was held in her absence. The City's issuance of the
14 Administrative Citation was upheld. The Owner was mailed a letter advising her of this decision
15 on September 15, 2015.

16 24. On January 15, 2016, I conducted an external inspection of the Subject Property
17 and checked the building records. The Subject Property has not been inspected by the building
18 department since August 27, 2015, and at that time the Owner stated that she would not be able to
19 make any more progress on the Subject Property due to lack of funds. Further, the January 15
20 inspection revealed that junk and debris are still accumulated around the Subject Property, and
21 there appear to be multiple vehicles in the driveway. Additionally, the recreational vehicles
22 which we suspect are housing individuals in violation of the SMC are still present at the Subject
23 Property. In addition, occupancy has not been granted to the second floor and there should be no
24 one living in the upper rooms. However, there are window coverings and other indications that
25 residents are living there.

26 25. On February 24, 2016, the Owner's building permit expired. She is now residing
27 in, and allowing other individuals to reside in an unpermitted building in violation of the SMC.
28 This situation poses a serious health and safety risk to all residents of the Subject Property.

1 26. I believe that there are many additional SMC violations at the Subject Property.
2 Several former tenants have called Mr. Brogdon and myself and have stated that there are
3 individuals living in recreational vehicles on the Subject Property; individuals living in the
4 auxiliary shed ("pool house"), and individuals living in the garage. In addition, satellite imaging
5 shows that the auxiliary shed has grown over the last three years, from approximately 100 square
6 feet (which would not require a building permit) to over 130 square feet (which does require a
7 building permit).

8 27. It has also been reported by the Owner's former tenants that in the past when Code
9 Enforcement or City Staff have scheduled inspections, the Owner ordered her tenants to pack up
10 their belongings and act as if they did not live at the Subject Property. For this reason, I would
11 request that the notification requirement for an inspection warrant be waived, so that City Staff
12 can accurately identify and address all violations of the SMC.

13 28. Further, the Owner habitually evades interacting or cooperating with City Staff for
14 purposes of conducting inspections or remedying cited violations. The Owner has been
15 repeatedly informed of the SMC requirements, and either ignores Code Enforcement's attempts to
16 bring the Subject Property into compliance or refuses permission to inspect. It is my opinion that
17 she will elude, delay or be uncooperative with City officials and law enforcement at every
18 opportunity. For this reason, I believe that the Owner may be combative in response to an
19 inspection warrant and request forced entry to execute the warrant.

20 29. The purpose of requesting this inspection warrant is to verify the existence, scope,
21 and extent of any violations of the SMC, the CBSC, and/or any other applicable law on the
22 Subject Property.

23 30. The inspection is expected to take one (1) hour to complete; however, the actual
24 time may be more or less than one (1) hour.

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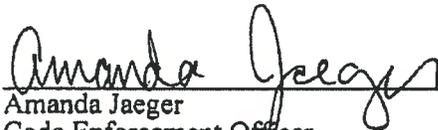
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5 WHEREFORE, declarant prays for an inspection warrant to issue authorizing the City
6 access to the interior and exterior of the dwelling at 10504 Santana Street, Santee, California, to
7 inspect and photograph the dwelling and exterior yards to verify the existence, scope, and extent
8 of any violations of the SMC, the CBSC, and/or any other applicable law on the Subject Property.
9 The Subject Property is further identified as San Diego County Assessor's Parcel No. 378-300-
10 63-00 belonging to Rebecca Zulauf.

11 This warrant declaration has been reviewed by Deputy City Attorney Victoria D. Hester.

12 I declare under penalty of perjury under the laws of the State of California that the
13 foregoing is true and correct. Executed on March 16, 2016 in Santee, County of San Diego,
14 California.

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16 
17 Amanda Jaeger
Code Enforcement Officer
City of Santee

18
19
20 15/ EXHIBITS

21 10:56 am

22 APR 22 2016

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1 SHAWN HAGERTY, Bar No. 182435
shawn.hagerty@bbklaw.com
2 REBECCA ANDREWS, Bar No. 272967
rebecca.andrews@bbklaw.com
3 BEST BEST & KRIEGER LLP
655 West Broadway, 15th Floor
4 San Diego, California 92101
Telephone: (619) 525-1300
5 Facsimile: (619) 233-6118

[EXEMPT FROM FILING FEES PURSUANT TO
GOVERNMENT CODE SECTION 6013]

6 Attorneys for Applicant,
City of Santee
7
8

9 SUPERIOR COURT OF THE STATE OF CALIFORNIA
10 COUNTY OF SAN DIEGO, EAST COUNTY DIVISION
11

12 IN THE MATTER OF THE INSPECTION
OF ASSESSOR'S PARCEL NUMBER
13 378-300-63-00, KNOWN AS 10504
SANTANA STREET, SANTEE,
14 CALIFORNIA

Case No./Warrant No. E2016-288
Hon. Herbert J. Exarhos
Dept. 17

INSPECTION WARRANT RETURN

[Code Civ. Proc. §§ 1822.50-1822.60]
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- 6. The City did not remove any personal property from the Nuisance Property.
- 7. The City did not perform any abatement or remediation on the Nuisance Property.
- 8. The Inspection concluded at approximately 11:45 a.m. on April 28, 2016.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Dated on May _____, 2016 in Santee, County of San Diego, California.

Amanda Thom
Code Enforcement Officer
City of Santee

JUDGE OF THE SUPERIOR COURT

CITY OF SANTEE



DR
Jay Voepel

CITY COUNCIL
Jack E. Dale
Ronn Hall
Rob McNeilis
John W. Minto

NOTICE AND ORDER TO REPAIR OR ABATE DANGEROUS BUILDING AND PUBLIC NUISANCE

Dated: May 13, 2016

Nuisance Property: 10504 Santana Street
Santee, California 92071
APN 378-300-63-00

Compliance Initiation Deadline: May 23, 2016 (10 days)
Hearing Request Deadline: May 23, 2016 (10 days)
Compliance Completion Deadline: August 11, 2016 (90 days)

Interested Parties:

Rebecca Zulauf
10504 Santana Street
Santee, California 92071

To All Interested Parties:

It has been determined by building, fire, and code enforcement officials for the City of Santee ("City") that the parcel of real property located at the address and Assessor's Parcel Number ("APN") identified above ("Nuisance Property") contains unlawful conditions that constitute public nuisances and pose a substantial danger to the health, safety, and general welfare of the occupants, the surrounding community, and the public. The unlawful conditions are in violation of multiple provisions of law, including, but not limited to, the California Health and Safety Code ("H&S"), the California Building Standards Code ("CBSC"), the California Building Code ("CBC"), the California Residential Code ("CRC"), the California Fire Code ("CFC"), the California Electrical Code ("CEC"), the California Mechanical Code ("CMC"), the California Plumbing Code ("CPC"), the Uniform Code for the Abatement of Dangerous Buildings ("UCADB"), and the Santee Municipal Code ("SMC").

On April 28, 2016, the property was inspected by building, fire, and code enforcement officials for the City. Using the definitions of substandard conditions found in the CFC and the CBC, inspectors found and determined that substandard conditions exist on this property that constitute an immediate fire hazard and public nuisance. On the basis of this inspection, and under Chapter 4 of the Uniform Code for the Abatement of Dangerous Buildings, as adopted and incorporated by reference into Chapter 15.22 of the Santee Municipal Code, the Director of Development Services hereby determines and declares the building on this property to be substandard, dangerous and a per se public nuisance, and that these substandard and dangerous conditions constitute an immediate danger to the life, limb, property or safety of the public or occupants of the building(s), sufficient that the building must be vacated immediately. (See SMC, Ch. 15.22.)

The following unlawful conditions were identified during the inspection of the Nuisance Property on April 28, 2016 (this may not be an exhaustive list of all violations and the City retains the right to identify further violations as they are discovered):

1. **Fire Hazard.** The placement of the stove top under the counter creates a fire hazard condition. You have been advised in a separate letter, dated April 28, 2016 of the immediate need to disconnect the stove top because it is a fire hazard. However, to be considered a dwelling, you need to have a stove. You will need to have a new stove installed. You will need a permit for this stove installation. (UCADB § 302(16); CFC §§ 110.1.1, 305.1; CRC Chapter 2)
2. **Exit and Egress Routes Severely Blocked.** The amount of items on the sides of the house, in the rear of the house, and throughout the rooms obstruct egress. Additionally, the unpermitted conversion of the garage, as well as the bedrooms in the back of the house, do not have required egress for bedrooms. (H&S §17920.3(a)(13), (c), (h), (l); CBC § 116.1; CRC §§ 311.1, 311.6; CFC §§ 110.1.1, 1030.1, 1030.2, 1030.3; UCADB § 302(1), (9), (13), (15), (16), (17); SMC 8.60.030(N))
3. **Lack of Smoke Detectors.** All bedrooms require smoke detectors. Install and maintain missing or inoperable smoke alarms and smoke detectors. (CBC § 907.2.11; CFC § 110.1.1)
4. **Lack of Carbon Monoxide Detectors.** Carbon monoxide detectors are required outside sleeping quarters. You must install carbon monoxide detectors both on the upper and lower floors near the sleeping quarters. (CBC § 420; CFC § 110.1.1)
5. **Lack of Heating.** All dwelling units require heat, and each bedroom is required to have a source of heat. You must repair or install heating in each permitted bedroom. You will need a permit for the installation or heating

repair and all work must be conducted by a licensed contractor. (CRC § 303.9)

6. **Front fence exceeds maximum height and coverage.** Your front yard fence may only be solid up to three and one-half (3 ½) feet tall. Above three and one-half (3 ½) feet, your fence must be ninety percent open to the maximum six (6) foot height. Your current front fence is solid up to six feet. You must reduce or remove the fence that is within the setback area. (H&S § 17920.3(c); CBC § 116.1; SMC § 17.10.050(F)(1))
7. **Missing Outlet Covers.** Electrical outlets throughout the structure, as well as light switches, are missing cover plates, increasing the risk of injury from electric shock. All missing electrical covers for outlets must be replaced. (H&S §17920.3(c), (d), (h); CBC §§ 10.1.1, 116.1, 2701.1; CFC §605.1; CEC §§ 404.9, 406.5, 605.1; UCADB § 302(9), (13), (16), (17); SMC § 15.08.010)
8. **Unpermitted Construction.** Your permit for your second floor addition expired. You have not constructed the second floor addition according to plans. You must ensure that the addition is constructed with the permitted building materials and according to the plans that were drawn. (H&S § 17920.3(c); CBC § 105.1; SMC § 8.6.030(A)(1))
9. **Improper Construction.** The bathroom that has been installed on the second floor does not have any clearance between the water closet and the lavatory or the water closet and the shower. Thirty (30) inches clear width is required for the water closet compartment and twenty-four (24) inches clearance is required in front of the water closet. A licensed contractor will need to modify the bathroom to meet these standards. (CPC § 402.5)
10. **Improper Construction.** The second floor deck on the north side of the residence is not complete. Glass panels were improperly installed as a guard and there are large openings. You will need to repair this deck up to code and ensure that it is built with approved materials according to the building plans. (H&S § 17920.3(c); CBC § 105.1; SMC § 8.6.030(A)(1))
11. **Unpermitted Construction.** The second floor deck on the south side of the residence has been enclosed without a permit. This deck will need to be restored and built according to plans. (H&S § 17920.3(c); CBC § 105.1; SMC § 8.6.030(A)(1))
12. **Improper Construction.** There is only 24 inches between the chimney vent cap and the second floor roof eave. The required clearance is 36 inches above the highest point where it passes through a roof and at least 24 inches higher than any portion of a building within a horizontal distance of ten (10)

feet. You will need to repair this construction to meet that standard. (CMC § 802.5.4; CFC § 110.1.1, SMC § 8.60.030(A)(1))

13. **Unpermitted Construction.** Your permit for your garage repair has expired. You have not repaired the garage according to plans. You must ensure that the garage repair is constructed with the permitted building materials according to plans that were drawn. Additionally, there must be fire separation between the garage (once restored) and the residence. (H&S § 17920.3(c); CFC § 110.1.1; CBC § 105.1; SMC § 8.6.030(A)(1))
14. **Unpermitted Construction.** A shower has been installed in a section of your garage without permits and with improper construction. You must remove the shower and all fixtures. You will need a demolition permit for this. (H&S § 17920.3(c); CBC § 105.1; SMC § 8.6.030(A)(1))
15. **Unpermitted Construction.** Both sides of your house have overhangs installed without permits and in violation of setback rules. These overhangs must be removed. A demolition permit must be obtained for their removal. (H&S § 17920.3(c); CFC § 110.1.1; CBC § 105.1; SMC § 8.6.030(A)(1))
16. **Unpermitted Building Materials.** The second floor addition, as well as garage construction have been composed of unpermitted building material. You must repair both areas of the dwelling with approved building materials. (H&S § 17920.3(c); CFC § 110.1.1; CBC § 1510.1; SMC § 8.6.030(A)(1))
17. **Faulty Weather Protection.** Your second floor construction has been completed with improper materials and is not proper weather protection. You will need to ensure that all materials used are on the approved materials list according to plan. (H&S 17920.3(g); CBC § 116.1; UCADB § 302(8), (9), (13); SMC § 8.60.030(A)(3))
18. **Unpermitted Occupancy.** You have converted your "Sun Porch" to three separate bedrooms. You must remove all partitions and restore this area. This area cannot have any bedrooms in it. You will need a demolition permit for this removal of the bedroom partitions. (H&S 17920.3(c); CFC § 110.1.1; CBC § 105.1; SMC § 8.6.030(A)(1))
19. **Unpermitted Occupancy.** Your accessory structure in the backyard was furnished as a bedroom. You will need to remove the bedroom furnishing and cease using it as a sleeping place immediately. The shed may only be used for storage, and should not be a bedroom or other type of living space. (H&S 17920.3(c); CFC § 110.1.1; CBC § 105.1; SMC § 8.6.030(A)(1))

- 20. Unpermitted Electrical Alterations.** Unpermitted electric work has been conducted throughout the house. Numerous wires are run throughout the structure. Many of these wires are exposed and are not up to current building and Health and Safety code standards. All electrical work must be permitted and conducted by a licensed electrician. You must obtain a permit for all electrical work and all alterations and additions must be inspected and approved. (H&S § 17920.3(c); CFC § 110.1.1; CBC § 105.1; SMC § 8.6.030(A)(1))
- 21. Unpermitted Plumbing Alterations.** Unpermitted plumbing work has been conducted throughout the house. Numerous pipes run throughout the structure, improperly installed in close proximity to electrical wires. Many of these pipes are exposed and not up to current building and Health and Safety code standards. All plumbing work must be permitted and conducted by a licensed plumber. You must obtain a permit for all plumbing work and all alterations and additions must be inspected and approved. (H&S § 17920.3(c); CBC § 105.1; SMC § 8.6.030(A)(1))
- 22. Junk and Debris Creating Fire Hazard.** Both the exterior and interior are full of junk and debris. The junk and debris facilitates the spread of fire and places occupants and neighbors in peril. All junk and debris must be cleared from the exterior to reduce the fire hazards. The interior must allow clear access in and out of each room. (H&S § 17920.3(h); CFC § 110.1.1; CBC § 116.1; UCADB § 302(9), (16); SMC § 8.48.040; SMC § 8.6.030(M))
- 23. Lack of Dedicated 20 Amp Circuit Breaker in Laundry Room.** The laundry room lacks a dedicated 20 amp circuit breaker. Install a dedicated 20 amp circuit breaker to ensure proper electrical protection in the structure. (CEC § 210.52(f))
- 24. Junk and Debris Creating Rodent Harborage.** The exterior is full of junk and debris. Accumulation of junk and debris can serve as a harborage for vermin, which spread illness and damage property. All junk and debris must be cleared from the exterior to reduce the health hazards. (H&S § 17920.3(a)(12); CBC § 116.1; SMC §§ 8.60.030(A)(1), (E)(1), (L))
- 25. Storage in Public View.** Your front yard and driveway area contain junk and debris. You will need to store these things in a location that they are screened from view from other properties and the public right-of-way. (SMC § 17.10.060(A)(2))
- 26. Dilapidated Fencing.** Your back yard fence is falling down. You will need to repair this fence. Additionally, if you wish to continue to store items in your backyard, you must screen your back fence so that the items are not visible

from the public right-of-way. (H&S § 17920.3(c); CBC § 116.1; SMC §§ 8.60.030(E)(1), (2), (3), 17.10.060(A)(1))

27. **Unpermitted Garage Conversion.** Santee does not permit garage conversions into storage or bedrooms. You currently have your garage partitioned into two bedrooms and a hallway type area. You will need to remove all partitioning and restore your garage to a condition that would allow for a car to be parked inside it. (CBC § 105.1; SMC §§ 8.60.030(A)(1), 17.24.040(A)(1))
28. **Improper Pool Fencing.** Your pool requires a security fence around it. Alternatively, as you have a rear yard fence, you may install alarms on all doors that lead from the residence to the backyard with the pool. Additionally, access from the sides of the property must be restricted with proper working latches. (CBC § 3109.4.4.2, SMC § 8.60.030(M))
29. **Gazebo within Setbacks.** Your Gazebo is located in violation of a five (5) foot rear and side yard setback area. You must relocate the gazebo fully within your yard, outside of the five (5) foot setback area. (SMC § 17.10.050(A)(1)(c), (d))
30. **Inoperable Vehicles in Public View.** The vehicles stored in your driveway must start and have all tires inflated to be considered operable. In addition, they must not be in a state of dilapidation. Your Recreational Vehicles are currently parked on dirt and must be removed from your front yard area. Additionally, any personal vehicles in the driveway must be in a running condition. (H&S 17.10.030(c); SMC §§ 8.60.030(C), 17.10.060(A)(3))
31. **Non-Conforming Property.** The nuisance property is inadequately maintained due to numerous code violations and is not in conformity with the maintenance standards of neighboring properties. Maintain the nuisance property in order to ensure proper conformity with neighboring properties. (SMC § 8.60.030 (M))

Pursuant to the H&S, the CBSC, the CBC, the CRC, the CFC, the CEC, the CMC, the CPC, the UCADB, and the SMC, the Nuisance property, including the structures thereon, is dangerously substandard and constitutes a public nuisance.

Therefore, you are hereby ordered to repair or abate all code violations on the Nuisance Property, including, but not limited to, all unlawful conditions identified herein. Work to abate these unlawful conditions must begin within 10 days inclusive of permit applications ("Compliance Initiation Deadline"), and must be

completed within 90 days ("Compliance Completion Deadline") or you will be subject to further legal action.

The legal consequences for failure to initiate rehabilitation and correct the unlawful conditions identified above by the Compliance Deadlines may include administrative penalties, administrative citations, criminal prosecution, abatement warrants, and civil remedies such as injunctions, penalties, and an application for the appointment of a receiver over the Nuisance Property. Furthermore, you will be held liable for all costs, expenses, and fees, including all inspections costs, investigation costs, enforcement costs, abatement costs, court costs, litigation expenses, prosecution expenses, attorneys' fees, and administrative expenses, incurred by the City in inspecting, identifying, investigating, enforcing, prosecuting, and abating all unlawful conditions on the Nuisance Property.

Repair or abatement of some of the unlawful conditions identified above may require you to obtain air quality, building, demolition, or other permits. You are obligated to obtain these permits in time to complete the rehabilitation of the Nuisance Property by the Compliance Completion Deadline. Failure to apply for all necessary permits prior to the Compliance Initiation Deadline is a violation of this Legal Notice and Order to Repair or Abate ("N&O").

You have 10 days to request an administrative hearing to contest this N&O ("Hearing Request Deadline"). You may request a hearing by contacting Amanda Thom. **Failure to request an administrative hearing will constitute a waiver of your right to a hearing, a failure to exhaust your administrative remedies, and a forfeiture of your right to contest this N&O.** If a hearing is properly requested, a hearing will be scheduled within 30 days from when your request is received. You will receive notice of your hearing date at least 10 days prior to the hearing date. At the hearing, you will have the right to present evidence and examine witnesses to contest this N&O.

Pursuant to H&S section 17980.6(c), you are hereby notified that you cannot retaliate against lessees of the Nuisance Property pursuant to Civil Code section 1942.5. Pursuant to H&S section 17980(e), you are hereby notified that, in accordance with Revenue and Taxation Code sections 17274 and 24436.5, a tax deduction may not be allowed for interest, taxes, depreciation, or amortization paid or incurred in this taxable year for the Nuisance Property.

ZV 15-105
10504 Santana Street
Rebecca Zulauf
Page 8 of 9

If you have any questions regarding this N&O, you may contact
Amanda Thom, Code Enforcement Officer, at (619) 258-4100 ext. 206.

Sincerely,

A handwritten signature in black ink that reads "Melanie Kush". The signature is written in a cursive style with a long horizontal flourish at the end.

Melanie Kush
Director of Development Services

C: Amanda Thom, Code Enforcement Officer
Building Division
City Attorney

Attachment: Section 302 – Uniform Code for the Abatement of Dangerous Buildings



CITY OF SANTEE

OR
Kandy Voepel

CITY COUNCIL
Jack E. Dale
Ronn Hall
Rob McNelis
John W. Minto

NOTICE OF VIOLATION

April 28, 2016

Rebecca Zulauf
10504 Santana Street
Santee, CA 92071

Subject: Immediate Health and Safety issues at 10504 Santana Street

Dear Ms. Zulauf:

The City of Santee executed an Inspection Warrant at approximately 10:30 a.m. on April 28, 2016. During the course of the Inspection Warrant, an immediate Fire Hazard was identified with your stove top.

The stove top had been installed on top of the counter. The burner is approximately six (6) inches from the cabinet above. This has created an extreme and immediate Fire Hazard at your residence. While on scene, you were notified of the need to immediately cease use of your stove.

You need to **IMMEDIATELY** cease use of your stove. Additionally, you will need to replace the gas stove top with a proper stove installed by a licensed contractor by close of business on **May 2, 2016**. You will need a permit for the replacement of a stove. To obtain the permit, you must come to the Department of Development Services, 10601 Magnolia Avenue, Building 4. Permit hours are Monday through Thursday, 8 a.m. to 5 p.m., and Friday 8 a.m. to 1 p.m. **The permit must be finalized by end of business on May 2, 2016.** Failure to remedy this immediate need will result in your dwelling being declared substandard and uninhabitable, and will force all residents to relocate.

This notice does not address any of the other code issues that were identified at your property, only the most immediate need to repair your stove. Additional code violations identified on your property during the April 28, 2016 inspection will be set forth in a Notice and Order provided to you next week.

Should you have any questions, please feel free to call me at (619) 258-4100, ext. 206.

Sincerely,

Amanda Thom
Amanda Thom

Code Compliance Officer
Department of Development Services

3/18



CITY OF SANTEE

FOR
Andy Voepel

CITY COUNCIL
Jack E. Dale
Ronn Hall
Rob McNelis
John W. Minto

Orig - Cert
Copy - Reg

SUPPLEMENTAL ATTACHMENT TO THE NOTICE AND ORDER

May 18, 2016

Rebecca Zulauf
10504 Santana Street
Santee, CA 92071

Re: 10504 Santana Street, additional violations beyond initial Notice and Order to abate

Dear Ms. Zulauf:

On May 13, 2016, I met with you at your residence and advised you that the Director of Development Services had declared the address uninhabitable. While I was meeting with you, I gave you a Notice and Order to Abate that identified the numerous conditions that made your residence substandard. Your residence was boarded and you were advised of the conditions that needed to be repaired in order for Occupancy to be granted again.

After further working with the Building Inspector, the following items have been identified IN ADDITION TO the original items on the first Notice and Order. The Notice and Order dated May 13, 2016, identified 31 separate violations. Please find additional violations below:

32. Inadequate Water Heater Installation – The water heater requires a sediment trap, which is not there. Additionally, all water heaters require a TMPV. Your water heater does not have one. Further, your water heater requires at least 3 seismic straps. You must bring your water heater up to code. (H&S § 17920.3(c), (f); CBC § 116.1)

33. Lack of GFCI Outlets – The bathrooms, laundry room, and kitchen all lack the proper ground fault circuit interrupter ("GFCI") outlets. Install the proper GFCI outlets in these locations to ensure proper electrical safety. (CEC § 210.8)

- 34. Lack of adequate fire break** – The garage is required to have a fire break wall separating it from the rest of the structure. Several holes were identified, both in the ceiling of the garage leading to the upstairs bedrooms, and in the wall between the garage and the kitchen, where adequate fire protection was missing. Please ensure that the garage is fully surrounded by a fire break wall, with no spaces to allow for fire to penetrate. (CBC §§ 718.2.2-7, 406.3.4)
- 35. Improper stair rail spacing** – In the interior stairwell, there cannot be spaces of more than four (4) inches. Several of your vertical rails were loose. Please ensure that all pieces of the stair rail are secured and that no opening is greater than four (4) inches. (CBC § 1013.4)
- 36. Lack of effective bathroom lighting** – Bathrooms require effective lighting. Your second floor bathroom does not have adequate lighting as required. Additional lighting will need to be installed. (CBC Title 24 § 6.1.2)
- 37. Improper deck rail spacing** – On your second floor decks, several openings were observed in the guard rails that left greater than four (4) inch openings. All guard rails will need to be installed with materials that do not allow for greater than four (4) inch openings. (CBC § 1013.4)
- 38. Faulty Weather Protection** – On multiple surfaces on the exterior of the residence, holes in the stucco were observed. You will need to patch all holes in the stucco to ensure adequate weather protection. (H&S § 17920.3(g); CBC § 116.1; UCADB §302(8), (9), (13))
- 39. Lack of Covers on Exterior Outlets** – Bubble covers are required on all exterior electrical outlets. Your exterior outlets lacked bubble covers and will need covers installed. (CEC § 404.9(a), (b))
- 39. Open Electrical Box** – Your property contains an open electrical box to the west of the pool shed. This box and any wires leading to it will need to be removed or repaired by a licensed electrician. (CEC § 404.9(a), (b))
- 40. Improper Construction** – The staircase is not finished. You are required to finish the underside of the staircase with drywall. (CBC §§ 104.9.1, 105.2.2, 110.6, 116.1)
- 41. Improper Construction** – There is exposed ABS (black sewer line) leading out of the garage. This needs to be covered with paint or enclosed, and not exposed to the elements. (CPC § 701.2)

ZV 15-105
10504 Santana Street
Rebecca Zulauf
Page 3 of 3

The above violations are hereby incorporated into the previous notice given to you. As a reminder, you are required to begin corrections of all violations by **May 23, 2016**, and finish ALL corrections by **August 11, 2016**.

If you have any questions regarding this Supplemental Attachment to the Notice and Order, you may contact Amanda Thom, Code Enforcement Officer, at (619) 258-4100 ext. 206.

Sincerely,

A handwritten signature in black ink that reads "Melanie Kush". The signature is written in a cursive style with a long horizontal flourish at the end.

Melanie Kush
Director of Development Services

C: Amanda Thom, Code Enforcement Officer
Building Division
City Attorney



CITY OF SANTEE

MAYOR
y Voepel

CITY COUNCIL

Jack E. Dale
Ronn Hall
Rob McNelis
John W. Minto

ORDER TO VACATE

DO NOT ENTER UNSAFE TO OCCUPY

It is a misdemeanor to occupy this building or to remove or deface this notice.

Melanie Kush
Director of Development Services, City of Santee

This notice is posted pursuant to California Health and Safety Code 17920.3, Santee Municipal Code Chapters 15 and 17, and the Uniform Code for the Abatement of Dangerous Buildings.

Posted on May 13, 2016 in Santee, California

City of Santee
Fire Marshal Notes
4/28/16

Serving of Inspection Warrant
10504 Santana Street,
Santee Ca

I accompanied Amanda Jaeger (Santee Code Compliance Officer), Michael Brogdon (Santee Code Compliance Assistant), Aaron Goodman (EsGil/Santee Building Official) and approximately 10 Deputy Sheriff Officer's in serving and executing an inspection warrant at 10504 Santana St. The inspection warrant was granted to investigate violations of the Building Code, Fire Code, Municipal Code and other applicable Codes. All participants listed above met in a conference room at City Hall at approximately 10:00 am for a briefing before going to the site. Sheriff Officer's first made contact with the owner and residents before securing them in the front patio area. Amanda read the warrant to the owner and the residents. We then entered the structure to conduct the inspection.

The house was dark and not well kept. There were clothes on the floor, dirty dishes in several of the rooms, and in one bedroom there appeared to be an open container of urine on the floor.

On the first floor there were 8 sleeping areas. Some were bedrooms while other areas were non-code conforming sleeping areas. The garage was separated into several conforming sleeping spaces. A non-conforming patio area was divided into at least two sleeping areas. The smoke detectors present on the first floor were not functioning. Extension cords ran from room to room throughout the home.

In the entry to the garage area, near the location of the water heater, an attic ladder that was partially hanging down was present. The space above was exposed to the second floor living area revealing no fire stopping present. Multiple strands of electrical wiring were hanging down from the ceiling.

In the kitchen, there was evidence of the residential stove/oven had been removed and replaced with a gas cooktop that was resting on top of the counter surface over the area where the stove/oven would have been. Facing the cooktop, the left side two burners were directly under wood cabinets. The wood cabinets were approximately 6 inches above the cooking surface. In addition, there was a refrigerator in front of sliding glass door that led to the exterior of the house. The refrigerator was partially blocking the exit. The rear exit from the house to the rear yard was through the converted patio area. This exit was within a few feet to a built-in pool. Structural support wood columns (for the home's second story balcony) with concrete blocks appeared to be resting on the concrete slab surrounding the pool and not secured with concrete footings into the ground.

Serving of Inspection Warrant, 10504 Santana St. 4/28/16
Fire Marshal Notes
Page 2

On the second floor there was evidence of construction work that had not been finished. Wood structural members with electrical wiring were present. There were functioning smoke detectors on the second floor. The unfinished construction revealed open attic/crawl space from one end of the house to the other with no fire stopping present.

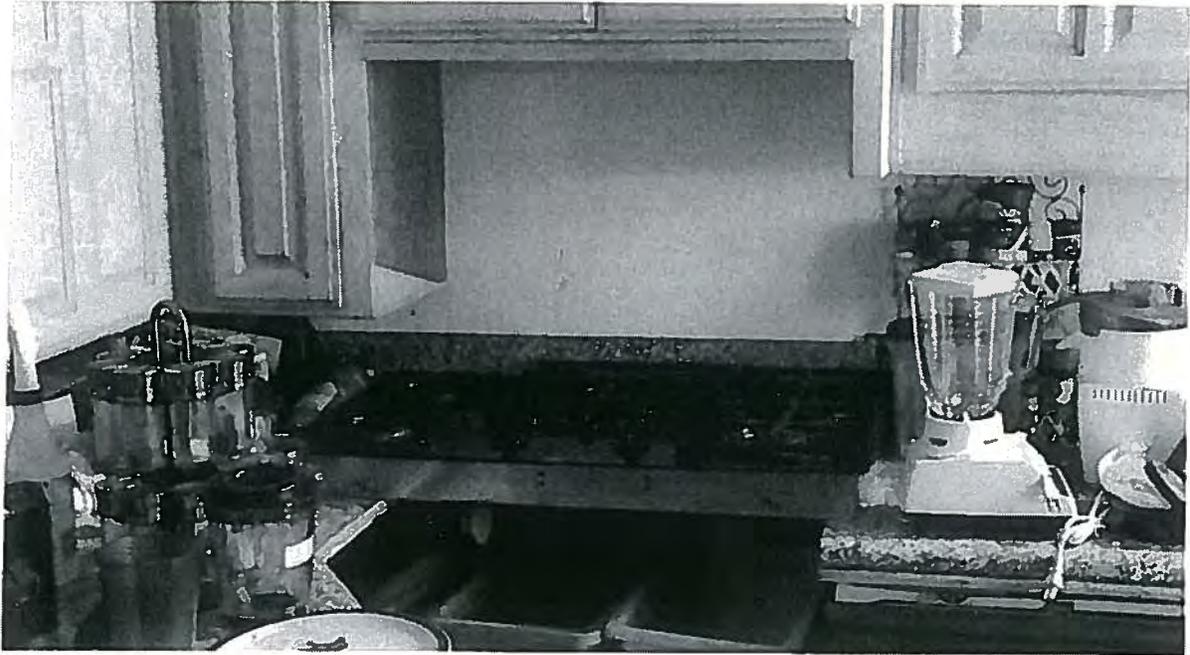
There was natural gas service to the house. Gas service appeared to be disconnected to the heating and air unit and the unit did not appear to be in working order. Electric service was present in the house. Lights and televisions were working at the time of the inspection. Running water and hot water were also present in the home.

This report summarizes my observations during the inspection. My inspection revealed multiple violations most of which are building code violations. The most hazardous were the lack of construction fire stopping in the house, blocked or partially blocked exits from the house, the cooktop too close to the kitchen cabinets and the multiple electrical wiring violations. In addition, with the construction underway, the requirement is to have interconnected, hard-wired smoke detectors with battery back-up throughout the house including the first floor. Due to the amount of debris scattered throughout the house it is likely that there are more violations present that were not exposed. The limits of the Warrant prevented further inspection. For more detailed Code Violations see Aaron Goodman or/and Amanda Jaeger's reports.

One cell phone photograph was taken by me of the cooktop in the kitchen (attached). Multiple photographs were taken by Amanda and Aaron

Respectfully Submitted,

Bruce M. Kerl
Fire Marshal
Santee Fire Department



Cooktop, 10504 Santana St.

Applicable Fire Code Sections
Zulauf property
10504 Santana Street

Section 109, Violations

109.1 Unlawful acts. It shall be unlawful for a person, firm or corporation to erect, construct, alter, repair, remove, demolish, or utilize a building, occupancy, premises or system regulated by this code, or cause same to be done, in conflict with or in violation of any of the provisions of this code.

109.2 Owner/occupant responsibility. Correction and abatement of violations of this code shall be the responsibility of the owner. If an occupant creates, or allows to be created, hazardous conditions in violation of this code, the occupant shall be held responsible for the abatement of such hazardous conditions.

Section 110 Unsafe Buildings

110.1 General. If during the inspection of a premises, a building or structure, or any building system, in whole or in part, constitutes a clear and inimical threat to human life, safety or health, the fire code official shall issue such notice or orders to remove or remedy the conditions as shall be deemed necessary in accordance with this section, and shall refer the building to the building department for any repairs, alterations, remodeling, removing or demolition required.

110.1.1 Unsafe Conditions. Structures or existing equipment that are or hereafter become unsafe or deficient because of inadequate means of egress or which constitute a fire hazard, or are otherwise dangerous to human life or the public welfare, or which involve illegal or improper occupancy or inadequate maintenance, shall be deemed an unsafe condition. A vacant structure which is not secured against unauthorized entry as required by section 311 shall be deemed unsafe.

Section 305, Ignition Sources

305.1 Clearance from ignition sources. Clearance between ignition sources, such as luminaries, heaters, flame-producing devices and combustible materials, shall be maintained in an approved manner.

**City of Santee
Fire Marshal Notes
5/13/16**

**Declaring Structure Unsafe
10504 Santana Street,
Santee Ca**

I accompanied Amanda (Jaeger) Thom (Santee Code Compliance Officer), Michael Brogdon (Santee Code Compliance Assistant), Elette Nash (EsGil/Santee Building Inspector) and several Deputy Sheriff Officer's in serving an order to vacate the structure, declared unsafe at 10504 Santana St. Once the structure was vacated, it was boarded up by City crews pending the submittal of a building permit to correct the code violations.

A walk through inspection was conducted to verify if code violations were still present within the structure. While there was evidence of an effort to gain compliance, the major issues remained. There was an effort to bring the cooktop into compliance by removing the cabinets that were directly above the two burners on the left side of the cooking surface, however the cabinets were still less than 30" from the cooking surface. The remaining major issues, lack of construction fire stopping in the house, blocked or partially blocked exits from the house and multiple electrical wiring violations had not been addressed. Likewise the smoke detectors were in the same state as they were during the inspection of 4/28/16.

Two cell phone photographs were taken by me of the cooktop in the kitchen (attached). Multiple photographs were taken by Elette.

Respectfully Submitted,

**Bruce M. Kerl
Fire Marshal
Santee Fire Department**



Cooktop, 10504 Santana St.

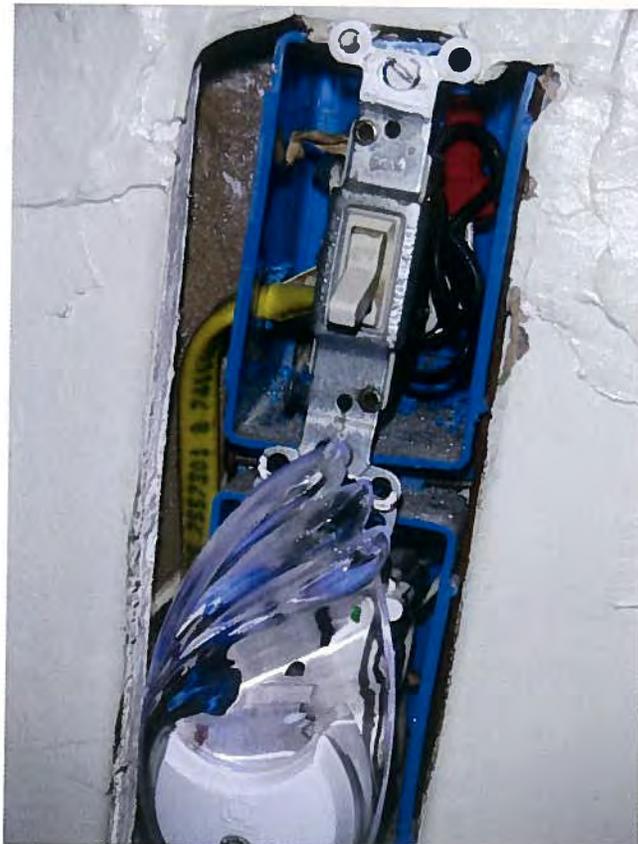
10504 SANTANA STREET PHOTOGRAPHS
SUBSTANDARD CONSTRUCTION



JUNK AND DEBRIS



HAZARDOUS WIRING



OTHER HAZARDS



10504 Santana Street Code Compliance Case File

Due to the size, this document is available for public review in the Santee City Clerk's Office and the Development Services Department located at 10601 Magnolia Ave., Santee, CA 92071.

Please be advised, it has been determined that records relating to this ongoing Code Compliance Case file and numerous complaints from neighbors and tenants are exempt from disclosure pursuant to Government Code sections 6254(a), (f), (k), 6255, Evidence Code section 954, and *City of San Jose v. Superior Court*, (1999) 74 Cal.App.4th 1008.

City of Santee
COUNCIL AGENDA STATEMENT

2B

MEETING DATE June 8, 2016

AGENDA ITEM NO.

ITEM TITLE: PUBLIC HEARING ON A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA, APPROVING THE STAFF REPORT AND AUTHORIZING A SPECIAL ASSESSMENT ON CERTAIN PARCELS OF LAND THAT RECEIVED ADMINISTRATIVE CITATIONS FOR MUNICIPAL CODE VIOLATIONS AND/OR ADMINISTRATIVE FEES FOR WHICH COSTS HAVE NOT BEEN PAID BY THE OWNER(S) OF RECORD OF SAID PARCELS

DIRECTOR/DEPARTMENT: Melanie Kush, Development Services *MK*

BACKGROUND:

The City of Santee adopted Municipal Code Section 1.14 in 2007, to authorize the issuance of administrative citations and the collection of administrative fines for Municipal Code violations. Fiscal year to date, approximately 400 investigations have been conducted by staff in the Storm Water and Code Enforcement Divisions. This item addresses those past-due administrative citations that remain unpaid. There are 27 unpaid citations, of which 18 are associated with 13 Assessor's Parcel Numbers and subject to the special assessment process. The remaining 9 are associated with businesses that do not own Santee property, and are subject to fine recovery through a collection agency.

This is an annual process to collect past due fines that were imposed when property owner(s) willingly allowed code violations to exist at their properties. For each citation that is issued, multiple courtesy notices and Notices of Violation are issued, guidance is provided, and ample opportunity is provided to correct the violation and bring the property into compliance with the Municipal Code. When corrective actions are not implemented within the timeline provided, an Administrative Citation (monetary penalty) is issued. A cited party has the right to appeal and request an administrative hearing within thirty (30) days from the date of the citation.

In accordance with the Municipal Code, staff recommends that City Council approve that all past due fines, late fees, and interest be added to the tax roll as identified in Exhibit "A." With Council approval past due balances will be added to the tax roll as a special assessment/lien for each respective parcel and will be paid at the same time and manner as property taxes.

ENVIRONMENTAL REVIEW: N/A

FINANCIAL STATEMENT: *mm* Collection of these past-due citations will total \$18,675.00

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION: *MJB*
1. Conduct and close public hearing;
2. Adopt Resolution approving the Report and authorizing special assessments

ATTACHMENTS

Staff Report Resolution Exhibit "A" Site Location Map

STAFF REPORT
HEARING FOR A REPORT AND ACCOUNT OF UNPAID ADMINISTRATIVE
CITATIONS AND ESTABLISHMENT OF SPECIAL ASSESSMENTS
CITY COUNCIL MEETING
June 8, 2016

ADMINISTRATIVE CITATION REGULATIONS

In accordance with Chapter 1.14 of the Santee Municipal Code entitled "Administrative Citations and Fines," Code Enforcement staff responds to complaints and inspects and identifies properties that have Municipal Code violations. As part of this process, property owners are given specific timelines to take corrective actions, pay the citation, and/or appeal the Administrative Citation(s). The majority of property owners responded promptly to notices alerting them to comply with Municipal Codes. Of over 400 investigations/inspections conducted, 60 citations were issued (35 specific to storm water and 25 for all other code violations). Of the 60 citations issued, 28 remain unpaid, and 27 are past-due. Of the 27 past-due unpaid citations, 18 are associated with Assessor's Parcel Numbers and are subject to a special assessment on the tax roll. The remaining 9 are assigned to a collection agency for fine recovery, as further explained below:

PROGRAM STATUS

Twenty seven (27) past-due citations remain unpaid for this Fiscal Year. Eighteen (18) of these citations are associated with thirteen (13) distinct Assessor's Parcel Numbers and are subject to a tax lien. The remaining nine (9) past due citations will be sent to the City's Collection Agency. A combination of both commercial and residential properties comprises this list:

- 7 storm water specific code violations
- 4 code compliance violations
- 2 properties were cited for both storm water and other code violations

SPECIAL ASSESSMENT

Exhibit "A" provides an itemized report showing the past due Administrative Citation plus late fees and interest for all 13 properties. One party that was noticed has since paid the administrative citation and was removed from the Resolution. The remaining parties listed have not paid the Citation or responded to multiple reminder notices which were sent by City Staff. Copies of each Administrative Citation are available for public review.

If approved, the amounts due become special assessments upon the respective parcels of land and are required to be paid at the same time and in the same manner as regular Property taxes. The funds collected through the tax roll will be reimbursed to the City.

Notice of Public Hearing was published in East County Californian on 5/26/2016 and the owners subject to assessment were notified individually by U.S. mail on 5/23/2016.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA, APPROVING THE STAFF REPORT AND AUTHORIZING A SPECIAL ASSESSMENT ON CERTAIN PARCELS OF LAND THAT RECEIVED ADMINISTRATIVE CITATIONS FOR MUNICIPAL CODE VIOLATIONS AND/OR ADMINISTRATIVE FEES FOR WHICH COSTS HAVE NOT BEEN PAID BY THE OWNER (S) OF RECORD OF SAID PARCELS

WHEREAS, the Santee Municipal Code Chapter 1.14 provides for the issuance of Administrative Citations for Municipal Code Violations; and

WHEREAS, any person who violates the Municipal Code, any condition of approval of a Permit or Entitlement, any condition or provision of an Environmental Review, or any term or condition of any City Agreement may be issued an Administrative Citation (Chapter 1.14, SMC); and

WHEREAS, each and every day that a violation of any provision of the Municipal Code, any condition of approval of a Permit or Entitlement, any condition or provision of an Environmental Review, or any term or condition of any City Agreement continues to exist constitutes a separate and distinct offense. A separate citation may be issued for each day such violation continues to exist (Chapter 1.14, SMC); and

WHEREAS, the owner of record of each parcel was notified in writing on multiple occasions to correct the on-site violation(s) for their respective parcel(s) of land; and

WHEREAS, a civil fine was assessed by means of an Administrative Citation issued by the Enforcement Officer to each property owner of each parcel payable directly to the City of Santee (Chapter 1.14, SMC); and

WHEREAS, courtesy reminders were mailed indicating that if the administrative citation(s) was not paid, then late fees and interest would be incurred and an invoice was mailed to the owner of record and payment has not been made; and

WHEREAS, notices of pending tax lien were mailed to the owner of record.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Santee, California, the 13 properties as shown below, failed to comply with the mandatory requirements of the ordinances of the City of Santee and were subsequently issued an Administrative Citation and/or fines in accordance with Chapter 1.14 of the Municipal Code.

RESOLUTION NO. _____

BE IT FURTHER RESOLVED that the fines listed in the following table have not been paid and are hereby approved to be added as a special tax assessment /lien upon the respective parcels of land, as shown upon the last available assessment roll until paid in full.

Parcel Number	Assessed Amount
378-300-63-00	\$ 860.00
380-231-01-00	\$ 525.00
380-371-01-00	\$ 185.00
381-041-14-00	\$ 555.00
381-052-08-00	\$ 185.00
381-182-43-00	\$ 3,945.00
383-112-05-00	\$ 585.00
383-124-67-00	\$ 535.00
384-012-59-00	\$ 555.00
384-105-44-00	\$ 185.00
384-142-31-00	\$10,250.00
385-430-19-00	\$ 185.00
386-340-17-00	\$ 125.00
TOTAL PARCELS	13
TOTAL ASSESSMENT	\$18,675.00

BE IT FURTHER RESOLVED, that the City Clerk is hereby authorized to take all steps necessary to certify and record this resolution with the appropriate agency.

ADOPTED by the City Council of the City of Santee, California, at a regular meeting thereof held this 8th day of June 2016, by the following roll call vote to wit:

AYES:
NOES:
ABSENT:

APPROVED:

RANDY VOEPEL, MAYOR

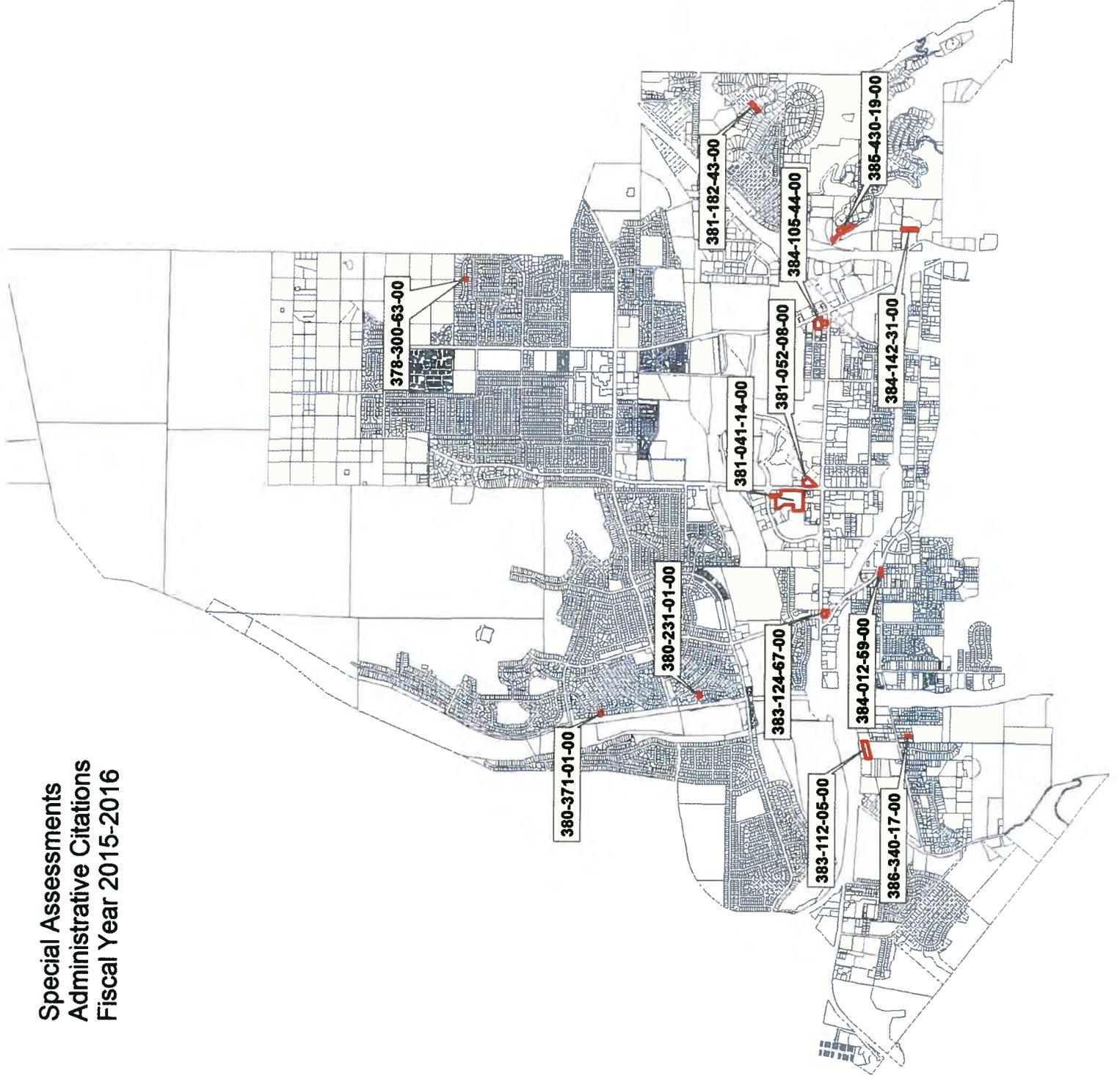
ATTEST:

PATSY BELL, CMC, CITY CLERK

EXHIBIT "A"
Account of Unpaid Administrative Citations
Fiscal Year 2015-2016

Parcel	Site Location	Assessed Amount	Division	Violation
378-300-63-00	10504 Santana St	\$860	Code Compliance	Junk and Debris, Storm water discharge
380-231-01-00	9438 W Heaney Circle	\$525	Code Compliance	Junk and Debris, Inoperable Vehicles, Unpermitted garage conversion
380-371-01-00	9758 Settle Rd	\$185	Code Compliance	Junk and Debris, Inoperable Vehicles, scrap lumber
381-041-14-00	255 Town Center Parkway – The Home Depot	\$555	Storm Water	Discharges to storm drain
381-052-08-00	Trolley Square	\$185	Storm Water	Annual certification not submitted
381-182-43-00	9115 Canyon Park Terrace	\$3,945	Code Compliance Storm Water	Storm water discharge, No business license, BMPs, Unpermitted construction and grading
383-112-05-00	Prospect Estates	\$585	Storm Water	Cleared lot, no BMPs, erosion to conveyance
383-124-67-00	9305 Mission Gorge Rd – Walgreens	\$535	Storm Water	Annual certification not submitted
384-012-59-00	9436 Prospect Ave	\$555	Code Compliance	Junk and Debris, dilapidated housing
384-105-44-00	10512 Mission Gorge Rd - Walgreens	\$185	Storm Water	Annual certification not submitted
384-142-31-00	Lantern Crest	\$10,250	Storm Water	No BMPs, erosion, facilities not built per plans, bioswale testing required
385-430-19-00	Sky Ranch	\$185	Storm Water	Annual certification not submitted
386-340-17-00	8617 Dove Hill Dr	\$125	Code Compliance	Dilapidated Retaining wall
TOTAL		\$18,675		

Special Assessments
Administrative Citations
Fiscal Year 2015-2016



City of Santee
COUNCIL AGENDA STATEMENT

2C

MEETING DATE June 8, 2016

AGENDA ITEM NO.

ITEM TITLE: PUBLIC HEARING ON A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA, ESTABLISHING A SPECIAL ASSESSMENT ON CERTAIN PARCELS OF LAND THAT WERE SUBJECT TO INVOLUNTARY WEED ABATEMENT AND/OR ADMINISTRATIVE FEES BY THE CITY AND FOR WHICH COSTS HAVE NOT BEEN PAID BY THE OWNER(S) OF RECORD OF SAID PARCELS

DIRECTOR/DEPARTMENT: Melanie Kush, Development Services *MK*
Richard Smith, Fire Chief *RS*

BACKGROUND:

The City of Santee conducts a citywide fire prevention program to identify properties that are overgrown with dead weeds and dry grasses. These activities are conducted by Fire Prevention Services, Inc. (FPS), a city-hired private contractor. The Santee Weed Abatement Report for Fiscal Year 2015-16 indicated that 300 properties were brought into compliance. Of these, 295 were owner-abated and 5 were abated by the City's contractor. Eight (8) additional properties (of the 295 above) were eventually brought into compliance by the owners, but subject to an administrative fee.

A public hearing becomes necessary when costs are incurred in the implementation of the fire prevention program and remain unpaid by the property owner. As such, the purpose of this public hearing is for the City Council to hear and consider any objections to the cost accounting report for the City of Santee, to declare that the abatement costs are a special assessment, and to authorize the recording of a lien on the properties with unpaid administrative and abatement costs. Costs remain unpaid for abatement of thirteen (13) residential properties (map attached). These properties include five (5) forced abatements and eight (8) properties subject to the administrative fee only. Refer to the Staff Report for more information.

FINANCIAL STATEMENT: *fm*

There is no direct fiscal impact of this action to the City. The assessments identified in the Resolution would be imposed as liens on the listed properties. Santee Municipal Code chapter 8.48 and the Government Code (39580 and 39585) provide that the abatement costs, including administrative costs for enforcement, are recoverable and constitute a special assessment against the parcels that are abated. After the assessments are finalized, the assessments will be submitted to the County Assessor for entry on the 2016-17 tax roll upon which general City taxes are to be collected. The assessments total \$15,739.58. Payments are only issued to FPS after funds are collected through the tax roll from the affected property owners. A full accounting of the charges on each property is on file with the Department of Development Services.

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION: *MAB*

1. Conduct and close public hearing;
2. Approve the cost report and account of unpaid weed abatement invoices (Exhibit A); and
3. Adopt Resolution confirming report, and ordering abatement costs to be a special assessment on the properties referenced in the report and as shown on the attached itemized list of properties.

ATTACHMENTS

Staff Report Resolution Exhibit "A" Site Location Map

STAFF REPORT

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA, ESTABLISHING A SPECIAL ASSESSMENT ON CERTAIN PARCELS OF LAND THAT WERE SUBJECT TO INVOLUNTARY WEED ABATEMENT AND/OR ADMINISTRATIVE FEES BY THE CITY AND FOR WHICH COSTS HAVE NOT BEEN PAID BY THE OWNER(S) OF RECORD OF SAID PARCELS JUNE 8, 2016

WEED AND RUBBISH ABATEMENT PROGRAM

In accordance with Chapter 8.48 of the Santee Municipal Code entitled "Weed and Rubbish Abatement," Fire Prevention Services (FPS) inspects and identifies properties that contain vegetation hazards, responds to citizen complaints, and notifies property owner to abate the hazards. As part of this process, property owners are given specific deadlines to appeal the declared fire hazard, as well as a date by which the hazard is to be abated to avoid administrative charges.

With heightened awareness of the importance of adequately maintained properties to minimize the threat of fire, many property owners respond promptly to notices alerting them to the need to clear debris, remove overgrowth, and cut back weeds. As such, of the 300 notices that were issued, 295 were owner-abated. Thirteen (13) properties were subject to assessments and remain unpaid.

PROGRAM STATUS

The 13 properties subject to assessments are all residential properties:

- Five did not abate in accordance with the Santee Municipal Code, thereby causing abatement by the City, through FPS.
- Eight property owners cleared the property after the final notice deadline, thereby only incurring administrative costs.

SPECIAL ASSESSMENT

The attached Resolution and Exhibit "A" include an itemized report showing the cost of weed abatement on a per lot basis for 13 properties. None of the affected property owners requested an appeal hearing or paid the invoice which was sent to them by FPS in Fiscal Year 2015-16, and costs of removing the weeds have been documented on these properties. Detailed records of the weed abatement performed for each parcel are available for public review.

The amounts so approved become special assessments upon the respective parcels of land and are required to be paid at the same time and in the same manner as regular municipal taxes.

Notice of Public Hearing was published in East County Californian on 5/26/2016 and the owners subject to assessment were notified individually by U.S. mail on 5/23/2016.

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA,
ESTABLISHING A SPECIAL ASSESSMENT ON CERTAIN PARCELS OF LAND
THAT WERE SUBJECT TO INVOLUNTARY WEED ABATEMENT AND/OR
ADMINISTRATIVE FEES BY THE CITY AND FOR WHICH COSTS HAVE NOT BEEN
PAID BY THE OWNER(S) OF RECORD OF SAID PARCELS**

WHEREAS, the City of Santee has taken a very aggressive stance on the abatement of dry grasses, dead shrubs, rubbish and other dry growing material and have enforced this by inclusion of Chapter 8.48 of the Santee Municipal Code, which declares such materials to be a nuisance; and

WHEREAS, the City of Santee sent a notice to abate to the owners of record of 300 properties during Fiscal Year 2015-16; and

WHEREAS, the City did not receive an appeal from the notice to abate from any owners of record of the 300 properties; and

WHEREAS, owners of record of 295 properties with nuisances voluntarily abated weeds; and

WHEREAS, owners of record of 8 of these properties voluntarily abated weeds after the final notice deadline, thereby incurring only administrative costs; and

WHEREAS, the City of Santee abated nuisances on the remaining 5 properties; and

WHEREAS, the owners of record of properties who were subject to the City's abatement process failed to complete abatement of nuisances within the prescribed deadlines and regulations, and failed to remit the fees and/or costs incurred with the abatement process; and

WHEREAS, the City Council of the City of Santee has received the cost report and account and considered all testimony and objections offered on the matter; and

WHEREAS, Section 8.48.140 provides for a special assessment on the property to be collected with other municipal taxes which includes an administrative charge; and

WHEREAS, abatement and/or administrative fees were incurred and an invoice was mailed to the owners of record for payment of abatement services and payment has not been made.

NOW, THEREFORE BE IT RESOLVED, that the City Council of the City of Santee does hereby determine that weeds, grasses, dead trees, dead shrubs, and waste matter constitute a public nuisance.

BE IT FURTHER RESOLVED, that the City Council of the City of Santee does hereby determine that the costs of abatement and administrative costs for certain parcels of land, being 13 parcels as shown below, have not been paid and that same

RESOLUTION NO. _____

shall become a special assessment upon the respective parcels of land as they are shown upon the last available assessment roll until paid in full:

Parcel Number	Assessed Amount
378-295-09-00	\$ 1,072.44
380-502-02-00	\$ 1,275.48
380-550-02-00	\$ 836.56
381-181-08-00	\$ 3,007.22
381-562-34-00	\$ 861.42
383-112-14-00	\$ 823.56
383-290-30-00	\$ 834.04
384-400-56-00	\$ 830.70
385-010-14-00	\$ 833.34
385-431-08-00	\$ 825.98
386-360-53-00	\$ 834.96
386-360-79-00	\$ 1,851.94
386-360-80-00	\$ 1,851.94
TOTAL PARCELS	13
TOTAL ASSESSMENT	\$15,739.58

BE IT FURTHER RESOLVED, that the City Clerk is hereby authorized to take all steps necessary to certify and record this resolution with the appropriate agency.

ADOPTED, by the City Council of the City of Santee, California, at a Regular meeting thereof held this 8th day of June 2016, by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

APPROVED:

RANDY VOEPEL, MAYOR

ATTEST:

PATSY BELL, CMC, CITY CLERK

EXHIBIT "A"

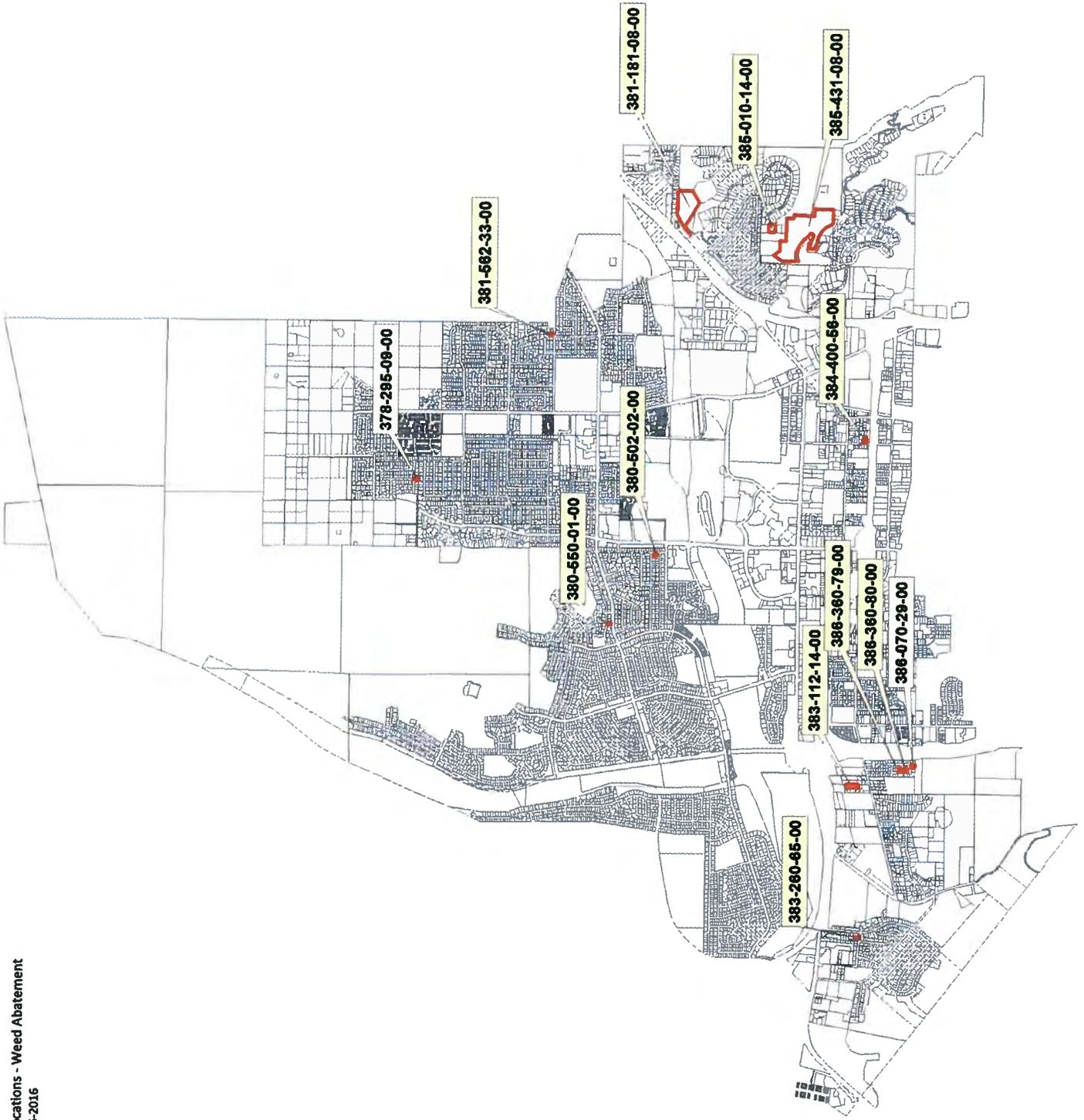
Santee Weed Abatement Program

Cost Report and Account of Unpaid Weed Abatement Invoices

Fiscal Year 2015-2016

Parcel	Assd Amt	Site Address	Owner	Area Cleared	Prior Offender?
378-295-09-00	\$1,072.44	10059 Lafe Dr	Holly R Vanbenschoten	2,148 ft ²	
380-502-02-00	\$1,275.48	9522 Cambury Dr	Ford Frances Trust	1,125 ft ²	
380-550-02-00	\$836.56	9545 Lutheran Way	Gena Rotter	Admin Fee Only	
381-181-08-00	\$3,007.22	9321 Creekside Ct.	Santee Environmental, Inc.	18,900 ft ²	Yes (2013, 2015)
381-562-34-00	\$861.42	10770 2 nd St	Love Trust	Admin Fee Only	
383-112-14-00	\$823.56	8744 Prospect Ave	B&B Properties	Admin Fee Only	
383-290-30-00	\$834.04	8054 Woodpecker Way	Kathleen Finnigan-Ryan	Admin Fee Only	Yes (2014)
384-400-56-00	\$830.70	8711 Cottonwood Ave	Vernon & Belinda Lail	Admin Fee Only	Yes (2012, 2015)
385-010-14-00	\$833.34	9126 Shadow Hill Rd	Clifford LaChappa	Admin Fee Only	
385-431-08-00	\$825.98	Bell Collo Rd	Ms Rialto Sky Ranch CA LLC	Admin Fee Only	
386-360-53-00	\$834.96	8845 Carmir Dr	Richard Brooks	Admin Fee Only	
386-360-79-00	\$1,851.94	Placid View Dr.	Rudolph & Kathleen Ducharme	9,000 ft ²	Yes (2014, 2015)
386-360-80-00	\$1,851.94	8515 Placid View Dr.	David Ducharme	9,000 ft ²	Yes (2014, 2015)
TOTAL	\$15,739.58				

Map of Site Locations - Weed Abatement
Fiscal Year 2015-2016



City of Santee
COUNCIL AGENDA STATEMENT

6A

MEETING DATE June 8, 2016

AGENDA ITEM NO.

ITEM TITLE DEDICATING AND NAMING OF PARK SITE AT VIA DE CRISTINA IN HONOR OF DEPUTY SHERIFF KEN COLLIER

DIRECTOR/DEPARTMENT Bill Maertz, Community Services 

SUMMARY

Assigning a name bestows a powerful and permanent identity to any park or public facility. It's important to ensure the name under consideration has broad public support and is appropriate for the location and its history. The name should also create a strong positive image and have historical, cultural or social significance for future generations. In short, it should reflect the community's highest standards and values.

The park's location adjacent to a State Route 52 onramp is especially significant. Deputy Collier was killed in the line of duty on Feb. 28, 2010 in Santee while trying to stop a drunken driver traveling the wrong way on this freeway.

Captain James Bovet of the Sheriff's Department Santee Substation appeared before the Santee Park and Recreation Committee on May 5, 2016 and supported the proposal to name the park site in honor of Deputy Collier. SPARC subsequently voted unanimously to recommend this action.

ENVIRONMENTAL REVIEW

N/A

FINANCIAL STATEMENT 

The cost of the memorial plaque and park sign will be funded from the park's approved CIP budget.

CITY ATTORNEY REVIEW

N/A

Completed

RECOMMENDATION 

Accept the recommendation of the Santee Park and Recreation Committee to name the park site on Via de Cristina as Deputy Ken Collier Neighborhood Park

ATTACHMENTS (Listed Below)

None

City of Santee
COUNCIL AGENDA STATEMENT

6B

MEETING DATE June 8, 2016

AGENDA ITEM NO.

ITEM TITLE RESOLUTION AWARDING THE VIA DE CRISTINA PARK PROJECT (CIP 2014-31) CONSTRUCTION CONTRACT, APPROPRIATING COUNTY NEIGHBORHOOD REINVESTMENT PROGRAM GRANT FUNDS, TRANSFERRING PARK-IN-LIEU FUNDS AND DETERMINING A CATEGORICAL EXEMPTION PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

DIRECTOR/DEPARTMENT

SqJ FOR
Melanie Kush, Development Services
Bill Maertz, Community Services *MM*

SUMMARY

This item requests City Council to award the construction contract for the Via de Cristina Park Project to Horizons Construction in the amount of \$783,647.49. This project will construct a neighborhood park at the intersection of Via de Cristina and Via de Victoria. The park will be constructed on a 0.53 acre piece of property that was a remnant of the State Route 52 construction.

On May 12 2016, 9 bids were received and opened, with a low bid of \$686,243.80 submitted by Anton's Service. Anton's Service bid was determined to be non-responsive due to multiple bids being submitted by Anton's Service. Upon review by staff, the bid submitted by Horizons Construction, in the amount of \$783,647.49, has been deemed a responsive and responsible bid and was 10% lower than the Engineer's Estimate of \$870,000. It is noted that Horizons Construction did not acknowledge the bid addendum that was issued. However, the contents of the addendum did not materially affect the amount of the bid, nor did they provide an unfair competitive advantage. Therefore, staff has determined that the bid conforms in all material respects to the requirements set forth in the invitation for bids, and staff recommends waiving the bid requirement for Horizons Construction to acknowledge the addendums in the submitted bid as an immaterial deviation that does not affect the outcome.

Staff also requests authorization for the Director of Development Services to approve change orders in an amount of \$78,364.00 for unforeseen items and additional work.

ENVIRONMENTAL REVIEW

Pursuant to the California Environmental Quality Act (CEQA) guidelines, a Categorical Exemption is provided in Section 15303, Class 3(e) and Section 15304, Class 4(b) pertaining to new construction of small structures (accessory structures) and minor alterations of land (new landscaping).

FINANCIAL STATEMENT *m*

Funding for this project is provided by three grants totaling \$321,813.00, Park-in-Lieu Fees currently appropriated for this project in the amount of \$742,600.00 and a transfer of Park-in-Lieu Fees from the Town Center Community Park Well Installation project in the amount of \$165,932.64.

CITY ATTORNEY REVIEW

N/A Completed

RECOMMENDATION *MSB*

Adopt the Resolution determining the bid from Anton's Service to be non-responsive, waiving the addendum acknowledgement requirement, awarding the Via de Cristina Park Project construction contract to Horizons Construction for \$783,647.49, authorizing the Director of Development Services to approve change orders in an amount not to exceed \$78,364.00, appropriating a \$64,413.00 County of San Diego Neighborhood Reinvestment Program grant and authorizing a transfer of \$165,932.64 in Park-in-Lieu Fees from the Town Center Community Park Well Installation project budget.

ATTACHMENTS

Financial Summary Resolution Bid Summary Chart Project Map

Via De Cristina Park Project
Financial Summary

Funding Sources:

2012 State Housing Related Parks Program Grant	\$ 117,600.00
2013 State Housing Related Parks Program Grant	139,800.00
County Neighborhood Reinvestment Program Grant	64,413.00
Park-in-Lieu Fees (appropriated)	742,600.00
Park-in-Lieu Fees (transfer from Town Center Community Park Well Installation project)	<u>165,932.64</u>
Total Funding Sources	<u><u>\$ 1,230,345.64</u></u>

Project Budget (Revised):

Design and Bidding	\$ 178,834.15
Property Acquisition	134,500.00
Construction Contract	783,647.49
Construction Change Order Authorization	78,364.00
Construction Engineering/Management	50,000.00
Project Closeout	<u>5,000.00</u>
Total Project Budget	<u><u>\$ 1,230,345.64</u></u>

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA
AWARDING THE VIA DE CRISTINA PARK PROJECT (CIP 2014-31)
CONSTRUCTION CONTRACT, APPROPRIATING COUNTY NEIGHBORHOOD
REINVESTMENT PROGRAM GRANT FUNDS, TRANSFERRING PARK-IN-LIEU
FUNDS AND DETERMINING A CATEGORICAL EXEMPTION PURSUANT TO THE
CALIFORNIA ENVIRONMENTAL QUALITY ACT**

WHEREAS, the City Clerk, on the 12th day of May, 2016 publicly opened and examined sealed bids for the Via de Cristina Park Project (CIP 2014-31) ("Project"); and

WHEREAS, Anton's Service was found to be a non-responsive bidder with their total bid amount of \$686,243.80; and

WHEREAS, Horizons Construction was found to be the lowest responsive and responsible bidder with their total bid amount of \$783,647.49; and

WHEREAS, staff recommends waiving a bid requirement for Horizons Construction to acknowledge the issued addendum which was not acknowledged in the submitted bid as an immaterial deviation that did not affect the outcome; and

WHEREAS, staff recommends awarding the construction contract to Horizons Construction in the amount of \$783,647.49; and

WHEREAS, staff requests authorization to expend an amount not to exceed \$78,364.00 for unforeseen change orders and additional work; and

WHEREAS, the City has received a County of San Diego Neighborhood Reinvestment Program grant in the amount of \$64,413.00 for the project; and

WHEREAS, staff requests a transfer of Park in Lieu Fees in the amount of \$165,932.64 from the Town Center Community Well Installation Project; and

WHEREAS, the project is categorically exempt from environmental review by Section 15303, Class 3(e) and Section 15304 Class 4(b) of the Guidelines to the California Environmental Quality Act.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Santee, California, as follows.

SECTION 1: The construction contract for the Via de Cristina Park Project (CIP 2014-31) is awarded to Horizons Construction as the lowest responsive and responsible bidder in the amount of \$783,647.49 and the City Manager is authorized to execute the contract on behalf of the City.

SECTION 2: The Director of Development Services is authorized to approve change orders in an amount not to exceed \$78,364.00 for unforeseen items and additional work.

SECTION 3: The County of San Diego Neighborhood Reinvestment Program grant in the amount of \$64,413.00 is hereby appropriated.

RESOLUTION NO. _____

SECTION 4: A transfer of Park in Lieu Fees from the Town Center Community Park Well Installation Project in the amount of \$165,932.64 is hereby authorized.

ADOPTED by the City Council of the City of Santee, California, at a Regular meeting thereof held this 8th day of June, 2016 by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

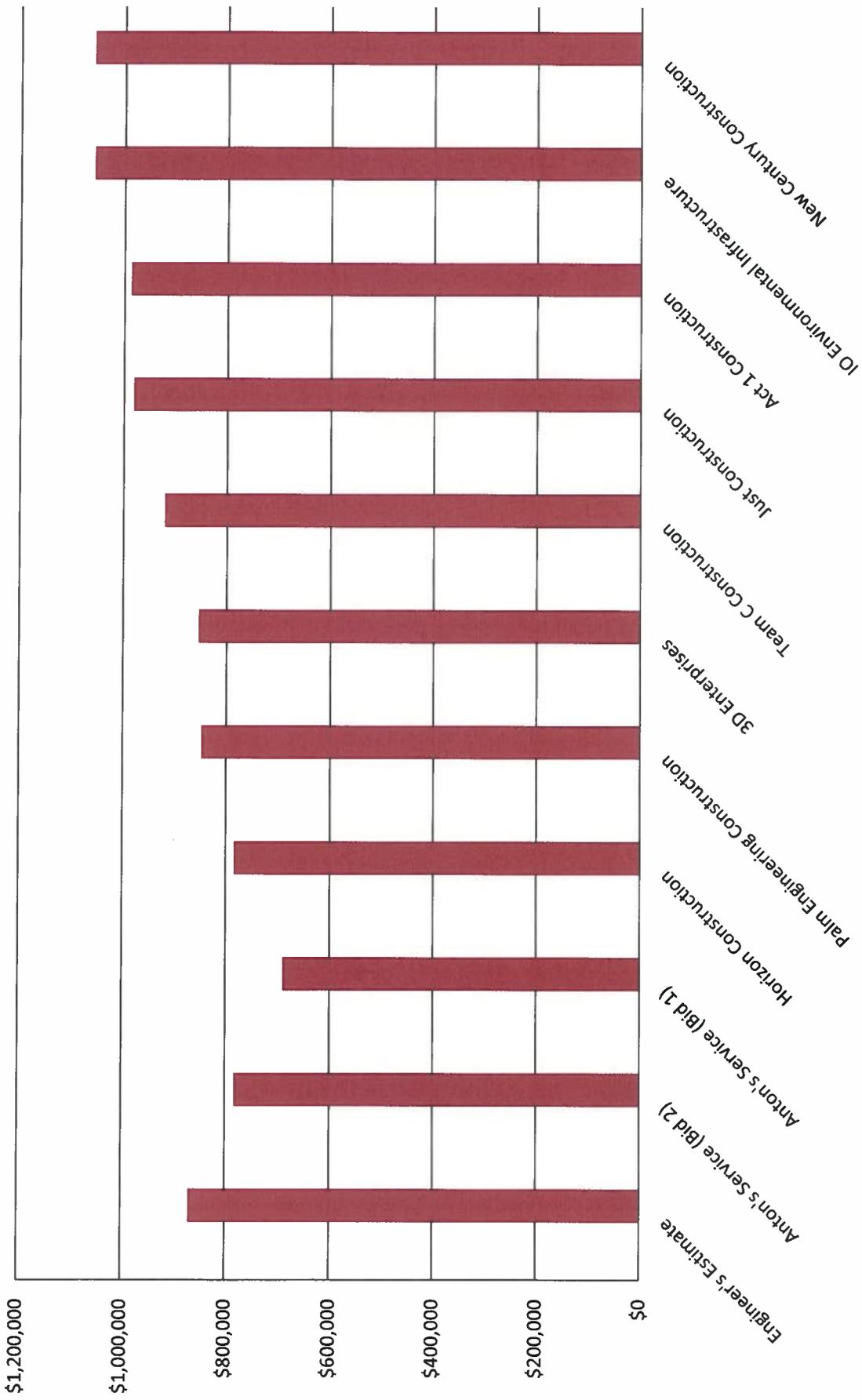
APPROVED:

RANDY VOEPEL, MAYOR

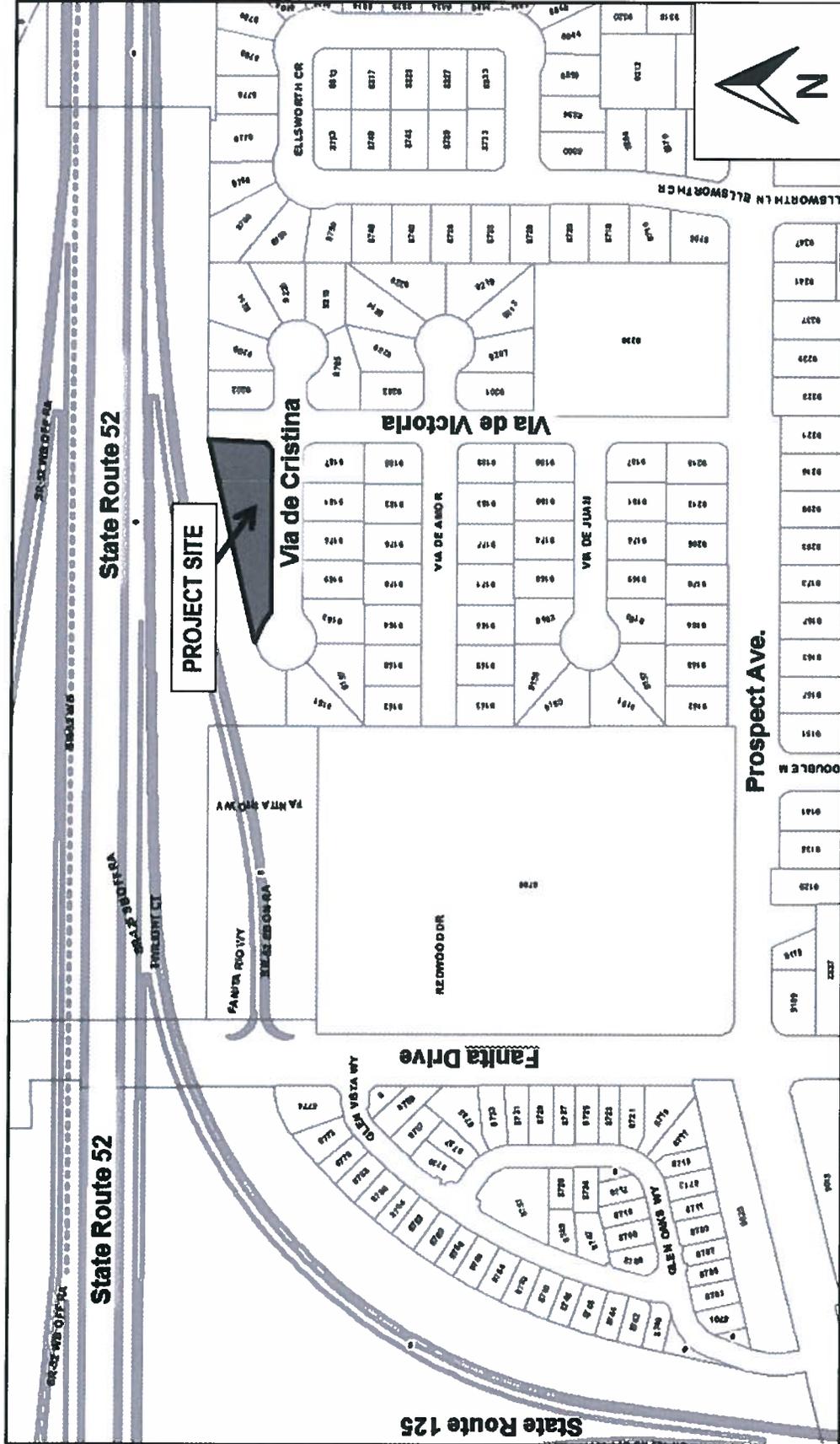
ATTEST:

PATSY BELL, CMC, CITY CLERK

**Via de Cristina Park
CIP 2014-31
BID SUMMARY CHART**



**LOCATION MAP
VIA DE CRISTINA PARK
CIP 2014-31**



City of Santee
COUNCIL AGENDA STATEMENT

6C

MEETING DATE June 8, 2016

AGENDA ITEM NO.

ITEM TITLE APPROVE AMENDMENT #1 TO INCREASE FY 2015-16 CONTRACT AMOUNT FOR PLUMBING REPAIRS AND RELATED MAINTENANCE WITH COUNTYWIDE MECHANICAL SYSTEMS INCORPORATED, #13/14-2

DIRECTOR/DEPARTMENT Bill Maertz, Community Services 

SUMMARY

In July 2013, the City Council awarded a contract for plumbing services and related maintenance to Countywide Mechanical Systems, Inc. The Council also authorized the City Manager to approve annual change orders up to ten percent (10%) of the then-current contract amount. On July 25, 2013, the City and Contractor entered into a Contract for "Plumbing repairs and related maintenance" ("Contract"). The FY 15/16 contract amount is \$20,000.

During early spring 2016, a backflow preventer located on Woodside Avenue South near Northcote Road was damaged as a result of an automobile accident. As the cost to purchase and repair the backflow preventer will exceed the City Manager's authorized 10% limit, staff is requesting the City Council approve an amendment to the Contract to increase the FY 15/16 contract by \$7,000 from \$20,000 to \$27,000.

Section 4.9 of the Contract document allows the City to increase or decrease the Contract quantities by up to fifty percent (50%) per year without renegotiating the current unit cost so long as such additional work does not exceed fifty percent (50%) of the estimated annual quantity. Regardless of the change, the additional work shall be agreed upon in writing and implemented with a Change Order and/or Contract Amendment.

ENVIRONMENTAL REVIEW

This is categorically exempt from the California Environmental Quality Act ("CEQA") pursuant to section 15301 (maintenance of existing structures, facilities or mechanical equipment)

FINANCIAL STATEMENT 

The cost to install a new backflow preventer will be reimbursed by the driver's insurance carrier. The cost for a protective cage will be provided by Gas Tax funds.

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION 

1. Approve Amendment #1 to increase FY 2015-16 Contract (13/14-2) amount for Plumbing Repairs and Related Maintenance with Countywide Mechanical Systems Incorporated to \$27,000; and
2. Authorize the City Manager to execute said Amendment.

ATTACHMENTS (Listed Below)

None

City of Santee
COUNCIL AGENDA STATEMENT

6D

MEETING DATE June 8, 2016

AGENDA ITEM NO.

ITEM TITLE **RESOLUTION AWARDING A FOUR-YEAR PROFESSIONAL SERVICES AGREEMENT WITH VISION TECHNOLOGY SOLUTIONS, LLC FOR THE REDESIGN AND ONGOING SUPPORT OF THE CITY WEBSITE**

DIRECTOR/DEPARTMENT Bill Maertz, Community Services Director *MM*
Kathy Valverde, Assistant to the City Manager *KV*

SUMMARY The City's website is currently ten years old and the software used to maintain it will be discontinued in the coming year. On March 8, 2016, the City issued a Request for Proposals (RFP) for redesign of the City website. On March 31, 2016, thirteen proposals were received, of which eight were deemed responsive to the requirements outlined in the RFP. Each proposal was evaluated based upon project experience and technical expertise; project design and implementation methodology; and project cost. Two firms were invited for interviews.

Based upon the evaluations and interviews, staff recommends Vision Technology Solutions, LLC be awarded a contract to redesign the City's website and provide ongoing support services for the subsequent three years. Vision has extensive experience working with local governments and is familiar with the City's current website.

Staff recommends the City Council authorize the execution of a four-year professional services agreement with Vision Technology Solutions, LLC for a cost of \$47,030 for the first year, with authorization for the City Manager to approve change orders up to 10% for any unforeseen changes or modifications. This first year, which runs July 1, 2016 to June 30, 2017, will include the redesign and implementation of a new website, on-site training for staff, initial software subscription costs, disaster recovery services, and overall support. The subsequent three years will include ongoing annual software subscription costs, disaster recovery services, and overall support for a total cost of \$31,525.

FINANCIAL STATEMENT *m* Funding for the website redesign and first year software subscription is appropriated in Fiscal Year 2016-17 as part of the adopted five-year Capital Improvement Program budget. Funding for the subsequent three years of support and software subscription will be provided from the General Fund, beginning in Fiscal Year 2017-18.

CITY ATTORNEY REVIEW N/A Completed

RECOMMENDATION *MDB*
Adopt the Resolution to:

1. Award a four-year Professional Services Agreement with Vision Technology Solutions, LLC for the redesign of the City website at an initial year cost of \$47,030 and ongoing support services for the subsequent three years at a cost of \$31,525.
2. Authorize the City Manager to execute the Agreement; and
3. Authorize the City Manager to approve change orders up to 10% for any unforeseen changes and modifications in the first year.

ATTACHMENTS
Resolution Previous Project Experience

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA,
AWARDING A FOUR-YEAR PROFESSIONAL SERVICES AGREEMENT WITH
VISION TECHNOLOGY SOLUTIONS, LLC FOR THE REDESIGN AND ONGOING
SUPPORT OF THE CITY WEBSITE**

WHEREAS, On March 8, 2016, the City advertised a Request for Proposals for redesign of the City website; and

WHEREAS, on March 31, 2016, the City received thirteen proposals, of which eight were deemed responsive to the requirements outlined in the Request for Proposals; and

WHEREAS, staff recommends Vision Technology Solutions, LLC be awarded a professional services agreement to redesign the City website based on the firms extensive experience and technical expertise, project design and implementation methodology, and project cost.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Santee, California, that Vision Technology Solutions, LLC is hereby awarded a four-year professional services agreement to redesign the City website at an initial year cost of \$47,030 and provide ongoing support services for the subsequent three years at a cost of \$31,525.

BE IT FURTHER RESOLVED that the City Manager is hereby authorized to execute the professional services agreement on behalf of the City and approve change orders up to 10% for any unforeseen changes and modifications in the first year.

ADOPTED by the City Council of the City of Santee, California, at a regular meeting thereof held this 8th day of June 2016, by the following roll call vote to wit:

AYES:

NOES:

ABSTAIN:

APPROVED:

RANDY VOEPEL, MAYOR

ATTEST:

PATSY BELL CMC, CITY CLERK

Previous Project Experience

Websites redesigned by Vision Technology Solutions include:

City of San Luis Obispo: www.slocity.org

City of West Hollywood: www.weho.org

City of Palm Springs: www.palmspringsca.gov

City of Lemon Grove: www.lemongrove.ca.gov

City of Newport Beach: www.newportbeachca.gov

City of Santee
COUNCIL AGENDA STATEMENT

6E

MEETING DATE

June 8, 2016

AGENDA ITEM NO.

ITEM TITLE

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA AWARDING THE CONSTRUCTION CONTRACT FOR THE CITY HALL HVAC REPLACEMENT PROJECT (CIP 2012-41), APPROPRIATING ENERGY EFFICIENCY FUNDS, TRANSFERRING FUNDS AND APPROVING A CATEGORICAL EXEMPTION PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

DIRECTOR/DEPARTMENT

Melanie Kush, Development Services



SUMMARY

This item requests City Council to award the construction contract for the City Hall HVAC Replacement Project (CIP 2012-41). This project will replace 43 of 45 roof top mounted packaged heat pumps (air conditioners) at the City Hall Complex (one unit was replaced and one unit added with the City Hall Server Room HVAC Replacement contract that was completed in October 2013). These units are in excess of 20 years old and in need of replacement. The new heat pump units will use 20% less energy which will lower electrical operating costs to the General Fund.

On May 24, 2016, the City Clerk publically opened and examined two (2) sealed bids with a low bid of \$515,325.13 submitted by Countywide Mechanical Systems, Inc. as shown on the attached bid summary. The bid submitted by Countywide Mechanical Systems, Inc. has been deemed a responsive and responsible bid and was 8% higher than the engineer's estimate of \$475,000.00. Staff also requests authorization for the Director of Development Services to approve change orders in an amount not to exceed \$25,766.25 for unforeseen items and additional work.

ENVIRONMENTAL REVIEW

The project is categorically exempt from environmental review pursuant to Section 15301(d) of the Guidelines to the California Environmental Quality Act.

FINANCIAL STATEMENT

This project is included in the adopted Capital Improvement Program Budget with a budget of \$500,000 provided by the General Fund. Energy Efficiency Funds in the amount of \$24,675.17 are available to be appropriated for this project. In addition, transfers from the available balances of several adopted capital improvement program project budgets funded by the General Fund will be required to fully fund this project. A Financial Summary is attached which reflects the proposed project funding and anticipated project costs.

CITY ATTORNEY REVIEW

N/A

Completed

RECOMMENDATION

Adopt the attached Resolution:

1. Awarding the construction contract to Countywide Mechanical Systems, Inc. for a total amount of \$515,325.13 and authorizing the City Manager to execute the contract; and
2. Authorizing the Director of Development Services to approve change orders in an amount not to exceed \$25,766.25; and
3. Appropriating Energy Efficiency Funds in the amount of \$24,675.17; and
4. Transferring \$28,096.97 from the City Hall Foundation Repair project; and
5. Transferring \$61,307.06 from various Sage projects; and
6. Approving a categorical exemption pursuant to the California Environmental Quality Act.

ATTACHMENTS

Resolution

Financial Summary

Bid Summary

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA
AWARDING THE CONTRUCTION CONTRACT FOR THE CITY HALL HVAC
REPLACEMENT PROJECT (CIP 2012-41), APPROPRIATING ENERGY EFFICIENCY
FUNDS, TRANSFERRING FUNDS AND APPROVING A CATEGORICAL
EXEMPTION PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT**

WHEREAS, this project has been planned and budgeted in the City's Capital Improvement Program (CIP) under the City Hall HVAC Replacement Project CIP 2012-41); and

WHEREAS, the project is categorically exempt from environmental review pursuant to Section 15301(d) "Existing Facilities" of the Guidelines to the California Environmental Quality Act; and

WHEREAS, the City Clerk, on the 24th day of May, 2016 publicly opened and examined sealed bids for the City Hall HVAC Replacement Project (CIP 2012-41) ("Project"); and

WHEREAS, the lowest received bid was submitted by Countywide Mechanical Systems, Inc. in the amount of \$515,325.13; and

WHEREAS, Countywide Mechanical Systems, Inc. was found to be the lowest responsive and responsible bidder with their total bid amount of \$515,325.13; and

WHEREAS, staff recommends awarding a construction contract to Countywide Mechanical Systems, Inc. totaling \$515,325.13; and

WHEREAS, staff requests authorization to expend up to \$25,766.25 for unforeseen change orders and additional work.

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

SECTION 1: The construction contract for the City Hall HVAC Replacement, (CIP 2012-41) is awarded to Countywide Mechanical Systems, Inc. as the lowest responsive and responsible bidder in the amount of \$515,325.13 and the City Manager is authorized to execute the contract on behalf of the City.

SECTION 2: The Director of Development Services is authorized to approve change orders in an amount not to exceed \$25,766.25 for unforeseen items and additional work.

SECTION 3: The appropriation of Energy Efficiency Funds in the amount of \$24,675.17 is hereby approved.

SECTION 4: The transfer of \$28,096.97 from the City Hall Foundation Repair project is hereby approved.

SECTION 5: The transfer of \$61,307.06 from various Sage projects included in the adopted Capital Improvement Program budget is hereby approved.

RESOLUTION NO. _____

ADOPTED by the City Council of the City of Santee, California, at a Regular Meeting thereof held this 8th day of June, 2016 by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

APPROVED:

RANDY VOEPEL, MAYOR

ATTEST:

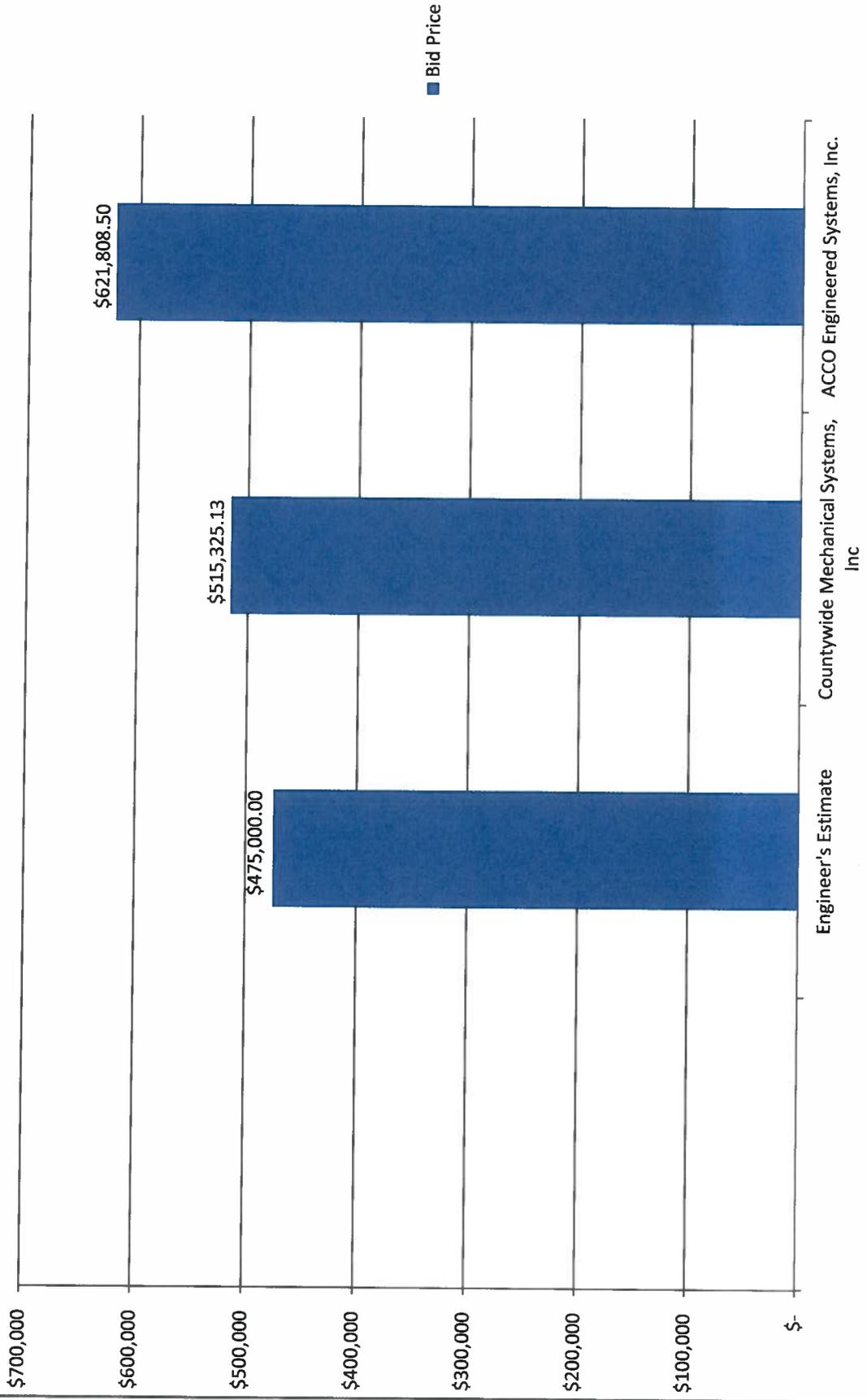
PATSY BELL, CMC, CITY CLERK

City Hall HVAC Replacement Project (CIP 2012-41)
Financial Summary

Project Funding	
Adopted CIP Budget (General Fund)	\$ 500,000.00
Energy Efficiency Fund	24,675.17
Savings from approved Sage projects	10,000.00
Transfer from appropriated Sage projects not approved	51,307.06
Savings from City Hall Foundation Repair project	28,096.97
	<hr/>
Total Funding	\$ 614,079.20

Project Costs	
Server Room HVAC (previously completed)	\$ 39,987.82
Engineering design & bidding	15,000.00
Construction contract	515,325.13
Change orders (5%)	25,766.25
Construction management & admin	10,000.00
Building permits	8,000.00
	<hr/>
Total Project Cost	\$ 614,079.20

BID SUMMARY
CITY HALL HVAC REPLACEMENT PROJECT
(CIP 2012-41)



City of Santee
COUNCIL AGENDA STATEMENT

6F

MEETING DATE June 8, 2016

AGENDA ITEM NO.

ITEM TITLE RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA AWARDING THE CONSTRUCTION CONTRACT FOR THE CITYWIDE PAVEMENT REPAIR AND REHABILITATION PROGRAM 2016 (CIP 2016-02) AND DETERMINING A CATEGORICAL EXEMPTION PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

DIRECTOR/DEPARTMENT *Sgt FOR* Melanie Kush, Development Services

SUMMARY

This item requests City Council to award the construction contract for the Citywide Pavement Repair and Rehabilitation Program 2016 (CIP 2016-02) to SRM Contracting and Paving in the amount of \$2,444,000.00.

This project will repair streets within 6 neighborhoods with a full street rebuild, rubberized asphalt overlay or a cape seal. The neighborhoods are identified on the attached street list. The project will also repair damaged concrete and install 90 pedestrian ramps within the project.

On May 26, 2016, 7 bids were received and opened, with a low bid of \$2,440,000.00 submitted by SRM Paving and Contracting. Upon review by staff, the bid submitted by SRM Paving and Contracting, in the amount of \$2,440,000.00, has been deemed a responsive and responsible bid and was 11% lower than the Engineer's Estimate of \$2,750,000.

Staff also requests authorization for the Director of Development Services to approve change orders in an amount of \$244,000 for unforeseen items and additional work.

ENVIRONMENTAL REVIEW

The proposed improvements and removal/replacements result in no expansion of use. Pursuant to the California Environmental Quality Act (CEQA) guidelines, a Categorical Exemption is provided in Section 15301 for maintenance to existing streets with no expansion in capacity.

FINANCIAL STATEMENT *am*

This project is included in the proposed Capital Improvement Program budget as part of the Pavement Repair and Rehabilitation Citywide and Pavement Roadway Maintenance Citywide projects. Funding for this project is provided by TransNet Advance (\$1,803,753.76) and TransNet Local Street Improvements (\$966,989.35) funds.

Design and Bidding	\$ 16,743.11
Construction Contract	2,440,000.00
Construction Change Orders	244,000.00
Construction Engineering/Management	65,000.00
Project Closeout	5,000.00
Total Project Budget	<u>\$ 2,770,743.11</u>

CITY ATTORNEY REVIEW

N/A Completed

RECOMMENDATION *msb*

Adopt the Resolution awarding the construction contract for the Citywide Pavement Repair and Rehabilitation Program 2016 (CIP 2016-02) to SRM Paving and Contracting for a total amount of \$2,440,000.00, authorizing the Director of Development Services to approve change orders in an amount not to exceed \$244,000.00.

ATTACHMENTS

Resolution Bid Summary Chart Street List

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTEE, CALIFORNIA
AWARDING THE CONSTRUCTION CONTRACT FOR THE CITYWIDE PAVEMENT
REPAIR AND REHABILITATION PROGRAM 2016 (CIP 2016-02) AND DETERMINING
A CATEGORICAL EXEMPTION PURSUANT TO THE CALIFORNIA
ENVIRONMENTAL QUALITY ACT**

WHEREAS, the City Clerk, on the 26th day of May, 2016 publicly opened and examined sealed bids for the Citywide Pavement Repair and Rehabilitation Program 2016 (CIP 2016-02) ("Project"); and

WHEREAS, the lowest received bid was submitted by SRM Contracting and Paving in the amount of \$2,440,000.00; and

WHEREAS, SRM Contracting and Paving, was found to be the lowest responsive and responsible bidder with their total bid amount of \$2,440,000.00; and

WHEREAS, staff recommends awarding the construction contract to SRM Contracting and Paving in the amount of \$2,440,000.00; and

WHEREAS, staff requests authorization to expend \$244,000.00 for unforeseen change orders and additional work; and

WHEREAS, the project is categorically exempt from environmental review by sections 15301 of the Guidelines to the California Environmental Quality Act.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Santee, California, as follows.

SECTION 1: The construction contract for the Citywide Pavement Repair and Rehabilitation Program 2016 (CIP 2016-02) is awarded to SRM Contracting and Paving as the lowest responsive and responsible bidder in the amount of \$2,440,000.00 and the City Manager is authorized to execute the contract on behalf of the City.

SECTION 2: The Director of Development Services is authorized to approve change orders in an amount not to exceed \$244,000.00 for unforeseen items and additional work.

ADOPTED by the City Council of the City of Santee, California, at a Regular meeting thereof held this 8th day of June, 2016 by the following roll call vote to wit:

**AYES:
NOES:
ABSENT:**

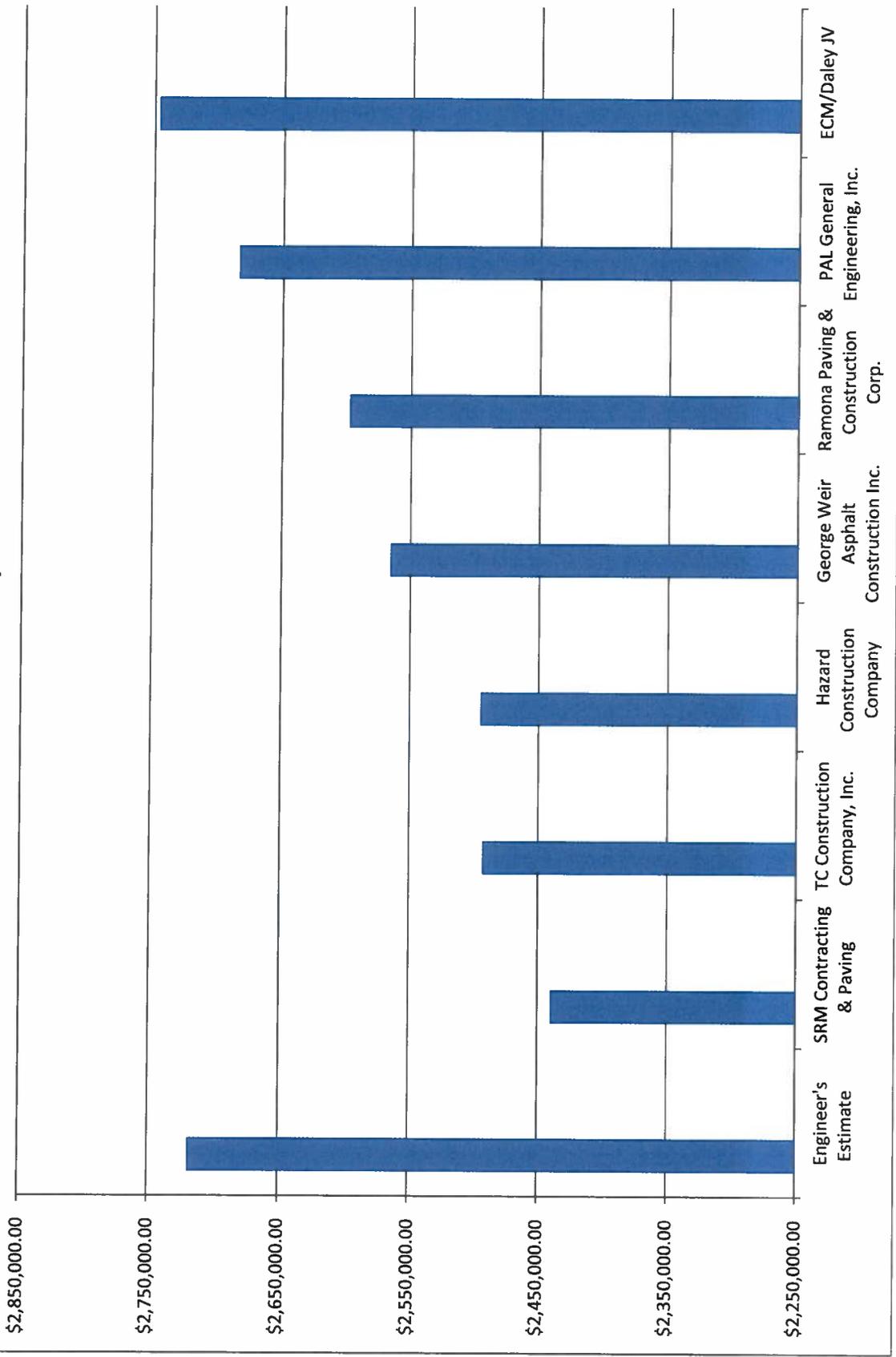
APPROVED:

RANDY VOEPEL, MAYOR

ATTEST:

PATSY BELL, CMC, CITY CLERK

Citywide Pavement Repair and Rehabilitation Program 2016 (CIP 2016-02)



Citywide Pavement Repair and Rehabilitation Program 2016

Zone BC		
Street Name	From	To
Shaggy Bark Drive	Timberlane Way	Ironwood Ave
Corkwood Avenue	Timberlane Way	Ironwood Ave
White Pine Lane	Timberlane Way	Ironwood Ave
Burrock Drive	Timberlane Way	Ironwood Ave
Timberlane Way	Shaggy Bark Dr	Woodglen Vista
Woodglen Vista	Timberlane Way	Ironwood Ave

Zone CC		
Street Name	From	To
Domer Road	Mandeville	Mast Blvd
Pike Road	Stoyer Dr	Carlton Oaks
Stoyer Drive	Carlton Hills	Halberns Blvd
Doheny Road	Domer	Mandeville
Mandeville Court	Mandeville	Cul de sac
Mandeville Road	Doheny	Cul de sac
Vomac Road	Mast Blvd	Wharton Rd
Wharton Road	Domer	Vomac

Zone BE		
Street Name	From	To
Golden West Lane	Via Rita	Cul de sac
Pratt Court	Via Rita	Cul de sac
Sappington Court	Via Rita	Cul de sac
Via Debbie	Via Rita	Via Leslie
Via Leslie	Cardoza Dr	Via Mavis
Via Mavis	Via Rita	Via Leslie
Via Nina	Via Rita	Cul de sac
Via Wakefield	Via Rita	Cul de sac
Beck Drive	Cuyamaca St	Timberlane Way
Cardoza Drive	Via Rita	Via Leslie
Magnolia Park Drive	Via Nina	Mast Blvd
Via Rita	Via Nina	Golden West

Zone DE		
Street Name	From	To
Bilteer Court	San Remo	End
San Remo Court	Bilteer Ct	Cul de sac
San Remo Road	Mast Blvd	Bilteer Ct

Zone EE		
Street Name	From	To
Double M Rd	Prospect Ave	Cul de sac
Honey Ln	Double M Rd	End
Tonya Ln	Double M Rd	End
Farrington Dr	Fanita Dr	City Limits

Zone BF		
Street Name	From	To
Bilteer Drive	Change Pvt	Change Pvt
Jill St	Bilteer Dr	End
Theresa Ln	Bilteer Dr	Conejo Rd
Bilteer Drive	Beck Dr	Mast

**CDC SUCCESSOR AGENCY
AGENDA STATEMENT**

9A

MEETING DATE June 8, 2016

AGENDA ITEM NO.

ITEM TITLE **RESOLUTION AUTHORIZING PROFESSIONAL SERVICES AGREEMENTS FOR TAX ALLOCATION REFUNDING BONDS FINANCING TEAM CONSULTANTS AND APPROVING THE BOND UNDERWRITER**

DIRECTOR/DEPARTMENT

Tim K. McDermott, Director of Finance *tm*

SUMMARY An opportunity exists to refinance \$47.0 million in outstanding Community Development Commission tax allocation bonds that were originally issued in 2005 and 2011. This will allow the Successor Agency to take advantage of a current favorable long-term fixed interest rate. The proposed refunding will provide ongoing annual debt service savings to the Successor Agency, resulting in an increase in property tax revenue to the City of Santee's General Fund as well as to other local affected taxing agencies (such as the school districts and County).

An analysis was recently performed of the potential savings that could be realized from undertaking this refunding. Based on current interest rates and the Successor Agency's current underlying bond rating of "A", cash flow savings through maturity in 2041 would total approximately \$10.5 million (or \$2.1 million to the City's General Fund which would receive 20.3% of the total benefit). Annual cash flow savings would be approximately \$500,000 each year until 2033 (\$101,000 annually to the City's General Fund) and \$300,000 annually thereafter until 2041 (or \$61,000 annually to the City's General Fund). Present value savings would total about \$7.3 million (about \$1.5 million to the City's General Fund), representing about 16% of the principal amount of refunded bonds. These amounts should be considered estimates only and are subject to change based on market conditions and other factors.

To begin the process of developing the financing package a team of consultants must be assembled. The attached Staff Report provides details regarding the proposed financing team. Upon approval of the financing team it is anticipated that initial draft financing documents will be available for approval by the Successor Agency on July 13, 2016 and by the Successor Agency Oversight Board on July 14, 2016. The State Department of Finance will then have 65 days to approve the financing, leading to a bond sale closing date of approximately November 1, 2016.

FINANCIAL STATEMENT The cost for the financing team is expected to be paid directly from the bond proceeds. All fees are contingent upon the successful sale of tax allocation bonds or subject to payment solely from Successor Agency property tax distributions, with the exception of the first \$17,000 of fees to HdL Coren & Cone for preparation of the fiscal consultant's report.

CITY ATTORNEY REVIEW

N/A Completed

RECOMMENDATION *MDB* Adopt the attached resolution: 1) Authorizing the City Manager to execute the following professional services agreements. a) HdL Coren & Cone for fiscal consulting services for an amount not to exceed \$22,500; b) KNN Public Finance for financial advisory services for an amount not to exceed \$79,000; c) Best Best & Krieger LLP for bond counsel services for an amount not to exceed \$52,500; d) Quint & Thimmig LLP for disclosure counsel services in an amount not to exceed \$35,000; and 2) Approving Piper Jaffray & Co. to serve as bond underwriter.

ATTACHMENTS (Listed Below)

- 1) Staff Report 2) Resolution 3) Financing team proposals (5)

STAFF REPORT

RESOLUTION AUTHORIZING PROFESSIONAL SERVICES AGREEMENTS FOR TAX ALLOCATION REFUNDING BONDS FINANCING TEAM CONSULTANTS AND APPROVING THE BOND UNDERWRITER

COMMUNITY DEVELOPMENT COMMISSION SUCCESSOR AGENCY MEETING JUNE 8, 2016

Financing Team

In addition to city staff, the financing team will be comprised of the following: fiscal consultant, financial advisor, bond counsel, disclosure counsel and bond underwriter.

Fiscal Consultant: The fiscal consultant is responsible for preparing the required Fiscal Consultant's Report which includes a detailed historical review of the assessed valuation of the former Santee Community Redevelopment Project Area including the investigation and verification of any anomalies or discrepancies revealed by this review, a ten-year projection of tax increment revenues based on current assessed values, outstanding assessment appeals, property tax growth trends and transfers of ownership, a review of San Diego County tax allocation and disbursement procedures in the aftermath of redevelopment dissolution legislation, a review of recently adopted legislation and its impact on the pledge of tax increment revenues, and a review of bond documents as they relate to issues addressed in the Fiscal Consultant's Report.

Staff recommends hiring the firm of HdL Coren & Cone ("HdL") to serve as fiscal consultant. HdL currently provides on-going property tax analytical and auditing services for 195 cities, successor agencies and special districts (including Santee). HdL has extensive experience with redevelopment finance, having participated in the issuance of tax increment supported debt for over 200 bond issues involving more than \$5.75 billion of total bonds, including the Santee Community Development Commission's 2005 and 2011 tax allocation bond issues. HdL's proposed fee is for an amount not to exceed \$22,000 plus reimbursable expenses not to exceed \$500.

Financial Advisor: The financial advisor serves an essential role to the city, assisting staff in developing the financing plan, selecting and coordinating the efforts of the financing team, providing recommendations on bond structure and financial covenants, reviewing legal documents, preparing and coordinating presentations to bond rating agencies and bond insurers, reviewing the proposed sizing and tax increment assumptions, identifying market conditions and comparable interest rates during the pre-pricing and pricing periods, advising on proposed interest rate scales, underwriting spreads, structures and other pricing-related matters proposed by the underwriter including the appropriateness of the pricing, reviewing the bond purchase contract and providing assistance in planning for the investment of bond proceeds.

Staff recommends hiring the firm of KNN Public Finance (KNN) to serve as financial advisor for the bond issue. KNN has been one of the leading financial advisors for public agencies in California since 1982, having advised on the issuance of more than \$107 billion of debt for municipalities. In 2015 KNN was ranked 2nd in California among financial advisors, advising on \$6.4 billion of debt. KNN has served as financial advisor on a number of tax allocation bond refundings, including some of the largest and most complicated redevelopment programs in the State such as the County of Los Angeles and the City of San Diego. David Brodsky, Managing Director, will serve as the lead financial advisor and project manager. KNN (and Mr. Brodsky) served as financial advisor on both the 2005 and 2011 Santee Community Development Commission tax allocation bond issues and the 2005 Santee Public Financing Authority lease revenue bond issue. KNN's proposed fee is for an amount not to exceed \$75,000 plus reimbursable expenses not to exceed \$4,000, fully contingent upon the successful sale of the bonds.

Bond Counsel: Staff recommends hiring Best Best & Krieger LLP (BB&K) to serve as bond counsel. BB&K will provide legal consultation to the Commission and financing team throughout the entire financing process by participating in the review and selection of the appropriate financing structure, preparing all legal documents necessary for the proper conduct of the financing (including any required amendments to existing documents), providing all necessary legal and tax opinions, and providing ongoing consultation as needed after the completion of the bond sale. BB&K has over 35 years of experience providing legal expertise in the area of redevelopment finance. Warren Diven, Partner, will serve as lead bond counsel. BB&K (and Mr. Diven) served as disclosure counsel on the 2005 Santee Community Development Commission tax allocation bond issue and 2005 Santee Public Financing Authority lease revenue issue, and served as bond counsel on the 2011 Santee Community Development Commission tax allocation bond issue. BB&K's proposed fee is \$50,000 plus reimbursable expenses in an amount not to exceed \$2,500. This fee is payable solely from the successful sale of the bonds or funds available to the Successor Agency from Recognized Obligations Payment Schedule ("ROPS") distributions.

Disclosure Counsel: Staff recommends hiring Quint & Thimmig LLP to serve as disclosure counsel. As disclosure counsel Quint & Thimmig will prepare the Official Statement (both preliminary and final) in connection with the bond offering in consultation with the financing team, review legal documents and intended investment arrangements for disclosure purposes, prepare the bond purchase agreement with the underwriter for the sale of the bonds, and prepare a continuing disclosure certificate regarding the appropriate disclosure of all material information with respect to the financing. The principals of Quint & Thimmig LLP each have over 34 years of municipal finance experience serving as bond counsel, disclosure counsel and underwriter's counsel with respect to municipal finance transactions in California. Quint & Thimmig LLP has served as either bond counsel or disclosure counsel on hundreds of redevelopment agency bond issues. Since the dissolution of redevelopment, Quint & Thimmig has LLP has served as bond counsel and/or disclosure counsel on approximately 40 redevelopment financings and is currently working with 10 California redevelopment successor agencies on bond issues that will close in 2016. Brian

Quint, Partner, will serve as lead attorney. Quint & Thimmig LLP (including Mr. Quint) served as bond counsel on the 2005 Santee Community Development Commission tax allocation bond issue and 2005 Santee Public Financing Authority lease revenue bond issue and as disclosure counsel on the 2011 Santee Community Development Commission tax allocation bonds issue. The proposed fee is for an amount not to exceed \$35,000 and is fully contingent upon the successful sale of the bonds.

Bond Underwriter: In April 2015 a Request for Proposals for Municipal Underwriting was issued to three top California bond underwriting firms. The proposals were reviewed by a team of City staff and financial advisor KNN, and were evaluated on criteria such as the firm capability, similar transaction experience, key personnel, comprehensiveness of the proposal and proposed underwriting fees. Staff recommends hiring Piper Jaffray & Co. to serve as bond underwriter for this transaction. Piper Jaffray will work with the financing team to develop and implement a financing structure that meets the City's and Successor Agency's cash flow goals, analyze the project area credit, work with credit rating agencies to secure the highest possible rating, develop and implement a bond marketing plan, provide the financing team with ongoing status reports on market conditions, review all bond and disclosure documents, coordinate the printing and distribution of the preliminary official statement, market the bonds, coordinate pre-pricing and pricing conference calls, underwrite unsold balances (if necessary), prepare a post-sale analysis of the bond sale results, assist in the preparation of final documents and coordinate the wiring of funds. Piper Jaffray is ranked as one of the top underwriters of California tax allocation bonds. Since the dissolution of redevelopment Piper Jaffray has senior managed 15 tax allocation bond refundings worth over \$313 million and currently has four such transactions in process that are scheduled to close in 2016. Katie Koster, Managing Director, will serve as lead banker on this transaction. Piper Jaffray (including Ms. Koster) served as underwriter on the 2011 Santee Community Development Commission tax allocation bond issue. The proposed not-to-exceed underwriting fee (including expenses) to be charged by Piper Jaffray is approximately 0.45% of the par amount of bonds issued or \$223,000 for a \$50 million bond issue and is fully contingent upon the successful sale of the bonds.

RESOLUTION NO. ____ - 2016

**RESOLUTION OF THE CDC SUCCESSOR AGENCY OF THE CITY OF SANTEE,
CALIFORNIA AUTHORIZING PROFESSIONAL SERVICES AGREEMENTS FOR TAX
ALLOCATION REFUNDING BONDS FINANCING TEAM CONSULTANTS AND
APPROVING THE BOND UNDERWRITER**

WHEREAS, pursuant to the Community Redevelopment Law (Health and Safety Code Sections 33000 et seq.), the City Council of the City of Santee ("City") created the Community Development Commission of the City of Santee ("CDC"); and

WHEREAS, the CDC was responsible for implementing the Amended and Restated Redevelopment Plan for the Santee Community Redevelopment Project covering certain properties within the City ("Project Areas"); and

WHEREAS, in January 2005 the CDC issued \$23.1 million of Tax Allocation Bonds, 2005 Series A in order to refund and defease outstanding tax allocation bonds and to finance a portion of the Santee Community Redevelopment Project; and

WHEREAS, in March 2011 the CDC issued \$26.845 million of Tax Allocation Bonds, 2011 Series A and \$4.710 million of Tax Allocation Bonds, 2011 Series B in order to finance redevelopment activities within or of benefit to the Redevelopment Project including low and moderate income housing activities; and

WHEREAS, as part of the 2011-12 State budget bill, the California State Legislature enacted, and the Governor signed, companion bills AB 1X26 and AB 1X27; and

WHEREAS, on December 29, 2011, the California Supreme Court upheld, in large part, AB 1x26 and overturned AB 1x27, which dissolved all redevelopment agencies as of February 1, 2012; and

WHEREAS, on January 11, 2012 the City Council elected to become the successor agency to the CDC ("CDC Successor Agency"); and

WHEREAS, the CDC Successor Agency desires to consider the refunding and defeasance of the Tax Allocation Bonds, 2005 Series A and the advance refunding of the Tax Allocation Bonds, 2011 Series A and Tax Allocation Bonds, 2011 Series B in order to realize debt service savings that will benefit the City of Santee as well as the other affected taxing entities.

NOW THEREFORE BE IT RESOLVED, by the CDC Successor Agency of the City of Santee, California as follows:

Section 1. Recitals. The Recitals set forth above are true and correct and incorporated herein by reference.

RESOLUTION NO. ____ - 2016

Section 2. Professional Services Agreements. The City Manager, serving in her role as the chief administrative officer for the CDC Successor Agency, is hereby authorized to execute the following professional services agreements with financing team consultants.

- a. HdL Coren & Cone for fiscal consulting services for an amount not to exceed \$22,500
- b. KNN Public Finance for financial advisory services for an amount not to exceed \$79,000
- c. Best Best & Krieger LLP for bond counsel services for an amount not to exceed \$52,500
- d. Quint & Thimmig LLP for disclosure counsel services in an amount not to exceed \$35,000

Section 3. Approval of Underwriter. Piper Jaffray & Co. is hereby approved to serve as bond underwriter.

ADOPTED by the CDC Successor Agency of the City of Santee, California at a Regular Meeting thereof held this 8th day of June 2016 by the following roll call vote to wit:

AYES:

NOES:

ABSENT:

APPROVED

RANDY VOEPEL, MAYOR

ATTEST

PATSY BELL, CMC, CITY CLERK



Delivering Revenue,
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March 17, 2016

Mr. Tim McDermott
Director of Finance/Treasurer
City of Santee
10601 North Magnolia Avenue
Santee, CA 92071

Re: Proposal for Fiscal Consulting Services – 2016 Tax Allocation Refunding Bonds

Dear Tim:

HdL Coren & Cone is pleased to present this proposal to provide services for the preparation of a fiscal consultant's report in connection with the anticipated issuance of the 2016 Tax Allocation Refunding Bonds by the Santee Community Development Commission Successor Agency (the Agency). We understand that the proposed financing will be secured by pledges of revenue from the Santee Community Redevelopment Project (the Project Area).

Description of the Firm's Business

HdL Coren & Cone (HdLCC) was established in 1992 to provide property tax data base management, analytical and auditing services to cities, redevelopment agencies, special districts and Counties. HdLCC, along with Hinderliter de Llamas & Associates and HdL Software comprise the HdL Companies. The HdL Companies are located in Diamond Bar, California.

Our services are based upon the firm's large investment in computers and specially designed software for the management of large property tax databases. We currently have on line the complete secured and unsecured tax rolls for San Diego County since 1995. Our software capability gives us the ability to audit an entire county for the benefit of our clients. We have corrected the allocation of \$3.2 billion in assessed values resulting in the recovery of more than \$29 million for our clients.

HdLCC currently is providing on-going property tax analytical and auditing services for 195 cities, successor agencies and special districts. For these clients we serve as adjunct staff on all property tax matters, including auditing county allocation procedures, researching property tax related issues, providing revenue estimates to assist in the budget process, and preparing updated tables for continuing disclosure.

In addition to our property tax expertise HdLCC has extensive experience working with redevelopment agencies and redevelopment finance. We have assisted numerous redevelopment agencies with statements of indebtedness, annual financial reports, low and moderate income housing calculations, including deficit reduction plans and excess surplus calculations. HdLCC has participated in the issuance of tax increment supported debt for over 200 bond issues involving more than \$5.75 billion of total bonds including the 2006 and 2011 Bond issues for the former Community Development Commission. In addition to our work with the former Santee Community Development Commission, we have been involved in a number of other bond issues for other redevelopment and successor agencies in San Diego County since 1996, including the provision of analysis, tax increment projections and tax sharing interpretations.

HdLCC has been at the forefront of the analysis and implementation of ABx 1 26, AB 1484 and, more recently, SB 107. We have worked with our client agencies, CRA and other consultants to determine how these new laws would affect redevelopment in California and to assist former redevelopment agencies to adapt to and work within the new laws.

Approach to Preparing Fiscal Consultant Reports for Bond Issues

The HdLCC staff is experienced in all aspects of fiscal consulting for redevelopment agencies and has been at the forefront of working within the new regulations adopted pursuant to ABx 1 26 and AB 1484. David Schey will be the principal responsible for services to the Agency. All of the HdLCC staff will be available to assist as needed with services to the Successor Agency. Mr. Schey's principal associate for services to the Agency will be Cheryl Murase. All HdLCC staff is located in the Diamond Bar Office and may be reached at (909) 861-4335.

Scope of Services

The services under this proposal include the following:

1. A historical review of the assessed values of the former Santee Community Redevelopment Project Area (the Project Area);
2. An investigation and verification, if required, of any anomalies or discrepancies revealed by the historical review of the Project Area assessed values;
3. A ten-year projection of tax increment revenues for the former Project Areas based upon 2015-16 assessed values, outstanding assessment appeals and estimated value loss due to appeals, property tax growth trends and transfers of ownership. Also taken into account will be the tax increment limits applicable to the Project Areas tax revenues, identification of all Successor Agency obligations and priority of payment;
4. A listing of the top ten taxpayers in the Project Area and a determination of their tax payment status (i.e. delinquencies) and a breakdown of land uses by taxable value within the Project Areas;
5. A review of the tax allocation and disbursement procedures of San Diego County in the aftermath of ABx 1 26 and AB 1484;
6. A review of outstanding appeals of property taxes for the Project Area;
7. A review of the recently adopted legislation and its impact on the pledge of the tax increment revenues of the Project Area;
8. Preparation of the Fiscal Consultant's Report describing our assumptions and presenting our projections of the Project Area revenues as well as an aggregation of these revenues for inclusion with the offering documents of the proposed bond issuance;
9. Review of the bond issuance offering documents as they relate to the Project Area revenues and issues discussed in the Fiscal Consultant's Report and consent to the inclusion of the Report within the Official Statement;

10. Additional Services are services not described above which are authorized in writing by the Agency. Additional Services may include, but are not limited to, additional meetings and presentations to rating agencies and insurance companies.

Fees

HdLCC is prepared to provide services for a fee of \$22,000 plus 1.15 times actual incurred expenses. Actual incurred expenses include such items as express deliveries, travel to rating agency and insurance presentation and/or overnight accommodations, and other out-of-pocket expenses, which may be incurred. Additional Services described in Item 13 above will be provided at the following hourly rates plus 1.15 times actual incurred expenses.

Partner	\$225.00 per hour
Principal	\$195.00 per hour
Associate	\$150.00 per hour
Senior Analyst	\$100.00 per hour
Analyst	\$ 65.00 per hour

All fees will be billed and payable the sooner of the close of the bond sale, one year from authorization to proceed or upon the Agency's determination not to proceed with a bond issue. In the event that the Agency determines not to proceed with the issuance of the bonds, the fee, less \$5,000, will be prorated based upon the percentage of completion of the scope of work at the time of the Agency's determination. If the scope of work has been completed prior to the Agency's determination not to proceed with the issuance of the bonds the fee, less \$5,000, will be due and payable.

Schedule

We are prepared to proceed with the Scope of Work based on your verbal authorization and in a time frame as required in order to accommodate the Agency's schedule. The completion of Additional Services, if any, will be scheduled at the time of authorization.

An authorized signature below will be considered our authorization to proceed. Please call David Schey or Cheryl Murase if you have any questions.

HdL Coren & Cone

David Schey
David Schey
Principal

Authorized:

Tim McDermott, Director of Finance/Treasurer

Date



Tim McDermott
City of Santee

Re: Proposal to Serve as Financial Advisor Tax Allocation Bond Refunding

Dear Tim:

Thank you for the opportunity for KNN Public Finance to submit our qualifications to the City for its potential tax allocation bond refunding.

The members of our team are among the most active financial advisors in the area of tax allocation bond refunding in the years following dissolution. Among other things, we are financial advisor to Los Angeles County, which created a program to assist successor agencies within its borders in tax allocation refunding. To date, this program has completed 13 series of refunding bonds for nine successor agencies and 16 project areas. We also recently closed a refunding for the City of San Diego, where we assisted them in refunding 22 series of bonds issued by seven project areas

KNN is known for our ability to overcome difficult obstacles through hard work and creativity to assist clients in achieving their financial objectives, our emphasis on credit and disclosure considerations, our sweeping knowledge of best practices, and our integrity. We are also known for the high level of support we provide to municipal staffs, assigning multiple financial advisors to a single account, and assisting with such details as drafting staff reports, presentations and policies. We have a work ethic and culture that strives for excellence and an attention to detail that is compatible with the City's own culture.

While KNN has been owned by Zions First National Bank since 1997, we recently separated from Zions. As of February 16, 2016, KNN is 100% owned by senior management employees and has no connection to Zions Bank. KNN is now structured as a California LLC and will continue to operate exclusively in the role of Municipal Advisor, with no changes to our employees or operations. We feel that our independent ownership better positions us to serve municipal clients in the wake of the Dodd-Frank financial reforms.

Thank you again for your consideration.

Yours truly,

A handwritten signature in blue ink that reads "David Brodsky". The signature is fluid and cursive, with a large, sweeping flourish at the end.

David Brodsky
Managing Director

1. Tax Allocation Bonds

Historically, KNN was one of the leading financial advisors in California for redevelopment finance. We have helped numerous cities and counties throughout the State develop effective plans of finance to get the most leverage out of their tax increment dollars.

When legislative action allowed for refunding tax allocation bonds after dissolution, KNN quickly became a leader in this sector. We have completed TAB refundings for a number of city successor agencies as well as for Orange County. KNN has served as the financial advisor on two of the largest and most complicated redevelopment programs in the State: the Los Angeles County Redevelopment Program, which has facilitated refundings for nine successor agencies, including that of the Los Angeles Community Redevelopment Agency, and for the City of San Diego, where we assisted them in refunding 22 series of bonds issued by seven project areas.

The largest program we have worked on is for the County of Los Angeles. KNN was appointed by the County as financial advisor on a program designed to facilitate the refunding of tax allocation bonds issued within its borders. We were the first financing team member hired, assisting with the selection of bond counsel and underwriters, as well as the design of the program. The program required tremendous effort by all parties, reaching out to numerous agencies, helping them understand their options, and corralling the successor agency participants into parallel board approvals and disclosure preparation. KNN has helped to structure the transactions, and has modeled all of its transactions independent of the underwriter using DBC Project Finance. **In recognition of the entire financing team's work on the County's inaugural December 2013 bond issue, the initial refunding transaction received the Far West Region Deal of the Year Award from the Bond Buyer.**

To date, this program has completed 13 series of refunding bonds for nine successor agencies and 16 project areas (as well as a City-wide pledge of the Real Property Tax Trust Fund for the City of Long Beach, effectively merging seven project areas). To date, we have helped the County issue approximately \$516 million, generating over \$75 million in present value savings. We have begun working on the next series of financings, all for the Los Angeles Successor Agency, which is expected to refund 44 series of bonds!

2. KNN Principals Assigned

David Brodsky, a Managing Director, would serve as the lead financial advisor and project manager on this engagement. David has served as Santee's lead financial advisor since 2004. He would be assisted by Dan Cox, a Vice President, who has worked with David on the Los Angeles and San Diego tax allocation refunding bond programs. David and Dan would be further supported by Nedko Nedev, also a Vice President, who is one of our senior technical specialists.

We genuinely believe that our team staffing is necessary to provide you with the highest level of expertise in all phases of this engagement and to provide you the level of service we believe best serves your interests. We will minimize our duplication of effort, and will limit our billing for overlapping time.

The following are brief biographies, with the qualifications and experience of each team member:

David Brodsky

Managing Director

David has more than 34 years' experience in municipal finance. He joined KNN in 1998 to lead KNN's city, redevelopment and special district consulting practice, and he serves as financial advisor to a number of public agencies throughout the State. Among the agencies with which he has worked are, besides yourselves, the cities of Los Angeles, San Francisco, San José, Fresno, Oakland, Santa Barbara, Elk Grove, Mission Viejo, Santee and Santa Clara; Alameda, Los Angeles and Orange counties; the Los Angeles Community College District; the Los Angeles County Metropolitan Transportation Authority; and a number of water utilities and joint powers authorities across the State. For nearly six years, Mr. Brodsky was a Vice President and Senior Credit Officer with Moody's Investors Service. He served as a senior member of the analytic and management team responsible for all types of local government bond and note ratings on the Pacific Coast, and was a member of Moody's national rating committee.

Prior to joining Moody's, Mr. Brodsky spent over 12 years with the City of Los Angeles, where he was responsible for financial planning, debt issuance, and bond administration for general government departments of the City of Los Angeles.

David is a graduate of the University of California, Santa Cruz, and the author of *L.A. Freeway: An Appreciative Essay*, published by UC Press.

Dan Cox

Vice President

Dan joined KNN in 1985 and has over 30 years experience in public finance. He currently serves the California State University (CSU) system, the Bay Area Water Supply and Conservation Agency, the State Public Works Board and the Sutter Butte Flood Control Agency. Dan works in all areas of public finance, and has special expertise in bond pricing, refunding analysis, and land secured debt such as assessments and Mello-Roos. His experience with land secured debt dates back to prior to the inception of the Community Facilities District Act in California and has crossed several economic cycles. Dan is one of KNN's leaders in quantitative analysis. Dan also leads our negotiated bond pricing and brings the data, analytics, and an intuitive understanding that allows optimal pricing in a non-confrontational manner.

Prior to joining KNN, Dan worked for a financial advisor in New York. His public finance career began with a municipal bond counsel who specialized in assessment bonds. He earned his B.S. from the University of Connecticut.

Nedko Nedev

Vice President

Nedko joined KNN in the summer of 2006 as an analyst. In the years since, he has become a critical part of the firm's team-oriented approach to serving California cities and special districts. Armed with a strong mathematical background, Nedko is the primary source of quantitative and analytic support, as well as managing several client relationships. His experience spans a range of transactions, including lease, revenue, and tax increment, and work with clients including the cities of Fresno, Los Angeles, Oakland, San Francisco, and Santa Barbara, the Kern County Water Agency and the California State University system.

Nedko earned his B.A. in Economics from the University of California, Davis, where he was honored with the Distinguished Undergraduate Student in Economics award.

3. Compensation

Our fee for the refunding of outstanding tax allocation bonds would be \$75,000, contingent on closing. This fee would remain the same no matter how many series of bonds were refunded.

We seek reimbursement only for direct expenses, primarily conference calls and travel, as well as a \$550 overhead data charge for access to Bloomberg and TM3. We would cap our out of pocket expenses at \$4,000 per transaction.

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May 27, 2016

Tim McDermott
Finance Director/Treasurer
City of Santee
10601 Magnolia Avenue, Building #3
Santee, California

Re: Bond Counsel Services to City of Santee Successor Agency to the former Santee Community Development Commission Tax Allocation Refunding Bonds, 2016 Series A and Subordinate Tax Allocation Refunding Bonds, 2016 Series B (Taxable)

Dear Tim:

We are pleased to submit this letter to you in connection with our services as bond counsel to the City of Santee Successor Agency to the former Santee Community Development Commission (the "Successor Agency") relating to the proposed issuance of the Successor Agency's above-captioned bonds (the "Bonds"). The Bonds are proposed to be issued to defease and redeem the outstanding Community Development Commission of the City of Santee (Santee Redevelopment Project) Tax Allocation Bonds, 2005 Series A; the Community Development Commission of the City of Santee, Santee Community Development Project, Tax Allocation Bonds, 2011 Series A and the Community Development Commission of the City of Santee, Santee Community Development Project, Tax Allocation Bonds, 2011 Series B (Taxable) (collectively, the "Prior Tax Allocation Bonds"). The firm of Best Best & Krieger LLP will serve as bond counsel on this matter and proposes to perform the following services on the basis set forth in this letter.

As bond counsel we will confer and consult with the Successor Agency's staff and the Successor Agency's financing team, including, but not limited to, the Successor Agency's financial advisor, fiscal consultant and disclosure counsel (collectively, the "Financing Team"), on all matters relating to the financing. We will assist the Successor Agency and Financing Team in identifying the most advantageous method of financing based upon our experience and we will attend all meetings of the Successor Agency staff, Financing Team and underwriter at which financing methods are to be discussed and analyzed for successful completion of the financing.

With respect to the Bonds, our services will include the review of the relevant terms of the bonds to be refunded, preparation of all agreements, resolutions, notices, bond forms and all

Tim McDermott
May 27, 2016
Page 2



other legal documents required by California law for the issuance, execution, sale and delivery of the Bonds and the defeasance and redemption of the Prior Tax Allocation Bonds. We will attend all meetings of the City Council, Successor Agency and Oversight Board in which the Bonds will be discussed or any action in connection with the proceedings is to be taken.

As a necessary part of our bond counsel services, we will also assist with the award and delivery of the Bonds and conduct a preclosing to assure delivery of all necessary documents. After the preclosing and the successful delivery of the Bonds, we will prepare and distribute transcripts to all of the participants.

Subject to completion of the financing to our satisfaction, we will issue our approving legal opinion to the purchasers of the Bonds to the effect that all proceedings have been legally undertaken for the authorization, execution, sale and delivery of the Bonds, or other transactions relating to the financing and that interest paid with respect to the 2016 Series A Bonds is excluded from gross income for federal income tax purposes and the Bonds are exempt from State of California personal income tax. We will also issue appropriate supplemental opinions and certificates as may be necessary or appropriate.

Based on our current understanding of the issuance of the Bonds and the involvement of Best Best & Krieger LLP attorneys in drafting documents relating to the issuance of the Bonds and delivering our legal opinion, our fee for bond counsel services will be \$50,000 and will be payable upon the successful completion of the financing.

Our fee assumes a full refunding of all of the Prior Tax Allocation Bonds (taxable and tax-exempt) and will be due upon the successful completion of the financing. In the event the not all of the Prior Tax Allocation Bonds are not refunded or if the transaction otherwise differs significantly from our expectations, we would expect to be paid a fee that we mutually agree would reflect reasonable compensation for legal services rendered considering the risk undertaken and the level of expertise required to undertake such legal service. Additionally, if the financing is not completed and no Bonds are issued we would expect to be paid a fee that we mutually agree would reflect reasonable compensation based upon the above considerations for legal services rendered to the date of termination. Such fees shall be payable upon presentation of our invoice for legal services solely from the proceeds of the Bonds or funds available from ROPS distributions to the Successor Agency.

Additionally, we will charge the Successor Agency for out-of-pocket expenses which would include, the costs of duplicating and mailing, travel and transportation, long distance telephone calls, messenger and courier service and the preparation of transcripts of the financing. This expense is not expected to exceed \$2,500. Such expenses shall also be payable upon presentation of our invoice for such expenses solely from the proceeds of the Bonds or funds available from ROPS distributions to the Successor Agency.

If this arrangement is satisfactory to you, please authorize our employment according to the terms of this letter by having this letter executed by you or your agent.

Tim McDermott
May 27, 2016
Page 3



We look forward to working with you and the staff of the Successor Agency in order to bring this matter to a successful conclusion.

Sincerely yours,

Warren Diven
of BEST BEST & KRIEGER LLP

TERMS OF PAYMENT OF FEES AND
EXPENSES OF BOND COUNSEL APPROVED
THIS _____ DAY OF _____,
2016.

Authorized Signatory

Quint & Thimmig LLP
Attorneys at Law

900 Larkspur Landing Circle, Suite 270
Larkspur, CA 94939-1726

Phone: 415/925-4200
Fax: 415/925-4201

PROPOSAL TO PROVIDE DISCLOSURE COUNSEL SERVICES

of

QUINT & THIMMIG LLP

presented to the

**SUCCESSOR AGENCY TO THE
COMMUNITY DEVELOPMENT COMMISSION
OF THE CITY OF SANTEE**



May 26, 2016

PROPOSAL TO PROVIDE DISCLOSURE COUNSEL SERVICES
of
QUINT & THIMMIG LLP
presented to the
SUCCESSOR AGENCY TO THE
COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF SANTEE

INTRODUCTION

Quint & Thimmig LLP is pleased to provide the following proposal to the Successor Agency to the Community Development Commission of the City of Santee (the "Successor Agency") to provide disclosure counsel services in connection with the proposed Successor Agency to the Community Development Commission of the City of Santee Tax Allocation Refunding Bonds (the "Bonds"). We have extensive experience in serving as disclosure counsel for every type of public financing being done in California, particularly for redevelopment financings, and we believe that Quint & Thimmig LLP is fully qualified to serve as disclosure counsel to the Successor Agency.

FIRM QUALIFICATIONS

General Background

Quint & Thimmig LLP was established in March, 1997, by Brian Quint and Paul Thimmig. Mr. Quint and Mr. Thimmig each have over thirty-four years of municipal finance experience serving as bond counsel, disclosure counsel and underwriter's counsel with respect to municipal finance transactions in California. Prior to their establishment of Quint & Thimmig LLP in 1997, Mr. Quint and Mr. Thimmig were partners at the law firm of Jones Hall Hill & White in San Francisco for more than ten years, and each have provided municipal financing services to California local agencies since 1981. Both Mr. Quint and Mr. Thimmig are licensed to practice law in California.

Résumés of Quint & Thimmig LLP attorneys are attached hereto as Appendix A.

The firm's entire business effort is directed toward the delivery of the highest

quality bond counsel, disclosure counsel and underwriter's counsel services and the practice is limited exclusively to the area of municipal finance, including taxable and tax-exempt issues for local government entities. This specialization allows the firm to orient its practice to the peculiar requirements of public finance, without the need to accommodate other, unrelated areas of the legal business.

The firm maintains one office at 900 Larkspur Landing Circle, Suite 270, in Larkspur, California. The two partners are supported by one associate attorney and a seven person support staff. The firm is particularly proud of its Closing Department, which illustrates the flexibility the firm has in tailoring its practice to the requirements of the municipal bond business. Two highly trained para-professionals, and one administrative assistant, work with the partners in connection with pre-closing, closing and post-closing logistics and greatly alleviate the stress and strain that is typical of many bond closings. Other support services include on-line research services, high-speed, networked word processing and document management capabilities, as well as e-mail and web communications capabilities.

Overall Firm Experience

Since the inception of the firm in March of 1997, Quint & Thimmig LLP has acted as bond counsel, disclosure counsel or underwriter's counsel for over 1,650 long-term bond issues and over 425 short-term note financings. These financings have an aggregate principal amount of nearly \$35 billion. In most cases, the firm has served as bond counsel, or as both bond counsel and disclosure counsel, to the public agency issuing the debt obligations. A listing of issues completed by the firm for any period of time is available upon request.

For the past twelve years, Quint & Thimmig LLP has been recognized by Thompson Reuters data services as the fourth or fifth most active bond counsel firm, and among the top ten disclosure counsel firms, for municipal bond financings in California, based on the number of bond issues for which the firm has served in those respective roles. All of those financings were staffed by one or both of the firm's two partners. The financings have included virtually all types of municipal debt financings. Quint & Thimmig LLP has experience in connection with general obligation bonds, housing bonds, revenue bonds, Mello-Roos and assessment bonds, certificates of participation, tax and revenue anticipation notes, lease revenue bonds and enterprise financings, as well as every type of debt structure used in the municipal bond market, including variable rate and capital appreciation bonds and derivative securities transactions.

Public agencies and investment bankers have confirmed that Mr. Quint and Mr. Thimmig have been retained to provide legal services on specific matters because of the knowledge and experience that they bring to each transaction on which they work. In the complex area of municipal finance, the involvement of an experienced, diligent and careful lawyer is essential to the proper structuring, documentation and completion of each issue.

Redevelopment Financing Experience

Since the inception of the firm in March of 1997, redevelopment agency financings have been a focus of the legal practice of Quint & Thimmig LLP, and the firm has served as bond counsel, disclosure counsel or both bond counsel and disclosure counsel for hundreds of redevelopment agency bond issues. A complete listing of tax allocation bond financings in which Quint & Thimmig LLP has been involved is available upon request.

Quint & Thimmig LLP has experience with all of the bond structures currently being used for tax increment financings. We have served as bond counsel and disclosure

counsel for redevelopment financings involving tax-exempt and taxable series of bonds, housing set-aside tax increment pledges, senior/subordinate bond structures and multi-project area and pooled Marks-Roos tax increment financings. We have acted as bond counsel and disclosure counsel for variable rate tax increment financings, a direct placement of tax increment bonds with Fannie Mae, as well as other tax increment and housing set-aside bond issues.

Since dissolution of redevelopment in California, we have acted as bond counsel on approximately 10 redevelopment financings, as disclosure counsel on approximately 15 redevelopment financings and as both bond counsel and as disclosure counsel on approximately 15 redevelopment financings.

We are currently working with 10 California redevelopment successor agencies on issues that will close in 2016.

Both Mr. Quint and Mr. Thimmig have lectured before various groups on topics related to redevelopment financing.

As you can see by the foregoing, Quint & Thimmig LLP has extensive experience in providing services as bond counsel and disclosure counsel to California redevelopment agencies. Many of the transactions in which we have been involved have incorporated parity bond structures, with both tax-exempt and taxable series of bonds. We have been involved in a number of tax increment financings for which proceeds are used for housing and non-housing purposes, and have fully evaluated the complexities of the corresponding pledge of tax increment revenues to such transactions. If selected to serve the Successor Agency in connection with the Bonds, we are fully prepared to begin work immediately, to ensure that any proposed financing schedule is met.

California Public Finance Law

All of the financings for which the firm has acted as bond counsel, disclosure counsel or underwriter's counsel over the past nineteen years have been for California pub-

lic agencies. Quint & Thimmig LLP has extensive experience in the area of California public finance law, and the firm's two partners have lectured at various conferences sponsored by local and regional agencies on various legal aspects of California municipal finance, and have been panelists for annual conferences sponsored by the National Association of Bond Lawyers. The views of Quint & Thimmig LLP's partners on the interpretation and application of California public finance law are routinely sought by other attorneys in California, including other California bond counsel, and by municipal bond insurers, rating agencies and other finance industry professionals.

We have provided advice to our clients on the interpretation of the public debt limitations contained in the California constitution as they apply to California public agencies, on the salient aspects of Proposition 218 as it affects municipal enterprise financings, on provisions of the California constitution applicable to low and moderate income housing projects, on constitutional limitations on charter city powers, as well as other portions of the constitution applicable to public financing transactions. Such advice entailed, in some instances, a review of relevant State Supreme Court decisions, as well as opinions of the California Attorney General and California appellate courts.

Securities Law Expertise

Both Paul Thimmig and Brian Quint are well versed in federal securities law and are available to advise the Successor Agency on proper staff training, and to provide insight and advice on SEC pronouncements and orders during the course of the firm's services as disclosure counsel. We have assisted several clients in responding to the Securities and Exchange Commission's Municipal Continuing Disclosure Compliance initiative and on other matters related to debt disclosure issues.

Approach to Financings

Our general approach to each financing in which we participate is to use all of our ef-

forts to provide diligent, timely and complete bond counsel or disclosure counsel services to our governmental clients. We assign a lead attorney to each transaction who works with the bond issuer's staff and consultants to determine their goals and objectives for each financing and to gather the relevant facts necessary to analyze the proposed transaction in light of relevant State and federal law. We will also work with the issuer's staff as well as the other consultants involved with the financing to determine the financing structure that best satisfies the issuer's goals and objectives. When serving as bond counsel or disclosure counsel, we always view the governmental issuer as our client, and we use all of our experience and diligence to advance and protect the issuer's interests.

Assigned Attorneys

If the Successor Agency selects Quint & Thimmig LLP to serve as disclosure counsel for its Bonds, the engagement will be staffed by a partner with significant and broad municipal finance experience and extensive experience working specifically with California redevelopment agencies. We have an extensive and loyal client base which appreciates the diligent and professional manner in which the firm provides services for the various financings in which it participates.

We expect that Brian Quint of our office will be the lead attorney for the Bonds, with assistance, as needed, from Mr. Thimmig.

Mr. Quint has over 35 years of municipal bond experience in all types of municipal finance transactions. His entire legal career has been devoted to providing the highest quality bond counsel, as well as disclosure counsel and underwriter's counsel, services to the firm's many clients. He has served numerous California local agencies, as well as the State of California, as bond counsel in connection with more than one thousand tax-exempt bond financings.

Mr. Thimmig has over 34 years of municipal bond experience, also with all types of municipal finance transactions. Mr. Thim-

mig's entire legal career also has been devoted to providing quality bond counsel, as well as disclosure counsel and underwriter's counsel, services to the firms many clients.

Public agencies and investment bankers have confirmed that Mr. Quint and Mr. Thimmig have been retained to provide legal services on specific matters because of the knowledge and experience that they bring to each transaction on which they work. In the complex area of municipal finance, the involvement of an experienced, diligent and careful lawyer is essential to the proper structuring, documentation and completion of each issue.

SERVICES

The firm will carry out and perform all of the following *disclosure counsel* services as are necessary for the authorization, issuance and sale of the Bonds:

1. Prepare the official statement (both preliminary and final) or other disclosure documents in connection with the offering of the Bonds.

2. Confer and consult with the officers and administrative staff of the Successor Agency as to matters relating to the official statement.

3. Attend all meetings of the governing body of the Successor Agency and any administrative meetings at which the official statement is to be discussed, deemed necessary by us for the proper exercise of our due diligence with respect to the official statement, or when specifically requested by the Successor Agency to attend.

4. On behalf of the Successor Agency, prepare the bond purchase contract pursuant to which the Bonds will be sold to the underwriter of the Bonds.

5. On behalf of the Successor Agency, prepare the continuing disclosure certificate.

6. Subject to the completion of proceedings to our satisfaction, provide a letter addressed to the Successor Agency and to the underwriter of the Bonds that, although we have not undertaken to determine independently or assume any responsibility for the accuracy, completeness or fairness of the statements contained in the official statement, in the course of our participation in the preparation of the official statement, we have been in contact with representatives of the Successor Agency and others concerning the contents of the official statement and related matters, and based upon the foregoing, nothing has come to our attention to lead us to believe that the official statement (except for any financial or statistical data or forecasts, numbers, charts, estimates, projections, assumptions or expressions of opinion included therein, and information relating to The Depository Trust Company and its book-entry system, as to which we need express no view) as of the date of the official statement or the date of the closing contains any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

7. Such other and further services as are normally performed by disclosure counsel in connection with the Bonds.

We are fully able to provide the legal services outlined in the Successor Agency's request for proposals.

PROJECT PLAN

Initial drafts of the disclosure documents will be distributed electronically. Rather than include the various documents in an email, we generally post the documents to our firm website and provide a link. This allows working group members to always have access to the most recent drafts when desired. We will participate in document review conference calls or will attend in person as desired by the Successor Agency. All of our transactions are handled this way and

we have received positive responses from all working group members for our approach to document distribution. Mr. Quint will always be readily available by phone or email to the financing team to discuss all aspects of the financing.

REFERENCES

Any number of references, including references from financial advisors and underwriters, are available upon request.

NO CONFLICTS OF INTEREST

The firm and its attorneys are not aware of any actual or potential conflicts of interest with the Successor Agency, or any arrangements or relationships, formal or informal, that Quint & Thimmig LLP or either Mr. Quint or Mr. Thimmig has with any party that might interfere with the firm's ability to provide independent and unbiased advice to the Successor Agency in performing as disclosure counsel.

NO LITIGATION OR INVESTIGATIONS

There is no litigation, administrative proceeding or investigations (actual or pending) in which the firm, or any attorney in the firm, is involved or to which it is subject, or of which the Successor Agency should be aware, in evaluating Quint & Thimmig LLP's capacity to serve as disclosure counsel for the Bonds. The firm and its attorneys have not had any malpractice claims filed against them relating to the firm's public finance work.

INSURANCE

The firm maintains a professional liability insurance policy with coverage in the amount of \$10,000,000 per occurrence and in the aggregate with Lloyds of London. The firm's liability coverage is through the Sentinel Insurance Co., LTD.

FEES

Quint & Thimmig LLP does not keep time records, as in all but a few rare instances the firm does not charge for legal services on an hourly basis. The firm has no means of providing hourly estimates for transactional work, as Quint & Thimmig does not maintain historical data from which to make any kind or reasonable estimate. We have found that our clients prefer knowing up front what our fee will be for a given transaction and need not be concerned that "the meter's running." The client can ask as many questions as required and we can give as much guidance as needed without concern for an excessive legal bill at closing. Starting with a fixed fee allows financial advisors and underwriters to more accurately budget for legal fees when sizing the bond issue. The fixed fee approach provides us with an incentive to be efficient in our delivery of services and our interaction with issuer staff and consultants.

In general, our fees are based upon factors such as the anticipated amount of work involved and the size and complexity of the financing. Our fees include all reasonable follow-up work done at the request of the client, so that the client pays only once, at closing of the financing. *Our fees are charged on a strictly contingent basis.* If the financing is not closed, we receive no compensation.

We propose a disclosure counsel fee of \$35,000, <i>inclusive of all out-of-pocket expenses.</i>
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We will be available on a continuing basis after closing, *at no additional cost to the Successor Agency*, to answer questions about the financing; however, special post-closing services (such as litigation, arbitrage administration and annual continuing disclosure report advice) would be provided pursuant to a separate engagement agreement on terms mutually acceptable to the Successor Agency and us.

CONCLUDING STATEMENT

We believe that Quint & Thimmig LLP is fully qualified to serve as disclosure counsel to the Successor Agency for the Bonds. We would provide the Successor Agency with a depth of experience and expertise that is necessary to conduct the proceedings and issue the Bonds, along with an unmatched level of service delivered in a timely and cost effective manner.

If you have any questions regarding our firm or require any additional information, please call Brian D. Quint at (415) 925-4200.

QUINT & THIMMIG LLP

By 

Brian D. Quint
Partner

APPENDIX A

RESUMES OF FIRM ATTORNEYS

Brian D. Quint has more than 35 years of municipal bond experience in all types of municipal finance, with a focus on financings for public improvements. Mr. Quint also has extensive experience in health care finance and in cash-flow borrowings.

Prior to establishing Quint & Thimmig LLP, Mr. Quint was a partner at the law firm of Jones Hall Hill & White in San Francisco, California, for twelve years, and before that was an attorney at Mudge Rose Guthrie Alexander & Ferdon in New York, New York. Throughout his legal career, Mr. Quint has practiced exclusively in the area of municipal finance. He is recognized in the public finance community as one of the leading bond attorneys in California.

Mr. Quint attended Clark University where he received his A.B. degree in 1976 and New York Law School where he received his J.D. degree in 1980. He was admitted to the New York Bar in 1981 and the California Bar in 1985. He is a member of the American Bar Association and the National Association of Bond Lawyers.

Paul J. Thimmig has more than 34 years of municipal bond experience in all types of municipal finance, with a focus on housing, Mello-Roos, redevelopment and assessment financings. Mr. Thimmig also has extensive experience as counsel to governmental entities with respect to troubled bond issues.

Prior to establishing Quint & Thimmig LLP, Mr. Thimmig was a partner at the law firm of Jones Hall Hill & White in San Francisco, California, for twelve years, and before that was an attorney at O'Melveny & Myers in Los Angeles, California. Throughout his legal career, Mr. Thimmig has practiced almost exclusively in the area of municipal finance. He is recognized in the public finance community as one of the leading bond attorneys in California.

Mr. Thimmig attended Marquette University where he received his B.S.B.A. degree in 1977 and the University of Southern California where he received his J.D. degree in 1981. He was admitted to the California Bar in 1981. He is a member of the American Bar Association and the National Association of Bond Lawyers. Mr. Thimmig also is a Certified Public Accountant.

Adam R. Thimmig has more than three years of municipal bond experience. Adam Thimmig has practiced exclusively in the area of municipal finance since joining Quint & Thimmig LLP as an associate in August of 2012.

Mr. Thimmig attended St. John's College where he received his B.A. degree in 2007 and the University of San Diego where he received his J.D. degree in 2010. He was admitted to the California Bar in 2010. He is a member of the National Association of Bond Lawyers.

Proposal for Municipal Underwriting City of Santee

Tax Allocation Refunding and Mello-Roos Bonds

May 9, 2016

PiperJaffray®

May 9, 2016

David Brodsky
Managing Director
KNN Public Finance

Mr. Brodsky:

On behalf of Piper Jaffray & Co. ("Piper"), we are pleased to submit our response to the City of Santee (the "City") and the Successor Agency for the Community Development Commission of the City of Santee (the "Successor Agency") Request for Proposals for Municipal Underwriting Services (the "RFP") in connection with approximately \$7 million in Mello-Roos CFD Bonds (the "CFD Bonds") for the Castlerock residential development and the refunding of all or a portion of the Successor Agency's outstanding Series 2005, Series 2011A and Series 2011B tax allocation bonds (the "TAB Bonds"). We believe our firm's strengths provide significant advantages to the City and the Successor Agency, which include the following:

- **Piper Jaffray is consistently one of the Top Two Ranked Underwriters in California** – Since 2013 Piper has underwritten 305 transactions with a total par amount of \$7.6 billion. Piper Jaffray's Top Ranking in California underscores our familiarity in marketing California bonds successfully.
- **Piper Jaffray is one of the Top Underwriters of Land-Secured Credits in California** – Over the same period, Piper's CA land-secured bankers have served as Senior or Sole Manager on 41 land-secured transactions with a total par value of over \$922.1 million - establishing our Firm as the **Number Two** underwriter of California land-secured financings. Our proposed lead bankers, Ms. Katie Koster and Mr. Dennis McGuire, were the lead bankers on the majority of these transactions. As such, Ms. Koster and Mr. McGuire have spent as much time, or more, developing and implementing credit and marketing strategies for land-secured bonds than our leading competitor.
- **Piper Jaffray is One of the Leading Underwriters of California Tax Allocation Bonds** – Piper has been a leader in the financing of California TABs for over a decade. Since January 1, 2013, the Firm has senior managed 15 tax allocation transactions with a total par amount of \$313 million. The majority of these transactions were also completed by Ms. Koster and Mr. McGuire. Our market presence ensures that our sales force is communicating frequently with investors who purchase tax allocation bonds and enables Piper's underwriter to aggressively price our clients' transactions.
- **Prudent and Effective Marketing and Structuring Plan for New CFD Issuers** – Piper Jaffray has recent and direct experience marketing and selling bonds for new CFD issuers. It is imperative to implement a marketing plan that sells not just the project but the overall community in order to establish the Issuers name with investors. Further, for those new projects with large components of undeveloped property, Piper applies a financing process that includes (a) prudent financing structures that ensures the long-term viability of the structure, (b) significant investor demand, and (c) near term financing to meet the infrastructure needs of the City.
- **Expansive California CFD Distribution Channels that Deliver Aggressive Pricing to our Clients** – Due to Piper's robust activity in the California land-secured and tax allocation bond finance sectors, our multi-tiered distribution network has been successful in maximizing investor demand for these transactions. The aggressive pricing that Piper consistently achieves is a result of the expertise of our bankers, effectiveness of our marketing efforts, and execution abilities of our sales forces.

Based on the highlights above, we feel Piper Jaffray is best positioned to meet the City and Successor Agency's objectives for the proposed 2016 new money CFD and TAB Refunding Bonds. If selected to serve as your underwriter, we pledge all of our professional resources and capabilities to deliver the most efficient, low cost transaction. Thank you for your consideration.

Sincerely,



Katie Koster
Managing Director
katherine.a.koster@pjc.com



Dennis J. McGuire
Managing Director
dennis.j.mcguire@pjc.com

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Required Regulatory Disclosure

We are providing this material to provide you with certain regulatory disclosures as required by the Municipal Securities Rulemaking Board. As part of our services, Piper Jaffray may provide advice concerning the structure, timing, terms, and other similar matters concerning an issue of municipal securities that Piper Jaffray is underwriting or placing. However, Piper Jaffray intends to serve as an underwriter or placement agent and not as a financial advisor to you in this transaction; and the primary role of Piper Jaffray is to purchase securities for resale to investors or arrange for the placement of securities in an arm's-length commercial transaction between you and Piper Jaffray. Piper Jaffray has financial and other interests that differ from your interests.

2. Firm Description

A. GENERAL

Piper Jaffray & Co. is a publicly traded investment bank and asset management firm serving clients in the U.S. and internationally (NYSE ticker: PJC). Founded in 1895 and incorporated in 1969, our firm is headquartered in Minneapolis with 39 domestic offices (36 of which serve as public finance offices) throughout the United States, in addition to international locations in London and Zurich. The Firm provides equity and municipal debt underwriting, private placement of equity and debt securities, trading, sales, and research, as well as corporate finance. Our local offices provide in-depth focus to individual clients, and our national focus provides a comprehensive look at issuers throughout the country.

PiperJaffray

Public Finance & Institutional Debt

- Public Finance
- Municipal Sales
- Municipal Underwriting & Trading
- Debt Structuring
- Leveraged Finance

Corporate & Institutional Equity

- Leveraged Banking
- Equity & Fixed Income Sales & Trading
- Equity & Fixed Income Research
- Equity & Debt Capital Markets

Asset Management

- Equity & Fixed Income
- Money Market & Permechips
- Private Equity Investments

- Team-based approach to deliver best client solutions
- Deep industry expertise in key growth-oriented sectors
- Global reach in the world's leading capital markets
- Full-service capabilities and execution excellence
- Built on a 100+ year track record of quality service and customer success



United States: Minneapolis, MN; Boston, MA; Chicago, IL; Dallas, TX; Denver, CO; Des Moines, IA; Hartford, CT; Kansas City, MO; Los Angeles, CA; Madison, WI; Miami, FL; New York, NY; Phoenix, AZ; San Francisco, CA; Seattle, WA; St. Louis, MO; Tampa, FL; Washington, DC. International: London, UK; Zurich, Switzerland; Hong Kong, China.

Piper Jaffray & Co. is a publicly traded investment bank and asset management firm serving clients in the U.S. and internationally (NYSE ticker: PJC). Founded in 1895 and incorporated in 1969, our firm is headquartered in Minneapolis with 39 domestic offices (36 of which serve as public finance offices) throughout the United States, in addition to international locations in London and Zurich. The Firm provides equity and municipal debt underwriting, private placement of equity and debt securities, trading, sales, and research, as well as corporate finance. Our local offices provide in-depth focus to individual clients, and our national focus provides a comprehensive look at issuers throughout the country.

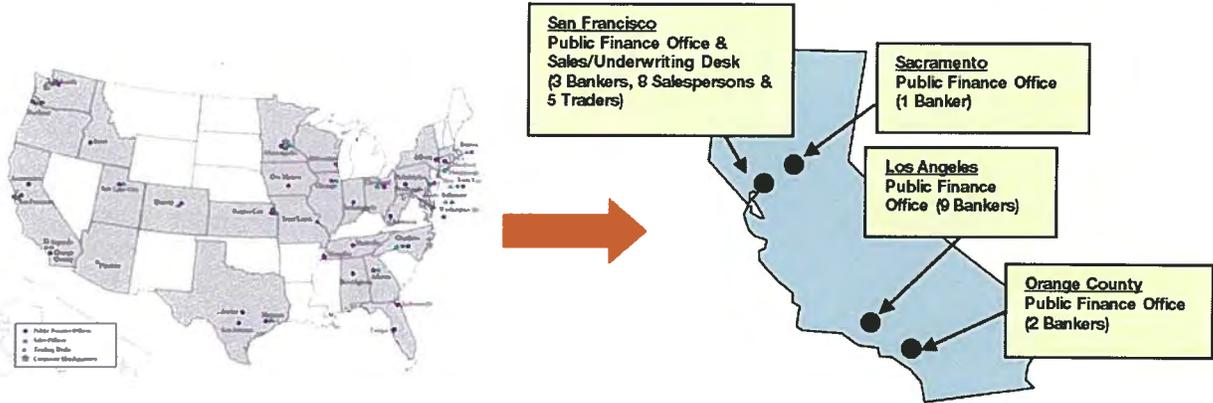
EXTENSIVE CALIFORNIA PRESENCE

The public finance group maintains high visibility within California. Since its inception, we have expanded our California banking team presence tremendously, opening a Laguna Beach office in 2008, and growing our banking team from 6 people in 2006 to 15 people today across four offices which are located regionally (and strategically) in Sacramento, San Francisco, Los Angeles, and Laguna Beach. Piper Jaffray covers the entire spectrum of debt issuers in California, including cities, counties and school districts.

Piper Jaffray's California Public Finance Leadership

Piper Jaffray – a National Firm...

...with a Strong California Regional Presence



All of our California transactions, for all financing categories, are underwritten from our San Francisco underwriting and trading desk. The desk is managed by Mr. Christopher Bessette, Managing Director and Head of Piper Jaffray's California Sales, Trading and Underwriting Department. Mr. Bessette is accustomed to pricing transactions daily and maintains a constant pulse on both the California municipal market and investor preferences for a wide range of credits. This depth of knowledge and market sensitivity has helped Piper Jaffray secure its position as the *Number Two* underwriter of California negotiated and competitive financings every year since 2013. **We believe Piper Jaffray's consistently successful track record in California underscores not only the Firm's public finance expertise but also the confidence California issuers have placed in our firm.**

B. SALES PROFESSIONALS/OFFICES/ACCOUNTS IN CALIFORNIA

In recent years, Piper Jaffray has embarked on a growth strategy to expand the scale and reach of our public finance business and to build a leading national public finance franchise that is capable of serving issuer clients of all sizes and types. As such, the Firm has strategically increased the national footprint of its public finance business and expanded our ability to underwrite and sell new issue product throughout the country by making meaningful additions to municipal underwriting, trading and sales areas.

RETAIL BROKERS AND RETAIL BROKERAGE OFFICES PRIMARILY SERVING INDIVIDUALS

Piper Jaffray does not maintain a direct retail brokerage office within the City of Santee, but indirectly has a presence through its retail distribution agreement with Charles Schwab & Co., Inc., as described below. Schwab has 61 branch offices in California; five of which are in the County of San Diego.

Although retail has not been a dominant player in the municipal market for nearly 36 months (particularly on larger rated transactions where absolute rates are at levels below that which stimulates large retail demand and because takedowns have compressed to the level that brokers are not being compensated to sell widely to retail), Piper's retail distribution network allows us to supplement the more dominant orders that come from the institutional and professional retail investors and consistently generate the lowest cost of funds for our clients.

Our salesman also cover a number of retail brokerage offices throughout CA that sell directly to retail investors – including brokerage firms with retail offices throughout San Diego County. This structure, unlike our competitors that are limited to a single retail brokerage, allows our underwriting department to get retail demand from a large pool of potential investors.

SALES PROFESSIONALS DEDICATED TO OR PRIMARILY SERVING “PROFESSIONAL RETAIL” ACCOUNTS

Piper Jaffray has an extensive sales force that maintains relationships with professional retail (such as AMI, Highmark Capital, Harvey Capital, BelAir, Gerten and Neuberger) that are active in land secured and tax allocation bond credits, high net worth individuals, retail “wrap accounts”, trusts and independent money managers – which represent the primary ways in which the retail market purchases municipal bonds. Piper Jaffray has expanded its use of Electronic Trading Networks (ETNs) and utilizes a wide range of online trading platforms to help market and trade municipal securities including Bonddesk Group, Municenter, Trade Web, Knight Trading and Bloomberg Trade Book to reach over 100,000 retail brokers. With these platforms, a retail broker can view the inventory of dozens of brokerage firms, not just the firm for which they work. These ETNs create the greatest amount of exposure and demand for a bond issue.

INSTITUTIONAL SALES PROFESSIONALS

Similar to most other investment banks, Piper Jaffray's institutional sales force has extensive coverage of the “Tier I” institutional investors (defined as the Top 100 (i.e. largest) accounts that have several billion dollars in assets under management). These accounts focus on liquidity, more familiar names and larger block size.

Piper Jaffray has a strong regional sales footprint throughout the U.S., and covers regional retail money management accounts, “wrap” accounts and other regional institutional investors in locations that may not be covered as extensively as our Wall Street peers. Importantly, Piper Jaffray provides non-duplicative coverage of thinly-covered regional mid-tier (Tier II/III) institutional accounts (including professional retail) – which should result in greater investor penetration for the City.

In order to provide balanced distribution and stimulate broader demand, Piper Jaffray institutional sales professionals focus on regional Tier II and Tier III investors to: (1) avoid dominant Tier I buyers exercising structuring and pricing control; (2) expand the base of potential investors; (3) stimulate broad and diverse demand; and (4) seek the lowest possible cost of borrowing.

Piper Jaffray's Institutional Municipal Sales, Underwriting & Trading Platform

Institutional & Retail Sales

- 136 institutional sales professionals in 25 locations nationwide covering a broad universe of traditional and alternative investor classes
 - 34 Tier I
 - 102 Tier II/III
- 13,000 client relationships across a wide investor base, including banks, trust companies, insurance companies, mutual funds and corporations

Municipal Trading

- 58 traders/underwriters in 18 locations nationwide
- Provide an active secondary market for our municipal clients' bonds

C. LOCAL PRESENCE

As outlined above, Piper Jaffray does not have retail brokerage offices and therefore, does not have any retail brokerage offices in the City of Santee; however, Piper Jaffray does cover a number of retail brokerages that have offices within San Diego County.

D. AGREEMENTS WITH OTHER BROKER-DEALERS FOR CALIFORNIA RETAIL DISTRIBUTION

charles SCHWAB Piper Jaffray & Co. entered into a municipal securities distribution agreement with Charles Schwab & Co., Inc. ("CS&Co.") for the retail distribution of certain negotiated and competitively bid municipal securities offerings. Under the agreement, Piper will be a provider of new issue municipal securities to CS&Co. retail and independent investment advisor clients through Schwab's BondSource service for retail investors and its more than 300 branch offices and 5.7 million client brokerage accounts (including 61 branch offices in California and 5 branches in San Diego County). **Piper Jaffray expands its retail distribution capabilities by having access to one of the largest retail brokerage platforms in the United States; something none of our competitors can match.**

E. CAPITAL POSITION AND UNDERWRITING ABILITY

CAPITAL OVERVIEW

Piper Jaffray continually supports our municipal clients' financings, through aggressive pricing and use of the Firm's capital, when required, to preserve low interest rates. As of December 31, 2015, Piper Jaffray has over \$783.7 million of total capital and regulatory capacity to underwrite approximately \$2.7 billion of municipal securities. This provides ample capacity to underwrite municipal bonds for our clients. The municipal underwriting desk has standing authority to take down \$100 million on a single transaction (more with senior management approval).

FY	Total Capital	Net Capital	Excess Net Capital	Average Daily Inventory in Municipal Securities
2015	\$783,659,000	\$187,880,000	\$186,880,000	\$213,242,072

UNDERWRITING LIMIT

In general, we believe a firm's willingness to use its capital to underwrite bonds (rather than a firm's gross capital position) is one of the most relevant gauges of underwriter performance. Subsequent to the financial crisis, some firms may have tightened their underwriting risk parameters in an effort to match their newly increased aversion to risk. Piper Jaffray, however, continues to regularly commit capital on behalf of municipal issuers. **Piper Jaffray has no strict limit on the amount of capital that can be committed to an individual transaction.**

Utilizing Piper Jaffray's underwriting capital will assist in the underwriting process by ensuring a smooth and successful sale. As a demonstration of our willingness to underwrite the City's bonds, we have provided the table to the right that illustrates on a monthly basis the amount of bonds we have taken into inventory to support our client's financings during the past year.

Piper Jaffray's Municipal Capital Commitment for 2016 (by Month)				
Month of:	Number of Deals	Par Amount	Capital Committed	% Committed
02/16	41	\$1,159,490,000	\$165,785,000	14.30%
01/16	32	\$741,535,000	\$116,845,000	15.76%
12/15	58	\$127,655,000	\$7,775,000	6.09%
11/15	40	\$637,975,000	\$170,995,000	26.80%
10/15	52	\$1,066,275,000	\$159,170,000	14.93%
09/15	49	\$740,548,478	\$180,277,720	24.34%
08/15	54	\$734,507,740	\$110,612,740	15.06%
07/15	72	\$1,514,138,302	\$257,868,225	17.03%
06/15	70	\$1,769,798,476	\$223,120,000	12.61%
05/15	78	\$1,937,023,393	\$238,829,011	12.33%
04/15	73	\$1,703,794,039	\$182,817,699	10.73%
03/15	60	\$1,391,254,115	\$207,914,000	14.94%
02/15	56	\$1,479,426,818	\$77,281,000	5.22%
01/15	30	\$581,805,000	\$156,910,000	26.97%
Totals:	1,904	\$38,989,114,179	\$5,353,021,283	13.74%

3. Summary of California and Similar Transaction Experience

CA SENIOR MANAGER EXPERIENCE

CA LONG-TERM ISSUES

Piper Jaffray's California team has established itself as a leading underwriter of California long-term negotiated issues, ranking as the **Number Two** underwriter since 2013 with 305 issues worth \$7.6 billion. Piper Jaffray's consistent successful track record in California underscores not only the Firm's public finance expertise but also the confidence California issuers have placed in our firm.

California Long-Term Negotiated Rankings (by Number of Issues)			
Year	Rank	Par Amount (\$ millions)	Number of Issues
2013	2	\$2,862.7	119
2014	2	1,699.1	78
2015	2	2,286.4	86
2016 YTD		756.7	22
Total		\$7,604.9	305

CA LAND-SECURED ISSUES

As highlighted by the ranking table to the right, Piper Jaffray has consistently ranked as one of the **Top Two** underwriters of negotiated California CFD/AD bonds. Over the last several years, the markets have seen increased activity in the California land-secured markets and Piper Jaffray has managed to stay active as a leader in this highly specialized sector. From January 2013 to present, Piper Jaffray senior managed 41 negotiated California CFD/AD worth over \$922.1 million in par and has 8 transactions underway that are scheduled to price and close in 2016. Due to our active involvement with California land secured transactions, our sales force is accustomed to marketing these unique credits to the broadest investor audience possible. Furthermore, by utilizing our dedicated Municipal High Yield Marketing Group, we have developed alternative distribution channels for land-secured bonds, most notably with high net worth developers and real estate professionals who are comfortable with these types of credits.

California Negotiated Land-Secured Rankings (by Number of Issues)			
Year	Rank	Par Amount (\$ millions)	Number of Issues
2013	2	\$240.8	14
2014	2	230.0	9
2015	2	410.3	16
2016 YTD*		364.1	10
Total		\$1,245.2	49

*Includes transactions currently being executed and scheduled to price/close in 2016.

CA TAX ALLOCATION ISSUES

Piper Jaffray has been one of a small number of active underwriters of tax allocation bonds ("TABs") for decades, and has worked with numerous California issuers (including the City of Santee) to execute their TAB refundings – including taxable TAB refundings. Our team has, post dissolution, senior managed 15 TAB financings worth over \$313 million for Successor Agencies of San Francisco, Carson, Alameda, Signal Hill and Grass Valley, among others. The proposed lead bankers currently have four tab transactions underway that are scheduled to price and close in 2016. Our bankers possess a solid understanding of the Department of Finance ("DOF") approval process, rating agency criteria, investor interest and suitability and issuer considerations when proceeding with tax allocation refundings – allowing a seamless and cost effective marketing and underwriting process.

California Negotiated Tax Allocation Rankings (by Number of Issues)			
Year	Rank	Par Amount (\$ millions)	Number of Issues
2013	4	\$23.3	2
2014	3	184.3	7
2015	4	105.4	6
2016 YTD*		170.3	4
Total		\$483.3	19

*Includes transactions currently being executed and scheduled to price/close in 2016.

PROPOSED LEAD BANKERS

Ms. Koster and Mr. McGuire, who served as lead bankers on the Redevelopment Agency's Series 2011 Tax Allocation Bond, will serve as co-lead bankers on the Series 2016 financings. Combined, these two professionals have over 39 years of banking experience, a vast majority of which has been focused on serving the needs of California municipalities with respect to land secured and tax allocation financings.

Ms. Koster and Mr. McGuire are well versed in bringing special tax and tax allocation bond issues to market. Since 2013, Ms. Koster and Mr. McGuire have completed 41 successful land secured and TAB transactions worth over \$1.03 billion in par and are currently working on an additional 12 transactions worth approximately \$495 million in additional par. Having worked on hundreds of financings for California local governments, our local banking team understands the time and effort required of a municipal entity's staff to complete a public offering.

Lead Banker Senior Managed Negotiated Special Tax and Tax Allocation Deal Count		
Year	Par Amount (\$ millions)	Number of Issues
2013	\$122.3	8
2014	408.0	14
2015	464.4	17
2016 YTD*	534.4	14
Total	\$1,529.1	53

*Includes transactions currently being executed and scheduled to price/close in 2016.

A list of Ms. Koster and Mr. McGuire's completed senior managed special tax and tax allocation transactions can be found in **Exhibit A**.

4. Transaction Examples

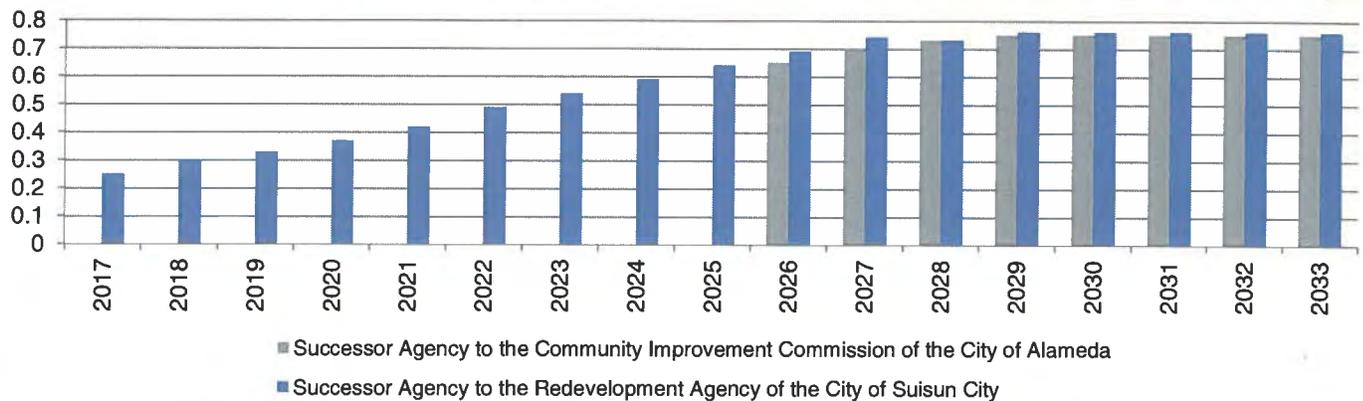
CASE STUDY – CITY OF ALAMEDA SUCCESSOR AGENCY

As one example of the Firm's suitability to serve as underwriter for the Successor Agency, we include a recent relevant refunding transaction on which Ms. Koster served as the Lead Banker. The transaction executed with the Successor Agency to the Community Improvement Commission of the City of Alameda refunded multiple series of outstanding bonds, included both tax exempt and taxable bond series, were of a similar par size, and were secured by a pledge of RPTTF. Piper's credit work assisted in upgrading the Successor Agency's outstanding senior debt credit rating from an "A-" to "A+". And, as can be seen in the graphic below, the Alameda transaction priced three weeks later than a similarly rated Suisun City transaction; though the Suisun City transaction was issued as senior debt, the subordinate Alameda transaction priced with lower spreads to MMD through the longer end of the yield curve.

**Successor Agency to the Community Improvement Commission of the City of Alameda
Subordinate Tax Allocation Refunding Bonds, Series 2014 A and Taxable Series B**

Issuer	Successor Agency to the Community Improvement Commission of the City of Alameda	Final Allocations for Series 2014 A and B	
Issue Description	Subordinate Tax Allocation Refunding Bonds	Tier I	55%
Par Amount	Series A: \$23,495,000 Series B: \$25,080,000 (Taxable)	Tier I	40%
Role	Sole Manager	Tier III and Retail	3%
Sale Date	December 9, 2014	PJC Underwrote	1%
Relevant Structuring Considerations	<ul style="list-style-type: none"> Rated "A+" by S&P BAM fully insured Series A and partially insured Series B (maturity dates 9/1/2020 through 9/1/2026) BAM issued a Reserve Account Insurance Policy in an amount equal to the initial "Reserve Requirement" for the Bonds (\$3,870,000) Optional Call 9/1/2024 at par 		

Spread to AAA MMD



Transaction Highlights

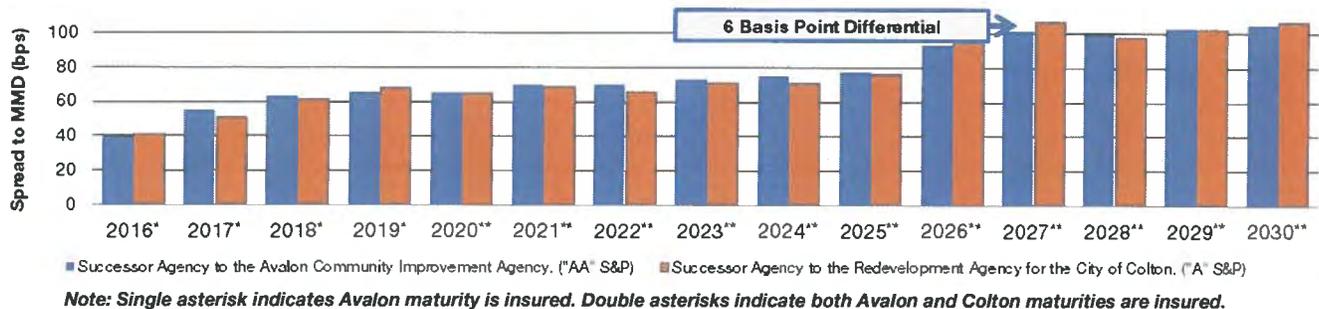
- The Series 2014 Bonds, in aggregate, fully refunded the Agency's Series 2003A1 Bonds, the Series 2003A2 Bonds, the Series 2003B Bonds, and the Series 2003C Bonds.
- The Series 2014 Bonds were issued on a subordinate basis to the approximately \$28mm in outstanding senior tax allocation bonds. This structure allowed the Series 2014 Bonds to be secured by all revenues into the RPTTF making a much stronger credit and helping to mitigate certain tax increment limit issues associated with one of the project areas.
- The Alameda Successor Agency Bonds received an "A+" rating from S&P, primarily due to the Agency's geographical location, and strong debt service coverage of over 1.76x. Additionally, the Agency improved their long-term rating on the Alameda Public Financing Authority Series 2011A (taxable) and 2011B from an "A-" to an "A+".
- Piper Jaffray's marketing approach provided for a successful sale of Bonds – the POS was posted on December 2, 2014, with the pricing taking place on December 9, 2014, leaving additional marketing time in order to garner sufficient investor attention.
- Our marketing efforts illustrated the overall stable nature of the credit and the fact that the high debt service coverage and low volatility ratio offset any taxpayer concentration; as well as focusing on those institutions that have been active in purchasing tax allocation bonds post dissolution.
- The Alameda transaction priced three weeks later than a similarly rated Suisun City transaction. Though the Suisun City transaction was issued as senior debt, the subordinate Alameda transaction priced with lower spreads to MMD through the longer end of the curve.
- Results: The refunding produced present value savings of nearly \$10 million – which was approximately 16% of the refunded bonds.

CASE STUDY – CITY OF AVALON SUCCESSOR AGENCY

As an example of the Firm’s aggressive pricing incorporating marketing and sales to institutional and professional retail accounts, we submit the following comparison: Piper Jaffray’s \$17.16 million Successor Agency to the Avalon Community Improvement Agency tax exempt TAB refunding which priced June 30th of 2015 vs. our nearest competitor in the redevelopment finance sector, Stifel Nicolaus’ \$18.93 million Successor Agency to the Colton Redevelopment Agency tax exempt TAB refunding which priced July 8th. Both transactions carried insurance and a surety funded debt service reserve fund; however, the Avalon transaction had an inferior, 1 notch lower “A-” underlying rating by S&P. Typically, a one notch differential in rating equates to higher pricing by between 10 – 20 bps.

As can be seen in our comparison, while Stifel Nicolaus claims that access to “Mom and Pop” retail allows them to price more aggressively than their competition, the comparison below clearly shows that Piper’s distribution model, that includes professional retail but not “Mom and Pop” retail, prices as aggressively and more aggressively in some maturities.

Par:	\$17,160,000	Par:	\$18,925,000
Issuer:	SA to the Avalon Community Improvement Agency	Issuer:	SA to the RDA for the City of Colton
Issue:	Tax Allocation Refunding Bonds	Issue:	Tax Allocation Refunding Bonds
Series:	2015 Series A	Series:	2015 Series
Underwriter:	Piper Jaffray	Underwriter:	Stifel Nicolaus
Insurance:	AGM	Insurance:	BAM (2020-2036)
Ratings:	(AA (Insured)/ A- (Underlying S&P))	Ratings:	(AA (Insured)/A (Underlying/S&P))
Pricing Date:	June 30, 2015	Pricing Date:	July 5, 2015



Average Spread Differential in Piper Jaffray's Favor: 0.53 Basis Points

CASE STUDY – CITY OF RANCHO CORDOVA (NORTH DOUGLAS CFD)

The Rancho Cordova CFD 2005-1, Series 2015 Bonds case study illustrates Piper Jaffray’s ability to implement a CFD financing program in the current market for new development. Due to the level of undeveloped property in the CFD, we structured the Series 2015 Bonds around property that was either developed or expected to be developed in the near term. Additional parity bonds will be issued as development progresses and the underlying credit improves. This multi-phase financing program ensured that the Series 2015 Bonds were prudently structured and well received by investors, while maintaining flexibility in the bond documents to allow for future parity bonds to allow for complete build-out of the project.

Rancho Cordova Sunridge North Douglas Community Facilities District No. 2005-1	
Issuer	City of Rancho Cordova
Issue Description	Special Tax Bonds
Par Amount	\$14,225,000
Role	Sole Manager
Sale Date	September 30, 2015
Relevant Structuring Considerations	<ul style="list-style-type: none"> The Bonds were Non-Rated Cash DSRF in an amount equal to the Initial Reserve Requirement for the Bonds Optional Call date 9/1/2025 at Par Bonds were issued in \$5,000 denominations

Transaction Highlights

- The Bonds were issued to finance a portion of the costs of acquiring and constructing certain public infrastructure improvements necessary for development in the District. The improvements consist generally of road, water, sanitary sewer, joint trench utilities, and other miscellaneous infrastructure improvements necessary for development of property within the District.
- Interest on the Bonds is payable March 1, 2016, and thereafter semiannually on September 1 and March 1 of each year.
- The Bonds were structured with Serial maturities beginning 9/1/2016 through 9/1/2035 and with Term Bonds in 2040 and 2045.
- The District is comprised of approximately 148 acres located in the City in the eastern portion of Sacramento County and is commonly known as the "Sunridge North Douglas" area, which is a part, but not all, of the Sunridge Specific Plan, a land use plan which was adopted by the County of Sacramento in 2002
- The District has final subdivision map approval for the development of 662 detached residential lots with typical lot sizes projected to range from 3,150 to 5,775 square feet.
- The district has 662 parcels with an appraised value of \$59.5 million – resulting in a value to lien ratio of approximately 4.1:1
- Marketed the transaction to institutional investors who are active in CFD financing and select land developers
- 30 Year financing achieved average interest cost (TIC) of 4.60%

CASE STUDY – CITY OF DIXON (PARKLANE CFD)

The City of Dixon CFD 2013-1 (Parklane) case study illustrates Piper Jaffray's ability to implement a bond financing and marketing program for a first time issuer of CFD bonds. Although the City is within the Sacramento region and surrounded by active issuers of CFD bonds, Piper wanted to structure a prudent financing that would be well received by investors and would establish the Dixon name amongst CFD investors. The Parklane CFD was structured with 5 separate development zones. The Series 2015 Bonds were structured around the special tax revenues from Zones 1 and 2 only. These areas were composed of completed homes and finished lots. This resulted in a solid credit with a good value-to-lien ratio. Although the property owner wanted to issue a larger amount of bonds, we discussed with them that the lower value-to-lien ratio and weaker credit would have a negative impact on the sale of the Series 2015 Bonds and possibly future issuances. The developer agreed and worked with Piper Jaffray to establish an additional bonds test which provided protections to initial investors but sufficient flexibility to issue further series of bonds as development occurs.

City of Dixon CFD No. 2003-1	
Issuer	City of Dixon
Issue Description	Special Tax Bonds
Par Amount	\$7,670,000
Role	Sole Manager
Sale Date	September 17, 2015
Relevant Structuring Considerations	<ul style="list-style-type: none"> • The Bonds were Non-Rated • Cash DSRF • Optional Call date 9/1/2025 at Par • Bonds were issued in \$5,000 denominations
Transaction Highlights	
<ul style="list-style-type: none"> • The proceeds of the 2015 Bonds will be used to pay the costs of certain public infrastructure improvements. The improvements consist generally of streetscape and pedestrian improvements and public open space improvements. • Interest on the Bonds is payable March 1, 2016, and thereafter semiannually on September 1 and March 1 of each year. • The Bonds were structured with Serial maturities beginning 9/1/2016 through 9/1/2035 and with a Term Bond in 2045. • The District includes approximately 71.51 gross acres of land located at the Northeast corner of State Highway 113 and East Parkway Boulevard in the City in a subdivision known as Parklane at Dixon. • The City of Dixon was issuing its first ever CFD financing for the Parklane development. The project was to be constructed in 5 phases and contain approximately 400 homes at build-out. The developer wanted to issue the first series of bonds such that the resulting value-to-lien ratio was at or below 4:1 - an aggressive vtl ratio for an area that did not have a history with CFD's. Further, the amount of debt service would have required that properties not yet final mapped receive a tax levy. • Piper Jaffray worked with the issuer and required that the first series of bonds be sized against only those properties that were projected for near term development – specifically those properties that were developed or had received their final map. This resulted in a smaller bond issue than the developer requested, but higher value-to-lien ratio and established a solid phased bonding approach as development progressed. • 30 Year financing achieved average interest cost (TIC) of 4.73% 	

5. Refunding Considerations

It is our observation that Issuers have historically used various criterion in their refunding policies for advanced refundings, including:

- **Savings Percentage** – Exercise when the present value savings as a percentage of refunded par is greater than a given threshold such as 3%;
- **Escrow Efficiency** – Exercise when the escrow efficiency is greater than a given threshold such as 90%. The escrow efficiency is the ratio of the escrow cost yielding the refunding arbitrage yield to the realized escrow cost;
- **Negative Arbitrage/Savings** – Exercise when the negative arbitrage divided by the present value savings is less than a given threshold such as 20%; and/or
- **Table-based Criterion** – Exercise when the refunding meets the savings threshold derived from the “Years from Call to Maturity” and “Years to Call” provided in the table, as exemplified in the table below:

Years from Call to Maturity	Years to Call		
	0 to 2	3 to 7*	8 plus
0 to 5	0.50%	1.00%	2.00%
6 to 10	1.00%	2.50%	4.00%
11 to 15	3.00%	4.00%	5.00%
16 plus*	4.00%	5.00%	5.50%

*Indicates Base Case “Years to Call” and “Years from Call to Maturity”

Each of these policies in their own right is a heuristic policy technique – not guaranteed to be optimal or perfect, but sufficient for the immediate goals; and an Issuer could choose to select one or all of the techniques for their policy. Assuming that the City’s objective is to simply maximize estimated PV savings; the refunding policy with the highest estimated PV savings wins. However, there may be other motives for calling bonds on an advance basis, including retiring an indenture with restrictive bond covenants, reduction of debt to improve key financial ratios, use of windfall cash and other strategic reasons for shrinking the balance sheet.

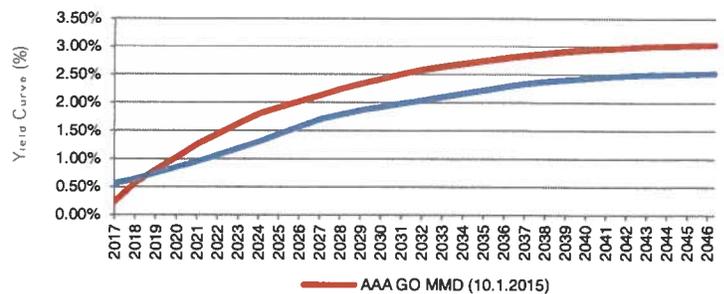
Our analysis of a Base Case refunding of the Series 2005, Series 2011A and Series 2011B (Taxable) Tax Allocation Bonds, which can be found in **Exhibit B** herein, results in meeting three of the four above referenced and widely accepted refunding policies as follows:

- Savings Percentage – Base Case provides 16.02% NPV Savings
- Escrow Efficiency – Base Case provides 104% escrow efficiency
- Negative Arbitrage/Savings – Base Case provides 28% ratio
- Table-based Criterion – Base Case provides 16.02% Savings

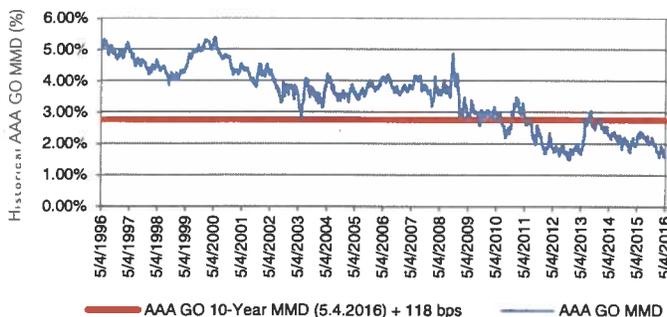
Flattening Yield Curve

The most prevalent risk of waiting to refund the outstanding bonds as a current refunding is interest rate risk. As can be seen in the chart to the right, the current yield curve is much flatter than that of Fall 2015, prior to the FOMC signaling its intent to start increasing the fed funds rate. A flatter yield curve makes advanced refundings more attractive.

Additionally, an Issuer should consider how much interest rates could increase over the period of time between a potential advanced refunding and the first optional call date before the savings from a refunding is eliminated.



Our analysis of the Base Case refunding mentioned earlier indicates that rates could increase no more than 118 bps before all savings is eroded by waiting. The chart to the left depicts when the AAA GO 10 Year MMD rate has been in +118 bps higher than it was as of May 4th, 2016, when we ran our analysis. As can be seen, rates have not consistently been that high since 2011. The +118 bps level was breached last in the summer of 2013 after headline news about defaults in the municipal markets gained traction and caused increased volatility in the market. It is not unrealistic to assume that in a rising interest rate environment, such as has been signaled by the Fed, interest rates could move to levels in excess of the breakeven amount indicated.



SB 107 Considerations

SB 107 provides a roadmap allowing Successor Agencies to access up to 45% of their outstanding 2011 bond proceeds depending on when the bonds were issued. In order to receive DOF approval, the Issuer must submit and approve a “Last and Final ROPs”. Once submitted, only two amendments are allowed. Potential ROPs changes include clerical errors, refundings, and draws on a surety/insurance policy (they require that the draw be reimbursed through a payment). This could impact the Successor Agency if they pursue insurance and a surety for the refunding transaction as the insurer will require a bond covenant requiring that the insurer has final approval of any “Last and Final ROPs” submittal or to allow for the insurer to have approval on the last amendment to the Last and Final. This would ensure that the Successor Agency places any back taxes and interest paid by a draw on the insurance/surety be included on the final ROPs.

6. CFD Considerations

The developer of the CFD project would like to issue bonds early in the development process in order to finance required infrastructure. Investor reception has improved over the past 18+ months for CFD projects that have a larger component of undeveloped property. This is based on a combination of investors becoming more comfortable with land development in California as we recover from the Great Recession and a lack of supply of higher yielding bond issues. However, investor’s willingness to purchase more speculative projects shouldn’t negate an Issuer’s desire to implement a financing structure that does not become a burden on the development of the CFD or an administration burden on the Issuer. There are a number of credit characteristics that investors will diligence to gauge the long-term viability of development and they must be considered in aggregate as well as individual credit points. The following are the key credit criteria to consider when issuing CFD bonds on relatively undeveloped credits, and other structuring recommendations to strengthen the underlying credit and protect the City.

Status of Development – There are varying degrees of undeveloped property within a CFD. For instance, a project that has no vertical construction, but all of the required infrastructure is complete and all of the lots are “finished” and ready to be built with single family homes, is “undeveloped” but may be considered a good credit. Contrast this with a project where the land has not been improved and much of the infrastructure construction has yet to commence. The key is to remove development risk from the project. The following are ways to help mitigate concerns related to development risk:

- *Absorption Study* – For new development projects, particularly in areas new to CFDs, it is important to have an absorption analysis completed. The study will provide analysis of the likely home prices, the demand for homes and the likely absorption of the project. This will allow investors to see the length of time they may be subject to development risk. The shorter the absorption period; the better the reception by investors.
- *Structure Around Near Term Development* – In order to minimize development risk, a number of clients have structured their transactions so that the special taxes levied on homes expected to be built out over the next 18 to 24 months will support annual debt service on the bonds.
- *Letter of Credit* – If the CFD would like to access all the bonding capacity in a single issue (rather than escrowing a portion of the bonds), but absorption is expected to take longer, issuers often require the developer provide a letter of credit equal to a years’ worth of special tax on the undeveloped property. As development occurs, the LOC obligation ratchets down and eventually goes away. Further, in order to add flexibility, the City may only require the LOC until undeveloped property is obligated to pay 25% or 50% of the annual special tax levy.

Environmental and Development Approvals – For projects that have undeveloped properties, it is imperative that all environmental and development approvals are in place to allow for complete build-out of the CFD. This not only includes a completed and approved EIR and Development Agreement, but all of the discretionary approvals, including Army Corps of Engineers 404 Permits, Stream Alteration Permits and other requirements from outside agencies. The permits will need to be in place for the development within the CFD as well as for any offsite improvements which are a condition of development for properties within the CFD.

Financing Plan for Improvements – It may be possible that only a portion of the required infrastructure is in place at the time of the first bond issue. However, investors will want to see that funds are available to pay for all of the required infrastructure needed for development in the CFD. This can be a combination of bond proceeds, developer equity (which will require disclosure related to the financial wherewithal of the developer), approved bank loans, etc.

Financial Wherewithal of Developer – If a portion of the special tax will be paid by the developer during the absorption period, investors will want disclosure related to the financial wherewithal of the developer and their ability to pay the special tax for an extended period of time in the event that development slows down. This is less of a concern with a large, publicly traded builder whose financials are readily available than with regional builders or property owners.

Further, there will need to be disclosure related to the developer’s history of completing similar projects, involvement in CFD’s as well as their history of payments in prior CFD’s. Any prior late or delinquent payments on other CFD will need to be disclosed and could be a credit negative to investors.

Value-to-Lien (“VTL”) Ratio – The vtl ratio is one of the key credit metrics used by investors when determining the credit strengths of a CFD project. However, the other factors listed above will play a factor in determining the minimum vtl ratio that will be accepted by investors and will provide protection to the City:

- **4:1 VTL Ratio** – We have seen investors accept a limited number of vtl ratios below 4:1; typically in locations with very strong real estate fundamentals and projects that provided direct city/issuer benefit. Further, we have seen pushback from investors on certain projects with vtl ratios below 4:1. This vtl appears to be the prudent minimum for most issuers, but this assumes that the project has most of its infrastructure complete and some of the homes are either complete or underway.
- **5:1 VTL Ratio** – For projects that are in the early stages of development, that carry a much greater level of development risk, we would advise a vtl ratio of 5:1 or higher. This higher ratio provides some level of protection in the event that the project is still in the development stage as the real estate market slows down.

Alternative Structures to Meet Value-to-Lien

- **Multiple Series of Bonds** – The CFD could issue two or more series of parity CFD bonds as development progresses. This would ensure that each issue carries a solid vtl ratio and the project does not become overly burdened in the event that development slows.
- **Escrow Bonds** – Another option to meet the vtl requirements if value does not support a single issuance is to issue “escrow bonds”. Proceeds from the escrow bonds would be placed in escrow and released once an increase in value will support the increased lien from the escrow bonds.

CASE STUDY - CITY OF ROSEVILLE CFD #1 (HP CAMPUS OAKS)

City of Roseville HP Campus Oaks Community Facilities District No. 1 (Public Facilities)																																																																																											
Issuer	City of Roseville																																																																																										
Issue Description	Special Tax Bonds																																																																																										
Par Amount	\$23,000,000																																																																																										
Role	Sole Manager																																																																																										
Sale Date	March 17, 2016																																																																																										
Relevant Structuring Considerations	<ul style="list-style-type: none"> • The Bonds were Non-Rated • Cash DSRF in an amount equal to the Initial Reserve Requirement for the Bonds • Optional Call date 9/1/2026 at Par 																																																																																										
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<table border="1"> <caption>Spreads to MMD Data</caption> <thead> <tr> <th>Year</th> <th>City of Roseville (3.17.16)</th> <th>Saugus/Hart School Facilities Financing Authority (1.26.16)</th> </tr> </thead> <tbody> <tr><td>2016</td><td>1.5</td><td>0.0</td></tr> <tr><td>2017</td><td>1.8</td><td>0.4</td></tr> <tr><td>2018</td><td>1.9</td><td>0.5</td></tr> <tr><td>2019</td><td>2.0</td><td>0.6</td></tr> <tr><td>2020</td><td>2.0</td><td>0.7</td></tr> <tr><td>2021</td><td>2.0</td><td>0.8</td></tr> <tr><td>2022</td><td>0.0</td><td>0.9</td></tr> <tr><td>2023</td><td>0.0</td><td>1.0</td></tr> <tr><td>2024</td><td>0.0</td><td>1.0</td></tr> <tr><td>2025</td><td>0.0</td><td>1.0</td></tr> <tr><td>2026</td><td>2.2</td><td>1.0</td></tr> <tr><td>2027</td><td>0.0</td><td>1.1</td></tr> <tr><td>2028</td><td>0.0</td><td>1.1</td></tr> <tr><td>2029</td><td>2.3</td><td>1.3</td></tr> <tr><td>2030</td><td>0.0</td><td>1.4</td></tr> <tr><td>2031</td><td>2.3</td><td>0.0</td></tr> <tr><td>2032</td><td>0.0</td><td>1.4</td></tr> <tr><td>2033</td><td>0.0</td><td>1.5</td></tr> <tr><td>2034</td><td>0.0</td><td>1.6</td></tr> <tr><td>2035</td><td>0.0</td><td>1.5</td></tr> <tr><td>2036</td><td>2.2</td><td>1.5</td></tr> <tr><td>2037</td><td>0.0</td><td>0.0</td></tr> <tr><td>2038</td><td>0.0</td><td>0.0</td></tr> <tr><td>2039</td><td>0.0</td><td>1.6</td></tr> <tr><td>2040</td><td>0.0</td><td>0.0</td></tr> <tr><td>2041</td><td>0.0</td><td>1.5</td></tr> <tr><td>2042</td><td>0.0</td><td>0.0</td></tr> <tr><td>2043</td><td>0.0</td><td>0.0</td></tr> <tr><td>2044</td><td>0.0</td><td>0.0</td></tr> </tbody> </table>		Year	City of Roseville (3.17.16)	Saugus/Hart School Facilities Financing Authority (1.26.16)	2016	1.5	0.0	2017	1.8	0.4	2018	1.9	0.5	2019	2.0	0.6	2020	2.0	0.7	2021	2.0	0.8	2022	0.0	0.9	2023	0.0	1.0	2024	0.0	1.0	2025	0.0	1.0	2026	2.2	1.0	2027	0.0	1.1	2028	0.0	1.1	2029	2.3	1.3	2030	0.0	1.4	2031	2.3	0.0	2032	0.0	1.4	2033	0.0	1.5	2034	0.0	1.6	2035	0.0	1.5	2036	2.2	1.5	2037	0.0	0.0	2038	0.0	0.0	2039	0.0	1.6	2040	0.0	0.0	2041	0.0	1.5	2042	0.0	0.0	2043	0.0	0.0	2044	0.0	0.0
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<ul style="list-style-type: none"> • The Bonds were issued to finance a portion of the costs of acquiring and constructing certain public infrastructure improvements of benefit to the District. • Interest on the Bonds is payable September 1, 2016, and thereafter semiannually on March 1 and September 1 of each year. • The Bonds were structured with Term Bonds in 2021, 2026, 2031, 2036 and 2046. • The Land Use development plan at buildout was 90% residential and 10% commercial/office space – resulting in a value to lien ratio of approximately 3.15:1 • Marketed the transaction to institutional investors who are active in CFD financing and select land developers • 30 Year financing achieved average interest cost (TIC) of 4.99% 																																																																																											

7. Assigned Personnel

PIPER JAFFRAY'S PROPOSED FINANCING TEAM

Piper Jaffray offers the City and Successor Agency a comprehensive team of high quality investment banking and underwriting professionals who have extensive experience working on tax allocation financings post dissolution and Mello-Roos bonds. Piper Jaffray will staff the assignment with two senior bankers, *Ms. Katie Koster*, Managing Director, and *Mr. Dennis McGuire*, Managing Director, who will serve as the Co-Lead Bankers for the City/Successor Agency. Together, they will share responsibility for facilitating the financing process on both issues from start to finish including the day-to-day management of the Firm's resources, documentation review and production, attending all financing team meetings, and coordinating a comprehensive marketing and sales process, to ensure that the City's financings are executed successfully and at the lowest cost possible. By assigning two senior bankers to the proposed transactions, we will assure the City that it is receiving the highest level of service. Quantitative support will be provided by Ms. Renee Vancho.

LEAD BANKERS

Ms. Katie Koster, a Managing Director, will serve as lead banker and primary contact for the Successor Agency's upcoming bond issuance and will provide additional senior banking coverage to Mr. McGuire. Ms. Koster's tax allocation banking experience includes having served as the Lead Banker to the Santee RDA on their Series 2011A and Series 2011B Tax Allocation Bond financing and, most recently, TAB refundings for the successor agencies to the cities of San Francisco, Alameda, Avalon, Signal Hill and La Mirada. Ms. Koster will also lend her expertise to the City's CFD credits. Her land-secured resume includes transactions for the City of Irvine, Davis, Tustin USD, Irvine USD, and the County of Orange, as well as transactions for the cities of San Clemente, San Marcos, San Diego, Los Angeles, and Oceanside, as well as Riverside County, and the City and County of San Francisco, among others. Ms. Koster is a frequent speaker at industry forums including the most recent Bond Buyer California Public Finance Conference and is the recipient of the "She's Our Hero" Award from the national organization of Women in Public Finance. Ms. Koster holds her FINRA Series 7, 53 and 63 licenses and received her BA from Pepperdine University.

Mr. Dennis McGuire, a Managing Director based out of our Sacramento office, will serve as the lead banker and primary contact for the City's upcoming CFD bond issuance and will provide senior banking coverage to Ms. Koster. Mr. McGuire's experience includes over \$3.2 billion of senior-managed financings for California local government issuers including serving as Co-Lead Banker to the Santee RDA's Series 2011A and Series 2011B Tax Allocation Bond issuance. Mr. McGuire has extensive experience working on all types of CFD transactions – from early stage new development to built-out and established CFD's. His resume over the past 10 years includes 31 successfully completed CFD transactions with a total par amount of \$1.025 billion for a number of cities throughout the State, including Elk Grove, Folsom, Lincoln, Rancho Cordova, Roseville and West Sacramento, as well as the County of Placer. Mr. McGuire also has completed numerous tax allocation transactions for a number of successor agencies post dissolution, including successor agencies for the cities of Alameda, Anderson, Brisbane, Dixon, Grass Valley, Vacaville, Roseville, San Francisco and Suisun City. Mr. McGuire holds FINRA Series 7, 53 and 63 and received a BA and an MBA from UC Davis.

QUANTITATIVE SUPPORT

Ms. Renee Vancho, Assistant Vice President, joined Piper Jaffray's Public Finance Group in 2014. Ms. Vancho has over 6 years of experience in public finance, having previously served in the capacity of financial advisor. Ms. Vancho is responsible for the quantitative analysis used for the structuring and credit analysis of bond issues. Ms. Vancho works closely with the senior bankers in all aspects of each financing. Ms. Vancho is also a member of *Women in Public Finance* and has received a B.A. from California State University, Fullerton.

UNDERWRITING TEAM

Mr. Chris Bessette, Managing Director and Head of California Fixed Rate Underwriting, will serve as the lead underwriter for the City's proposed issue from our San Francisco Underwriting Desk. Mr. Bessette has served as the lead underwriter for over 500 California issues with a total par exceeding \$11 billion since 2010. He is one of the most knowledgeable underwriters in the California redevelopment and land secured sector credits. Supplementary underwriting support is provided by **Mr. Neil Heinen**, Principal, who assists Mr. Bessette with the trading and underwriting efforts of Piper Jaffray's California debt issues.

PLACEMENT GROUP

In the case of a private placement, **Mr. Matt Morrell**, a Principal in our National Bank Placement Group, will serve as our primary private placement liaison and will coordinate our National Bank Placement Group's efforts of canvassing the national and local pool of banks. Since 2012, his experience in the municipal private placement market includes over 468 transactions worth over \$5.4 billion. Mr. Morrell works from Piper's Minneapolis headquarters.

HIGH YIELD CREDITS TEAM

Piper Jaffray is one of the few underwriters with a team specifically devoted to marketing, analyzing and trading of special municipal bond credits that help our clients interface with the rating agency and investor communities. This includes any land-secured financing that is not investment grade due to size or credit quality. The High Yield Credits Team includes professionals based in San Francisco, Minneapolis and New York and is supported by a municipal credit specialist, **Ms. Yaffa Rattner**, a Managing Director based in New York (formerly of Moody's). The team maintains ongoing relationships with all of the portfolio managers and credit analysts who make the decisions to purchase special credits and has close and on-going relationships with them to provide aftermarket support for any non-rated or non-traditional transactions underwritten by Piper Jaffray. The High Yield Credits Team will be beneficial in relaying investors' feedback in regards to the City's CFD credit. This will be helpful in developing a comprehensive marketing plan and financing structure that will be well received by investors.

Complete resumes for our proposed financing team can be found in **Exhibit C**.

8. Proposed Underwriting Spread

FEES

Piper Jaffray would very much like to work with the City of Santee on the proposed tax allocation refunding and new money CFD transactions and therefore we are proposing fees that are both aggressive and will be sufficient to generate significant demand from all suitable investor segments for each distinct credit.

The following is our proposed not-to-exceed underwriting fee – with takedown, management fee and expenses broken out. The proposed fee is based on an assumed refunding of the Series 2005 and Series 2011 (Tax Exempt) and Series 2011 (Taxable) Tax Allocation Bonds and reflects an approximate bond par amount of \$50 million.

Underwriter's Discount	\$ Amount	\$ Per Bond
Average Takedown	\$200,348	\$4.01
Management Fee	\$0	\$0.00
Expenses (detailed below)	\$22,633	\$0.45
Gross Spread	\$222,981	\$4.46
Expenses	\$ Amount	\$ Per Bond
Out-of-Pocket Expenses	\$500	\$0.01
Underwriter's Counsel	\$12,500	\$0.25
DTC	\$500	\$0.01
DAC - Disclosure Review	\$1,000	\$0.02
CUSIP	\$573	\$0.01
CDIAC	\$3,000	\$0.06
Ipreo Syndicate Expense	\$3,310	\$0.07
Day Loan	\$1,250	\$0.03
Total Expenses	\$22,633	\$0.45

Maturity Date	Takedown p/Bond	Takedown
August 1		
2017-2019	\$ 2.25	\$ 13,961
2020-2026	\$ 3.75	\$ 53,456
2027-2041	\$ 4.50	\$ 132,930
Totals	\$ 4.01	\$ 200,348

The following is our proposed not-to-exceed underwriting fee – with takedown, management fee and expenses broken out. The proposed fee is based on an assumed new money CFD bond issuance and reflects an approximate bond par amount of \$7 million.

Underwriter's Discount	\$ Amount	\$ Per Bond
Average Takedown	\$51,150	\$7.31
Management Fee	\$0	\$0.00
Expenses (detailed below)	\$9,301	\$1.33
Gross Spread	\$60,451	\$8.64
Expenses	\$ Amount	\$ Per Bond
Out-of-Pocket Expenses	\$500	\$0.07
Underwriter's Counsel	\$6,000	\$0.86
DTC	\$500	\$0.07
DAC - Disclosure Review	\$0	\$0.00
CUSIP	\$613	\$0.09
CDIAC	\$1,050	\$0.15
Ipreo Syndicate Expense	\$463	\$0.07
Day Loan	\$175	\$0.03
Total Expenses	\$9,301	\$1.33

Maturity Date	Takedown per Bond	Takedown
August 1		
2017-2019	\$ 5.00	\$ 750
2020-2026	\$ 6.25	\$ 4,875
2027-2046	\$ 7.50	\$ 45,525
Totals	\$ 7.31	\$ 51,150

9. Conflicts of Interest

Piper Jaffray has entered into various distribution agreements for the distribution of certain new issue municipal securities underwritten by or allocated to us, including with Charles Schwab & Co., Inc. and UnionBank Investment Securities LLC. Under the agreements, we could share with such parties a portion of the fee or commission paid to us as underwriter. Piper Jaffray does not employ consultants to solicit or retain municipal securities business.

10. Regulatory Considerations

Due to the nature of our business, we are involved in a variety of legal proceedings on an ongoing basis. These proceedings include litigation, arbitration and regulatory proceedings, which may arise from, among other things, transactional activity, regulatory examinations of our businesses and investigations of securities industry practices by governmental agencies and self-regulatory organizations. The securities industry is highly regulated, and the regulatory scrutiny applied to securities firms has increased dramatically in recent years, resulting in a higher number of regulatory investigations and enforcement actions and significantly greater uncertainty regarding the likely outcome of these matters.

Piper Jaffray has no reason to believe that current and past regulatory matters or litigation will affect in any way Piper's ability to provide any of the services contemplated by this Request for Proposal, or Piper's performance during the sale of the CFD or TAB bonds. In addition, our firm is not a party to any pending litigation with the City of Santee or the Successor Agency.

Regulatory investigations can result in substantial fines and/or limitations or other restrictions on our business activities, and consequently those investigations potentially could be deemed to have a material impact on our business. Our Form 10-Q and 10-K as filed with the Securities and Exchange Commission requires disclosure of any material legal proceedings, including regulatory proceedings, and we are unable to provide information on any pending or completed investigation not disclosed within our Form 10-Q and 10-K. Any and all completed regulatory investigations that result in a material disciplinary action, including fines, suspensions or other significant undertakings or limitations are also publicly reported to the Financial Industry Regulatory Authority ("FINRA"). For more information, please refer to Piper Jaffray's Form BD filed with FINRA. You can request electronic delivery of the relevant sections of a Company's Form BD by accessing FINRA's website at <http://www.finra.org/> and conducting a FINRA Broker Check.

11. Additional Information

"ONE-OF-A-KIND" NATIONAL BANK PLACEMENT GROUP

Of relevance to the City's proposed transactions, Piper Jaffray is one of the few firms that have a dedicated National Bank Placement Group whose objective is to identify banks willing to engage in private placements. Direct purchase/private placements are a highly flexible financing alternative that can provide funding through a variety of structures, including private loans, notes, bond purchases, lines of credit, and leases for a wide range of purposes, as flexible on-balance sheet alternatives to traditional publicly offered bond structures. Piper Jaffray's pool of private placement bank relationships includes over 200 banks throughout the U.S., from the Wall Street and commercial lending banks to the large number of regional community banks



across the country that often purchase private placements (but don't provide traditional bond underwriting services). A distinct advantage of using Piper Jaffray as a placement agent is our ability to seek the lowest interest cost from a very large pool of banks, as opposed to other banks who might be willing to offer a loan from its own internal loan department, but are unwilling to canvas other banks to determine if a lower rate can be obtained. Unlike other banks, our national bank placement group will be able to reach a much greater number of these banks than our competitors – making for a more competitive process.

Since 2012, Piper Jaffray's National Bank Placement Group has been active in this space - assisting a broad range of our issuer clients obtain direct placements by executing 506 private placements nationally worth approximately \$5.97 billion.

PLACEMENT AGENT EXPERIENCE ON TAX ALLOCATION CREDITS

Piper Jaffray has completed three tax allocation refunding transactions as direct bank placements for the successor agencies of Brisbane, Cloverdale and Dixon. The recent Dixon SA transaction, closed in December 2015, is a good example of how utilizing our national bank placement group made for a competitive placement process. The short final maturity of Dixon made for a large potential pool of investors. Although a unique credit, our bank placement group identified over 15 separate banks that may be interested in purchasing the transaction - each received a request for financing. The successor agency received 9 competitive responses from separate banks – a number of them located outside of CA. **The winning bid was from a bank that had not previously purchased tax allocation credits. The bid produced an interest rate that was approximately 70 basis points lower than what was proposed by those banks that have traditionally been most active in purchasing tax allocation credits.**

While it may not be expeditious to refund the Series 2011 Bonds through a private placement due to their longer average life and final maturity, because the Series 2005 bonds are shorter, we would analyze a refunding utilizing a private placement as part of our underwriting process. This process would occur early and would be based on indicative rates from Banks so that a decision can be made by the City as to whether this approach is worth pursuing.

Exhibit A: Lead Banker Senior or Sole Managed Special Tax and Tax Allocation Deal List (Closed and Pending)

Dated Date	Par	Issuer	Security	Series	Underlying Rating	Role	Project Team
Nov. 2016	\$30,000,000	Lee Lake Water District (Toscana Ranch CFD)	Special Tax	2016	NR	Sole	Koster
9/14/2016	53,310,000	SA to the City of Tustin	Tax Allocation	2016	A	Sole	Koster/McGuire
9/1/2016	80,000,000	SA to the City and County of San Francisco	Tax Allocation	2016	A	Senior	Koster/McGuire
9/1/2016	5,000,000	City of Saratoga CFD 2016-1	Special Tax	2016	NR	Sole	Koster
8/1/2016	100,000,000	County of Orange (Esencia CFD)	Special Tax	2016	NR	Senior	Koster/McGuire
8/1/2016	45,000,000	Rancho Cordova CFD 2003-1	Special Tax	2016	NR	Sole	McGuire
7/29/2016	100,000,000	Elk Grove (Laguna Ridge CFD)	Special Tax	2016	NR	Sole	McGuire
7/19/2016	11,800,000	City of Roseville (The Fountains CFD)	Special Tax	2016	NR	Sole	McGuire
7/14/2016	23,385,000	Tustin USD CFD 06-1	Special Tax	2016	BBB+	Sole	Koster
7/13/2016	7,975,000	Murrieta PFA	Special Tax	2016	BBB	Sole	Koster
6/29/2016	16,000,000	SA to the Vacaville RDA	Tax Allocation	2016	A	Sole	McGuire
6/22/2016	21,000,000	SA to the West Sacramento RDA	Tax Allocation	2016	A	Sole	McGuire
3/29/2016	17,975,000	City of San Jacinto	Special Tax	2016	NR	Sole	Koster
3/24/2016	23,000,000	City of Roseville (Campus Oaks CFD)	Special Tax	2016	NR	Sole	McGuire
10/15/2015	14,225,000	City of Rancho Cordova	Special Tax	2015	NR	Sole	McGuire
9/24/2015	9,665,000	City of Davis	Special Tax	2015	NR	Sr.	Koster/McGuire
9/17/2015	7,670,000	City of Dixon	Special Tax	2015	NR	Sole	McGuire
9/3/2015	6,675,000	Folsom Ranch FA	Special Tax	2015A	NR	Sole	McGuire
8/6/2015	25,170,000	Riverside County	Special Tax	2015	NR	Sole	Koster
8/6/2015	59,920,000	Carson RDA	Tax Allocation	2015B	BBB+	Sr.	McGuire
7/30/2015	90,630,000	Elk Grove PFA	Special Tax	2015	A-	Sole	McGuire
7/14/2015	27,090,000	City of Rocklin	Special Tax	2015	NR	Sr.	McGuire
7/1/2015	43,095,000	Romoland SD	Special Tax	2015	NR	Sole	Koster
7/1/2015	10,455,000	City of Irvine	Special Tax	2015A	NR	Sole	Koster
6/30/2015	17,160,000	Avalon Improvement Area	Tax Allocation	2015A	A-	Sole	Koster/McGuire
6/30/2015	6,035,000	Avalon Improvement Area	Tax Allocation	2015B	A-	Sole	Koster/McGuire
6/30/2015	7,365,000	City of Anderson RDA	Tax Allocation	2015	BBB+	Sole	Koster/McGuire
6/3/2015	38,360,000	Tustin USD	Special Tax	2015	A	Sole	Koster
6/3/2015	82,820,000	Tustin USD	Special Tax	2015A	BBB	Sole	Koster
1/27/2015	1,970,000	Signal Hill Redevelopment Agency	Tax Allocation	2015B	A	Sole	Koster
1/27/2015	19,990,000	Signal Hill Redevelopment Agency	Tax Allocation	2015A	A	Sole	Koster
12/18/2014	14,355,000	City of Roseville	Special Tax	2014	NR	Sole	McGuire
12/16/2014	5,680,000	Lincoln CFD #2005-1	Special Tax	2014A	NR	Sole	McGuire
12/11/2014	67,955,000	San Francisco City/Co RDA	Tax Allocation	2014B	A+	Sr.	Koster/McGuire
12/10/2014	23,495,000	Alameda Community Imp Commission	Tax Allocation	2014A	A	Sole	Koster/McGuire
12/10/2014	25,080,000	Alameda Community Imp Commission	Tax Allocation	2014B	A	Sole	Koster/McGuire
10/16/2014	8,425,000	La Mirada Redevelopment Agency	Tax Allocation	2014B	A+	Sole	Koster
10/16/2014	20,555,000	La Mirada Redevelopment Agency	Tax Allocation	2014	A+	Sole	Koster
8/27/2014	81,200,000	City of Los Angeles	Special Tax	2014	BBB	Sole	Koster
8/19/2014	10,740,000	Roseville Successor Redevelopment Agency	Tax Allocation	2014	A	Sole	Koster/McGuire
7/15/2014	6,820,000	City of West Sacramento	Special Tax	2014	NR	Sole	McGuire
3/20/2014	14,545,000	Sulphur Springs USD	Special Tax	2014A	BBB+	Sole	McGuire
2/27/2014	28,090,000	Vacaville Redevelopment Successor Agency	Tax Allocation	2014	A	Sole	Koster/McGuire
2/6/2014	36,540,000	Ladera Ranch	Special Tax	2014A	BBB	Sole	Koster
1/29/2014	64,545,000	South OC PFA	Special Tax	2014A	BBB+	Sole	Koster
12/19/2013	5,165,000	Lincoln City-California	Special Tax	2013	NR	Sole	McGuire
11/20/2013	17,260,000	Imperial Redevelopment Agency	Tax Allocation	2013	A	Sole	Koster/McGuire
11/15/2013	6,005,000	Grass Valley Redevelopment Agency	Tax Allocation	2013	A+	Sole	Koster/McGuire
10/16/2013	4,830,000	City of Lincoln	Special Tax	2013	NR	Sole	McGuire
7/30/2013	69,740,000	Lee Lake PFA	Special Tax	2013AB	BBB	Sole	Koster
6/13/2013	6,710,000	Oceanside CFD #2001-1	Special Tax	2013A	BBB	Sole	Koster
3/12/2013	4,335,000	Sulphur Springs USD	Special Tax	2013A	BBB+	Sole	McGuire
2/14/2013	8,290,000	City of Roseville	Special Tax	2013	BBB	Sole	McGuire

53 Issues (including pending Transactions), Total Par of \$1.09 billion

Exhibit C: Resumes

Core Investment Banking Professionals Assigned to City/Successor Agency of Santee	
Name	Relevant Experience
KATHERINE KOSTER <i>Lead Banker</i> Managing Director 1100 South Coast Highway, Ste. 300A Laguna Beach, CA 92651 (949) 494 - 6110 katherine.a.koster@pic.com	<ul style="list-style-type: none"> Senior managed over \$4.5 billion of financings for California Issuers. Experience in municipal and project finance includes having served as Administrative Manager for the County of Riverside's Land-Secured Finance Division, municipal advisor, senior manager for tax exempt and taxable financings. Ms. Koster has managed underwriting assignments across the western region. Most relevant are recent ongoing land-secured financing assignments with the County of Orange (Villages of Esencia) CFD and Lee Lake Water District, and prior transactions with the City of Irvine, Irvine Unified School District, Romoland School District, Tustin Unified School District, Rancho Santa Fe Community Services District, City of Los Angeles and City of San Diego. Member of the California Society of Municipal Finance Officers, Women in Public Finance, California Redevelopment Agency, Urban Land Institute, Women Leading Government, and Association of Women in Water, Energy and Environment. Past board member (Vice President)- Women in Public Finance; "She's Our Hero" Award Recipient; Founding board member of Women in Public Finance, Los Angeles Chapter Piper Jaffray & Co. Diversity & Inclusion Council Co-Chair with CEO Andrew Duff. 21 years in public finance. Pepperdine University – B.A. FINRA Series 7, 53 and 63.
DENNIS MCGUIRE <i>Co-Lead Banker</i> Managing Director 8880 Cal Center Drive, Ste. 400 Sacramento, CA 95826 (916) 361-6520 dennis.j.mcguire@pic.com	<ul style="list-style-type: none"> Has participated on senior managed California issues worth approximately \$3 billion for California local government issuers. Senior or co-senior managed recent land-secured bond financings including transactions for the cities of Rancho Cordova, Roseville, City of Rocklin, Folsom Ranch Financing Authority, West Sacramento Flood Control Agency, City of Lincoln, and Elk Grove. Extensive experience working in the early stages of CFD formation, the structuring of land secured debt, and has previous experience as a trader and underwriter of California municipal bonds. Experience over the past 10 years includes 31 successfully completed CFD transactions with a total par amount of over \$2 billion. Current assignments include West Sacramento, Rancho Cordova, Roseville, Mammoth Lakes Folsom and Elk Grove. Prior to joining the Public Finance practice, Mr. McGuire worked for Piper Jaffray as a trader/ underwriter of California municipal bonds. 18 years in public finance. UC Davis – B.A. and M.B.A. FINRA Series 7, 53 and 63.
RENEE VANCHO <i>Execution Banker</i> Assistant Vice President 1100 South Coast Highway, Ste. 300A Laguna Beach, CA 92651 (949) 494 - 6115 renee.n.vancho@pic.com	<ul style="list-style-type: none"> Joined Piper Jaffray's Public Finance Group in 2014 Ms. Vancho works closely with the senior bankers in all aspects of the financing, supporting all client transactions completed. Her responsibilities include qualitative analysis, document review, credit analysis and presentations and complex structuring. Member of the Women in Public Finance, Los Angeles Chapter. 6 years in public finance. California State University, Fullerton – B.A.
CONNIE ZHENG <i>Support Banker/Analyst</i> 2321 Rosecrans Ave., Ste. 3200 El Segundo, CA 90245 (310) 297-6017 connie.k.zheng@pic.com	<ul style="list-style-type: none"> Joined Piper Jaffray's California Public Finance Group in 2015. Responsible for quantitative analysis and presentation material. Works closely with the senior bankers in all aspects of the financing. These financings include assessment district/CFDs, general obligation bonds, water & wastewater, and general fund leases. Member of the Women in Public Finance, Los Angeles Chapter. 1 year in public finance. Vassar College – B.A.

Core Underwriting Professionals Assigned to the City/Successor Agency of Santee	
Name	Relevant Experience
CHRISTOPHER BESSETTE <i>Manager of California Fixed Rate Underwriting</i> Managing Director 50 California Street, Suite 3100 San Francisco, CA 94111 (415) 616-1666 christopher.p.bessette@pic.com	<ul style="list-style-type: none"> Manager of Piper Jaffray's California trading and underwriting operations. Served as underwriter for a large majority of California issues priced by Piper Jaffray over the last several years (400 issues worth \$6.4 billion over the last five years). Has served as lead underwriter on all of Piper Jaffray's CFD financings over the past 15 years. Since 2014, he has underwritten 27 land secured transactions with par of over \$681.2. 25 years of municipal trading and underwriting experience. Member of the San Francisco Municipal Bond Club. Bryant University – B.A. FINRA Series 7, 53 and 63.
NEIL HEINEN <i>Principal- Underwriting Support</i> 50 California St., Suite 3100 San Francisco, CA 94111 (415) 616-1666 neil.a.heinen@pic.com	<ul style="list-style-type: none"> Joined Piper Jaffray in 1996 and has experience within the firm as an accountant, credit/options analyst, sales associate and underwriter/trader. Currently trades and helps lead underwriting efforts of Piper Jaffray in CA debt issuances. St. Cloud State University – B.S. Finance. 8 years of municipal underwriting experience. 11 years of experience in municipal bond industry. FINRA Series 7 and 63.
MATT MORRELL <i>Principal</i> 800 Nicollet Mall, Suite 800 Minneapolis, MN 55402 (612) 303-6642 matthew.j.morrell@pic.com	<ul style="list-style-type: none"> Responsible for coordinating efforts to canvas national and local banks for private placements in a variety of sectors. Since 2010, his experience in the municipal private placement market includes over 400 transaction worth over \$4.8 billion. University of Minnesota – B.A. 11 years of public finance experience. FINRA Series 7 and 63.
YAFFA RATTNER <i>Managing Director- Credit Specialist</i> 345 Park Avenue, Ste. 1200 New York, NY 10154 (212) 284-9307 yaffa.s.rattner@pic.com	<ul style="list-style-type: none"> Responsible for evaluating credit strategies that will be beneficial to the City of Santee. Served as a former banker, bond insurer and credit analyst. Most recently, Ms. Rattner spent 12 years at Moody's Investors Service. During that time, she spent 5 years as a Senior Vice President and Manager of the Northeast Team. Member of Municipal Analyst Group of New York. Barnard College – B.A.; Columbia University – M.P.A. FINRA – Series 52 & 53. 23 years in public finance.