City of Indian Wells
44-950 Eldorado Drive
Indian Wells, CA 92210-7497
(760) 346-2489

Meeting Agenda (Long)
Thursday, April 5, 2012
1:30 PM
City Hall Council Chambers
City Council

WELCOME TO A REGULARLY SCHEDULED MEETING OF THE CITY COUNCIL. ALL PERSONS WISHING TO ADDRESS THE CITY COUNCIL SHOULD FILL OUT A BLUE PUBLIC COMMENT REQUEST FORM BEFORE THE MEETING BEGINS. GIVE IT TO THE CITY CLERK. WHEN THE MAYOR HAS RECOGNIZED YOU, PLEASE COME FORWARD TO THE PODIUM AND STATE YOUR NAME FOR THE RECORD. A 3-MINUTE TIME LIMIT IS REQUESTED. PLEASE NOTE THAT YOU MAY ADDRESS THE CITY COUNCIL ON AN AGENDA ITEM AT THE TIME IT IS DISCUSSED, BUT ONLY AFTER BEING RECOGNIZED BY THE MAYOR. ANY PUBLIC RECORD, RELATING TO AN OPEN SESSION AGENDA ITEM, THAT IS DISTRIBUTED WITHIN 72 HOURS PRIOR TO THE MEETING IS AVAILABLE FOR PUBLIC INSPECTION AT CITY HALL RECEPTION AREA 44-950 ELDORADO DRIVE, INDIAN WELLS, CA DURING NORMAL BUSINESS HOURS.

PLEASE TURN OFF CELL PHONES AND PAGERS
1. RECONVENE THE CITY COUNCIL, PLEDGE OF ALLEGIANCE AND ROLL CALL

MAYOR DOUGLAS HANSON
MAYOR PRO TEM WILLIAM POWERS
COUNCIL MEMBER LARRY SPICER
COUNCIL MEMBER MARY T. ROCHE
COUNCIL MEMBER PATRICK MULLANY

2. APPROVAL OF THE FINAL AGENDA

3. APPROVAL OF MEETING MINUTES


4. PROCLAMATIONS AND PRESENTATIONS

A. Proclamation Recognizing Phoebe Biscow-Brown as the 2012 Indian Wells Recipient of the Senior Inspiration Award.

B. Proclamation Recognizing April 2012 as Child Abuse Prevention Month in the City of Indian Wells.

C. Presentation by Dr. Bruce Underwood Regarding Coachella Valley Mosquito and Vector Control Board.

5. PUBLIC COMMENTS

All persons wishing to address the City Council should fill out a Blue Public Comment Request form in advance and hand it to the City Clerk. At the appropriate time, please come forward to the podium and state your name for the record. A three-minute limit is customary. Please note that you may address the City Council on an agenda item at the time it is discussed, but only after being recognized by the Mayor.

Under the Brown Act, the Council should not take action on or discuss matters raised during the public comment portion of the agenda which are not listed on the agenda. Council Members may refer such matters to staff for factual information or to be placed on a subsequent agenda for consideration. Notwithstanding the foregoing, Council Members and staff may briefly respond to statements made or questions posed during public comment, as long as such responses do not constitute any deliberation of the item.

A. Public Comments

B. Response to Prior Public Comments

6. CITY MANAGER'S COMMENTS AND MATTERS FROM STAFF

A. Interim City Manager's Update on Casa Dorado Palm Tree Abatement.
7. COUNCIL MEMBERS' COMMENTS AND STATUS REPORTS

A. Council Member Mullany

CVAG Energy
Indian Wells Community Activities Committee
Indian Wells Extraordinary Grant Committee
Indian Wells Golf Resort Advisory Committee
Indian Wells Grants-In-Aid Committee
Indian Wells Public Safety Committee
Indian Wells Tee Committee
League of California Cities Public Safety

B. Council Member Roche

Cove Communities Services Commission
Coachella Valley Animal Campus
CVAG Public Safety Committee
Indian Wells Community Activities Committee
Indian Wells Extraordinary Grant Committee
Indian Wells Public Safety Committee
Indian Wells Town Center Development Committee

C. Council Member Spicer

Coachella Valley Mountains Conservancy
CVAG Homelessness
Indian Wells Finance and Legal Services Oversight Committee
Indian Wells Grants-In-Aid Committee
Indian Wells Highway 111 Widening Committee
Indian Wells Marketing Committee
Indian Wells Town Center Development Committee
Jacqueline Cochran Regional Airport Commission

D. Mayor Pro Tem Powers

Convention Visitors Authority Executive Committee
Coachella Valley Economic Partnership
Cove Communities Services Commission
CVAG Coachella Valley Conservation Commission
Indian Wells Personnel Committee
Indian Wells Tee Committee
Indian Wells Tennis Stadium Committee
Indian Wells Crossing Development Committee
SunLine Transit Agency
E. Mayor Hanson

CVAG Executive Committee
CVAG Transportation Committee
Indian Wells Crossing Development Committee
Indian Wells Golf Resort Advisory Committee
Indian Wells Marketing Committee
Indian Wells Finance and Legal Services Oversight Committee
Indian Wells Highway 111 Widening Committee
Indian Wells Personnel Committee
Indian Wells Tennis Stadium Committee
Riverside County Transportation Committee

8. PUBLIC HEARINGS

Anyone who challenges any hearing matter in court may be limited to raising only those issues he/she or someone else raised at the Public Hearing described herein, or in written correspondence delivered to the City Council at, or prior to, the Public Hearing.

A. Adopt Resolution Bill No. 2012-12 Approving Tentative Parcel Map No. 36408 to Allow the Subdivision of Land into Three Parcels for Indian Wells Professional Center and The Nest Located at 77-188 Highway 111, Subject to Conditions of Approval. [Continued from March 15, 2012 Council Meeting] Page 27.

9. CONSENT CALENDAR

All matters listed on the Consent Calendar are considered to be routine and will be enacted by one vote. There will be no separate discussion of these items unless members of the City Council or audience request that specific items be removed from the Consent Calendar for separate discussion and action. If you wish to address the City Council, please fill out a Public Comment Request form in advance and hand it to the City Clerk. Please state your name and address for the public record. Financial matters will be indicated as budgeted or non-budgeted below.

B. Approve FAMD Warrants and Demands. Page 63.
C. Approve City Warrants and Demands. Page 64.

10. GENERAL BUSINESS

A. Discussion and Direction Regarding Casa Dorado Palm Tree Abatement. Page 75.
B. Selection of an Executive Recruitment Firm for the Position of City Manager and Approval of a Supplemental Appropriation for Same. Page 117.
C. Recommendation to Approve Proposed Lease with The World Affairs Council of the Desert and Authorize Interim City Manager to Execute the Lease. Page 217.

D. Recommendation to Approve Four Year Lease Agreement with Club Car and GPSI Leasing to Acquire a New Golf Car Fleet and GPS System at the Indian Wells Golf Resort. Page 247.

11. SUCCESSOR AGENCY BUSINESS

A. Approve Successor Agency Warrants and Demands. Page 282.


12. CITY ATTORNEY COMMENTS

13. RECESS CITY COUNCIL MEETING TO A SCHEDULED MEETING OF THE INDIAN WELLS HOUSING AUTHORITY

14. CLOSED SESSION

A. Conference with Legal Counsel Regarding Anticipated Litigation Pursuant to Government Code Section 54956.9(b)(1): Two Cases.


15. ADJOURNMENT

To a regularly scheduled afternoon session meeting of the City Council/Housing Authority to be held at 1:30 p.m. on April 19, 2012 in the City Hall Council Chambers.
IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT THE SENIOR BUILDING INSPECTOR OR THE RISK MANAGER AT (760) 346-2489. NOTIFICATION 48 HOURS PRIOR TO THE MEETING WILL ENABLE THE CITY TO MAKE REASONABLE ARRANGEMENTS TO ENSURE ACCESSIBILITY TO THIS MEETING. 128 CFR 35.102.35.104 ADA TITLE III

AFFIDAVIT OF POSTING

I, Anna Grandys, certify that on March 30, 2012, I caused to be posted a notice of a City Council/HA Meeting to be held on Thursday, April 5, 2012 at 1:30 p.m. in the City Hall Council Chambers.

Notices were posted at Indian Wells Civic Center, Village 1 [Ralph's], and Indian Wells Plaza [across from Hopson's].

Anna Grandys
Chief Deputy City Clerk
Meeting Minutes (Long)

Thursday, March 15, 2012
1:30 PM

City Hall Council Chambers

City Council

WELCOME TO A REGULARLY SCHEDULED MEETING OF THE CITY COUNCIL. ALL PERSONS WISHING TO ADDRESS THE CITY COUNCIL SHOULD FILL OUT A BLUE PUBLIC COMMENT REQUEST FORM BEFORE THE MEETING BEGINS. GIVE IT TO THE CITY CLERK. WHEN THE MAYOR HAS RECOGNIZED YOU, PLEASE COME FORWARD TO THE PODIUM AND STATE YOUR NAME FOR THE RECORD. A 3-MINUTE TIME LIMIT IS REQUESTED. PLEASE NOTE THAT YOU MAY ADDRESS THE CITY COUNCIL ON AN AGENDA ITEM AT THE TIME IT IS DISCUSSED, BUT ONLY AFTER BEING RECOGNIZED BY THE MAYOR. ANY PUBLIC RECORD, RELATING TO AN OPEN SESSION AGENDA ITEM, THAT IS DISTRIBUTED WITHIN 72 HOURS PRIOR TO THE MEETING IS AVAILABLE FOR PUBLIC INSPECTION AT CITY HALL RECEPTION AREA 44-950 EL Dorado Drive, Indian Wells, CA DURING NORMAL BUSINESS HOURS.

PLEASE TURN OFF CELL PHONES AND PAGERS
1. CONVENE THE CITY COUNCIL, PLEDGE OF ALLEGIANCE AND ROLL CALL

[1:31:50] Mayor Hanson convened the City Council of the City of Indian Wells at 1:31 p.m. on March 15, 2012 in the City Hall Council Chambers.

A motion was made to excuse Council Member Mullany from today's meeting.

A motion was made by Council Member Spicer, seconded by Mayor Pro Tem Powers, to Approve the Excusal. The motion carried by the following vote:

Votes: AYES: 4 - Hanson, Powers, Spicer and Roche
       NOES: 0
       EXCUSED: 1 - Mullany

PRESENT: Mayor Douglas Hanson, Mayor Pro Tem William Powers, Council Member Larry Spicer and Council Member Mary Roche
EXCUSED: Council Member Patrick Mullany

2. APPROVAL OF THE FINAL AGENDA

[1:32:13] Planning Director Barbara Carson stated the applicant for Public Hearing Item #7A, Adopt Resolution Bill No. 2012-12 Approving Tentative Parcel Map 36408 to Allow the Subdivision of Land into Three Parcels for Indian Wells Professional Center and The Nest Located at 77-188 Highway 111, has requested this item be continued to the April 5, 2012 Council Meeting.

A motion was made by Council Member Roche, seconded by Mayor Pro Tem Powers, to Approved As Amended. The motion carried by the following vote:

Votes: AYES: 4 - Hanson, Powers, Spicer and Roche
       NOES: 0
       EXCUSED: 1 - Mullany
3. **APPROVAL OF MEETING MINUTES**

   [1:39:27]

   A. February 23, 2012 Special Meeting Minutes.
   B. March 1, 2012 Special Meeting Minutes.
   C. March 1, 2012 Regularly Scheduled Meeting Minutes.

   *A motion was made by Mayor Pro Tem Powers, seconded by Council Member Roche, to Approve the Minutes as Submitted.* The motion carried by the following vote:

   **VOTES:**
   - **AYES:** 4 - Hanson, Powers, Spicer and Roche
   - **NOES:** 0
   - **EXCUSED:** 1 - Mullany

4. **PUBLIC COMMENTS**

   [1:39:52]

   A. **Public Comments**

   Mr. Denny Booth, resident, requested the City Council let Mr. Fogelson of Jerson Investments, LLC know that there will be no further extension of time with regard to his proposed development at Indian Wells Crossing.
B. Response to Prior Public Comments

Finance Director Kevin McCarthy responded to questions Mr. Denny Booth, resident, raised at the March 1, 2012 meeting. Mr. Booth requested that the City tell how much will be due on Mr. Fogelson’s note that will come due August 2013 (less than a year and a half from now) with the following details. Question (1) I would like us to know the original note amount, the down payment that was made on these notes; I think there are two and I think the down payment was $100,000, I am just guessing. Answers were as follows: Mr. Booth’s questions address two vacant parcels along Highway 111 and Miles Avenue. The first parcel is the site located just west of Miles Avenue at Highway 111 and the second site is a retail commercial parcel just east of Miles Avenue at Highway 111. As for the western site: On June 29, 2007, the western site was purchased by Jerson Investments LLC from the former Redevelopment Agency for a cash payment of $4,391,244, which included a $100,000 cash down payment at the time escrow was opened. The retail commercial site: (a) In July 2008, the retail commercial site was acquired by Miles Crossing Retail LLC for $4,341,639. (b) Miles Crossing Retail LLC paid $25,000 cash and executed two promissory notes payable to the former Redevelopment Agency, which upon payment would be placed in the former RDA’s affordable housing fund (currently the Housing Authority). (c) The Housing Authority will be due payment on the two promissory notes from Miles Crossing Retail LLC. One promissory note is in the amount of $2,024,233. The second promissory note is in the amount of $2,292,406. The promissory notes and all accrued interest are due and payable no later than July 7, 2013. Question (2) I would also like the accrued interest due be a part of this information and the total amount due be made available to everyone. And also, the amount paid by the City for the land covered by the note or two notes, again, I am not sure. Answers were as follows: Accrued interest is compounded on a monthly basis at 2.5% over the City’s investment portfolio yield. Accrued interest on the $2,024,233 promissory note is $380,045.78 through February 2012. Accrued interest on the $2,292,406 promissory note is $430,394.73 through February 2012. As of February 29, 2012, Miles Crossing Retail LLC owes a combined $5,127,059.51 in principal and accrued interest on both of the outstanding Housing Authority promissory notes. The former Redevelopment Agency originally acquired the land for $3,975,267.
5. **CITY MANAGER’S COMMENTS AND MATTERS FROM STAFF**

[1:50:01] Ms. Barbara Carson, Planning Director, introduced Jesse Jimenez, Planning Technician II and Mr. Jimenez outlined his duties in that department.

Mr. Paul Goble, Public Works Director and Building Official, announced the City had received $15,000 rebate from the Coachella Valley Water District for grass replacement.

6. **COUNCIL MEMBERS’ COMMENTS AND STATUS REPORTS**

[2:00:35]

A. **Council Member Mullany**

Excused from meeting.

B. **Council Member Roche**

Council Member Roche stated the Animal Samaritans SPCA, Inc. is having an event entitled "Walk for the Animals" on March 31, 2012 at the Palm Desert Civic Park to which everyone is invited. Ms. Roche further stated the Coachella Valley Animal Campus is supporting legislation at the State level to standardize and regulate animal groomers. Ms. Roche reported a group that has started in the valley called "Loving all Animals" and they are assisting in animal care and the animal adoption process wherever they are needed. Council Member Roche reported the Indian Wells Communities Activities Committee met and they have new resident programs scheduled such as a golf tournament, a social dance and a tour of the Palm Springs Art Museum. Ms. Roche also stated the BNP Paribus tennis tickets distributed to residents are for the residents usage only.

C. **Council Member Spicer**

Council Member Spicer reported the Indian Wells Finance Committee met regarding the City’s investment policy and he stated that item is on today’s Consent Calendar agenda. Mr. Spicer also reported on the resent passing of a Zebra named "Fenton" at The Living Desert Reserve, saying he was a character and will be missed.
D. Mayor Pro Tem Powers

Mayor Pro Tem Powers reported CVA will be rolling out a new branding opportunity for the Coachella Valley. Mr. Powers reported CVEP is continuously working on contacts for the valley which is their goal. Mayor Pro Tem Powers reported the Indian Wells Tennis Stadium Committee has been over to the BNP Paribas Tennis Tournament stating he believes the ticket sales will exceed last years sales and offered up whether staff could research a possible Sister City program which coordinates with this tournament. Mayor Pro Tem Powers stated we have lost a very valuable person in the recent passing of Richard Milanovich, Tribal Chairman of the Aqua Caliente Band of Cahuilla Indians.

E. Mayor Hanson

Mayor Hanson reported the Indian Wells Tennis Stadium Committee is continuing to work with the tennis stadium owners for the development of adjacent lands around the stadium. Mr. Hanson stated our City is dependent on transient occupancy taxes derived from the hotels more than any other city that he can think of as we do not have a sales tax base as other cities. Mayor Hanson mentioned the Indian Wells Chamber of Commerce has recently moved to a new location at the Club Drive building.

7. PUBLIC HEARING

A. Adopt Resolution Bill No. 2012-12 Approving Tentative Parcel Map 36408 to Allow the Subdivision of Land into Three Parcels for Indian Wells Professional Center and The Nest Located at 77-188 Highway 111. Page 27.

[1:32:13] Planning Director Barbara Carson stated the applicant for this Public Hearing item has requested continuance to the April 5, 2012 Council Meeting.

Council Member Roche abstained from voting on the continuance of this item as the common area of the development where she resides is within five hundred feet of the applicant's property.

A motion was made by Mayor Pro Tem Powers, seconded by Council Member Spicer, that this matter be Continued. The motion carried by the following vote:

Votes: AYES: 3 - Hanson, Powers and Spicer
NOES: 0
ABSTAIN: 1 - Roche
EXCUSED: 1 - Mullany
8. CONSENT CALENDAR

[2:13:27)

A. Approve the Annual Adoption of the City's Investment Policy.  Page 37.
This Matter was Approved on the Consent Agenda.

This Matter was Approved on the Consent Agenda.

C. Approve FAMD Warrants and Demands.  Page 80.
This Matter was Approved on the Consent Agenda.

D. Approve City Warrants and Demands.  Page 81.
This Matter was Approved on the Consent Agenda.

Passed The Consent Agenda

A motion was made by Council Member Roche, seconded by Mayor Pro Tem Powers, including all the preceding items marked as having been adopted on the Consent Agenda. The motion carried by the following vote:

Votes:  AYES: 4 - Hanson, Powers, Spicer and Roche
NOES: 0
EXCUSED: 1 - Mullany

9. GENERAL BUSINESS
A. Discussion and Direction Regarding City Council Compensation and Benefits. Page 88.
[2:14:53] Mr. Ted Mertens, resident, remarked on the additional compensation Council receives from outside agencies when they attend their meetings such as CVAG and it should be indicated which benefits are optional and which benefits are received by each Council Member.

Mr. Don Hanrahan, resident, questioned Council on how many hours each Council Member spends at meetings and events. Council Member Spicer, Mayor Pro Tem Powers and Council Member Roche said 20-40 hours per week as well as being on call for residents and staff 24 hours a day. Mayor Hanson stated as Mayor he spends 40 hours a week.

Mr. Tom Connor, resident, referred to a March 4th email providing an overview stating Councils should not set their own compensation but suggested it be put on the November ballot to cap total compensation. Mr. Connor further stated compensation should be inclusive of all stipends remarking that with the new fiscal reality the City is experiencing, the total compensation is too much.

Mr. Denny Booth, resident, stated to serve on Council is a civic duty and medical and retirement lifetime benefits should not be received by Council. Mr. Booth further stated free golf is acceptable to him.

Mr. Andy Elchuck, resident, spoke to a benefit not being mandatory stating the staff report did not specify who elected to or not to receive which benefits. Mr. Elchuck further stated he believes golf for life benefits should not be received.

Mr. Pete Schabarum, resident, asked Council to restore integrity by lowering stipends/benefits and proposed a charter or ordinance ballot measure limiting Council compensation.

Ms. Gail McQuary, resident, stated Council compensation is not an issue for the majority of residents remarking that Council's job is to be good representatives of the City.

Council Member Spicer stated he ran for public office because he felt public service is a noble pursuit and he feels uncomfortable sitting up here today trying to convince anybody what he is worth. Mr. Spicer further stated he ran for the office and did not know what the compensation and benefits were until he was elected. Council Member Spicer stated he believes one of the concerns to quite a few people is that Council can set their own compensation.

A motion was made by Council Member Spicer, seconded by Mayor Pro Tem Powers, for the City Manager to select three competent experts to review the Council package and then make recommendations to Council. The motion was modified to include residents on a committee for this Council package review process.
A substitute motion was made by Council Member Roche to include two additional residents stating Council should not set its salary. The substitute motion was pulled.

A substitute motion was made by Mayor Hanson, seconded by Council Member Roche to eliminate benefits except for health insurance and PERS and the stipend to remain the same. That motion was modified to only allow "sitting Council" to continue to receive free golf.

**A motion was made by Mayor Hanson, seconded by Council Member Roche, that this matter be Approved As Amended. The motion carried by the following vote:**

**Votes:**
- **AYES:** 3 - Hanson, Powers and Roche
- **NOES:** 1 - Spicer
- **EXCUSED:** 1 - Mullany

**B. Discussion and Direction Regarding the Carl Bray Interpretive Exhibit. Page 107.**

[3:50:14] Ms. Adele Ruxton, President, Indian Wells Historic Preservation Foundation, read a statement indicating her major issue is the painter's palette and history of Carl Bray as shown on the proposed Carl Bray Interpretative Exhibit should be separate items.

It was determined to TABLE this matter until all requested documents are provided to the Indian Wells Historic Preservation Foundation; and to DIRECT Staff to meet with the Indian Wells Historic Preservation Foundation and work together on a mutually agreeable exhibit; after which time, it should be brought to Council for review.

**A motion was made that this matter be Continued. The motion carried by the following vote:**

**Votes:**
- **AYES:** 4 - Hanson, Powers, Spicer and Roche
- **NOES:** 0
- **EXCUSED:** 1 - Mullany
C. Discussion and Direction Regarding the Highway 111 at Cook Street Entry Monument and Art in Public Places Exhibit. Page 112.

[4:26:35] Mr. Denny Booth, resident, stated he has waited 33 years for some monument at the entrance to the City. He asked for something more substantial than what has been proposed today.

Council discussion ensued regarding the concept, the appropriate scale for that location, the wish to continue the distinctive look of Indian Wells possibly incorporating an overall master plan of the city with historical markers.

It was determined to have Staff work further on this project including variations and possibly schedule a study session to allow more time to review and discuss this item.

No Action Taken

D. Recommendation to Approve Change Order to Scott Fazekas & Associates, Inc. in the Amount of $20,000 for Plan Check Services for Fiscal Year 2011-12 and Approve a Supplemental Appropriation for Same. Page 115.

[4:48:12] It was determined to APPROVE a Change Order in the amount of $20,000 within the City’s General Fund Operating Budget Account 101.42.01.05310.000 for Scott Fazekas & Associates, Inc. for the remaining portion of Fiscal Year 2011-12; and

to APPROVE a supplemental appropriation in the amount of $20,000 for Account 101.42.01.05310.000 to cover the increased plan check activity for Fiscal Year 2011-12.

A motion was made by Mayor Pro Tem Powers, seconded by Council Member Roche, that this matter be Approved. The motion carried by the following vote:

VOTES: AYES: 4 - Hanson, Powers, Spicer and Roche  
NOES: 0  
EXCUSED: 1 - Mullany

11. CLOSED SESSION

At 4:57 p.m. Mayor Hanson stated the City Council would hold a Closed Session to discuss the following agenda items.

At 5:10 p.m. City Attorney Stephen Deitsch stated there was no reportable action taken on this item.

B. Conference with Legal Counsel Regarding Anticipated Litigation Pursuant to Government Code Section 54956.9(c): One Case.

At 5:10 p.m. City Attorney Stephen Deitsch stated there was no reportable action taken on this item.

12. ADJOURNMENT

At 5:10 p.m. Mayor Hanson ADJOURNED the regular meeting of the City Council to a regularly scheduled afternoon session meeting of the City Council/Housing Authority to be held at 1:30 p.m. on April 5, 2012 in the City Hall Council Chambers.

Respectfully submitted,

Roderick J. Wood, Interim City Manager/City Clerk
Unveiling of Ophelia Project Art
Friday, April 6, 2012, 11:00am at Indian Wells Art Festival
The Ophelia Project booth #Q07 / Q08

The Ophelia Project, a team mentoring program for adolescent girls, designed to encourage pursuing higher education and career options, has now completed three annual art pieces. "Me in 2020" (in 2010), "Imagine the World" (in 2011) and this year's "Remember the Past...It's the Key to the Future". The Ophelia art program is directed by local artist Gideon Cohn who develops the theme for each year and works with 250 Ophelia girls annually, guiding them in creating their art piece.

"Remember the Past...It's the Key to the Future" will be unveiled at the Indian Wells Art Festival at 11:00 a.m. on Friday, April 6 in booth Q07 & Q08. All three annual Ophelia art pieces will be on display during the run of the festival.

Presenters include:
- Gideon Cohn, Artist who leads the projects with the Ophelia Girls
- Dolores Vinci, Chairwoman of Ophelia Art Program
- Bill Powers, Founding Chairman of Healthy Family Foundation (HFF) & other HFF Board Members
- Susan Francis, Chief Executive Officer, Healthy Family Foundation

All three annual art projects will also be displayed at the annual Ophelia Scholarship Luncheon May 17 at Miramonte Resort in Indian Wells. (contact Healthy Family Foundation for tickets).

The Ophelia Project is a program of Healthy Family Foundation, local non-profit 501 c3 organization dedicated to preventing child abuse and enhancing intellectual well being of underserved children of the Coachella Valley. For more information, contact Healthy Family Foundation at (760)776-1600 ext 122.

Serving 250 Girls Annually in:
- Indio Middle School
- Desert Ridge Academy
- Thomas Jefferson Middle School
- Indio High School
- Shadow Hills High School
Board of Directors

William Powers  Gale Hackshaw  Parrish Scarboro
Founder & Chairman  Vice Chairwoman  Treasurer & Secretary
Opheia / Board Liaison

Rosemary Anaya  Leon Bennett  Susie Harvey
Allan Hurst  Edie Hylton  Albert Mour
John Peña  Judy Vossler

Amanda Mercer-Neder
(Emeritus)

Staff

Susan Francis  Tom Johansen
President & Director of Finance
Chief Executive Officer

Anne Coleman  Debbie Phipps

Ophelia Mentors

Deanna Acluif  Claudia Bailey  Barbara Barba
Judy Connolly  Patti Cooper  Margie Curtis
Placent Delia  Josie Desnoyers  Debra Joosner
Vicki Francois  Bonnie Grace  Franki Grissinger
Barbara Holzman  Della Homeier  Joyce Johnson
Kathleen Krier  Karen Lin  Jennifer Madison
Irene Mancillas  Vivien Martasin  Annie Montrose
Linda Nadler  Diane Overbo  Lisa Platon
Harriet Rodman  Raejean Rosatto-Kuhnau
Micki Schulman  Debbie Silverman
Terri Tabarcea  Dolores Vinci

14 Years of Ophelia Project

5 Year Mentoring Program
Expanding Horizons Through Art
Enhancing Scholastic Achievement

Directly Benefiting over 1,400 Girls
Building a Positive Self Image
Variety of Learning Experiences

Indirectly Benefiting over 5,600 Family Members
Overcoming Risk Factors
Emotional & Social Growth

Scholarship Awards Totalling $45,880
Dare To Dream
Giving Back to the Community
DATE: April 5, 2012

TO: Honorable Mayor and City Council Members

FROM: Barbara Carson, Planning Director

APPLICANT: Laliberte Enterprise, Inc.

SUBJECT: Tentative Parcel Map No. 36408: to subdivide two (2) existing parcels into three (3) parcels for the Indian Wells Professional Center and The Nest located at 75-188 Highway 111.

SUMMARY
Tentative Parcel Map No. 36408 (Attachment 3) is a request to subdivide the existing two (2) original parcels into three (3) individual parcels of land located at 75-188 Highway 111. This will allow for conveyance of property to separate entities strictly for ownership purposes. There is no new construction proposed by the creation of the Tentative Parcel Map No. 36408.

The original Parcel Map No. 17335 (Attachment 2) consists of two (2) separate parcels only, on which Parcel 1 includes all of the following: The Nest Restaurant, Indian Wells Professional Center (Office Complex Buildings), and Parking Lot (on-site parking and shade structures). The parcel on which the Sands of Indian Wells Hotel is located on is not a part of this subdivision map.

On February 23, 2012 the Planning Commission recommended approval by a 4-0 vote of the proposed project.

ANALYSIS
The Applicant, Laliberte Enterprise Inc. is proposing to subdivide the parcel on which the Indian Wells Professional Center and the Nest are located. Currently, these existing uses are located on one (1) separate parcel as shown by the original recorded Parcel Map No. 17335.

The existing development will remain "as built" and no further changes are proposed by the Applicant. The subdivision of the parcels as proposed by the Tentative Parcel Map No. 36408 will not result in any change to the existing development of the site. The site will continue to function as an integrated development site. Presently, the professional center meets the standards of the Professional Office zone district as originally approved by the City under the existing land use entitlements.

Reciprocal Parking
The Conditions of Approval for the proposed Tentative Parcel Map (COA # 12) require the applicant to record an easement for the Sands Hotel, the Nest and the Indian Wells Professional Center. The easement will be for the shared use access and maintenance obligations among the owners of all the foregoing lots regarding utilities, drainage, insurance, use, location of and access to rubbish pick-up facilities, reciprocal access, and reciprocal vehicular parking. This reciprocal parking easement will be recorded by a separate instrument. This will ensure that each of the foregoing lots shall have
sufficient parking to satisfy the requirements set forth in the Municipal Code for uses located on each lot.

Future Highway 111 widening

Attachment 4 (Highway 111 Frontage Exhibit), reflects existing and possible future Highway 111 improvements which are adjacent to the boundaries of Tentative Parcel Map 36408 (i.e. The Nest, Indian Wells Professional Plaza) and existing Parcel Map 17335 (i.e. The Sands Hotel). The exhibit illustrates that the future northerly curb adjustments will range from five (5') to seven (7') feet when the widening of Highway 111 occurs (street frontage). The City right-of-way extends no further than the respective existing front property lines. Therefore, no additional City right-of-way dedication is necessary for this project and the future widening will not affect the existing structures for the Nest Restaurant, Sands Hotel and Indian Wells Professional Center or the fire lane in front of the Nest Restaurant.

The parking requirements for all uses existing and proposed on the site were evaluated at the time of the approval of the Indian Wells Professional Center pursuant to Modification to Conditional Use Permit 2003-03. During the review of Modification to Conditional Use Permit 2003-03, it was determined that the project exceeds the parking calculations required pursuant to the Zoning Code for the existing hotel, restaurant and the proposed office use by eight spaces. The parking was calculated as follows:

Existing Hotel Parking: 48 rooms @1.2 spaces per room = 58 spaces
Existing Restaurant Parking: 158 seats @ 1 space per 3 seats = 53 spaces
Proposed 22,420 square feet of Professional Office: 1 space per 250 square feet = 90 spaces

**Total spaces required:** 201

**Total spaces provided:** 209 (valet spaces not included in calculations)

ENVIRONMENTAL REVIEW

The Planning Department has determined that the Project is Categorically Exempt from the California Environmental Quality Act (CEQA), pursuant to 15315, Minor Land Divisions which consists of the division of land into four (4) or fewer parcels.

RECOMMENDATION

Open the public hearing, take testimony, **ADOPT** Resolution Bill No. 2012-12 approving Tentative Parcel Map 36408, subject to the Conditions of Approval.

Roderick J. Wood, Interim City Manager

Attachments:
1. Resolution Bill No. 2012-12
2. Parcel Map 17335 (Original Parcel Map)
3. Tentative Parcel Map 36408 (The Nest & Indian Wells Professional Center)
4. Highway 111 Frontage Exhibit
RESOLUTION BILL NO. 2012-12

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDIAN WELLS, CALIFORNIA, APPROVING TENTATIVE PARCEL MAP NO. 36408 TO ALLOW THE SUBDIVISION OF LAND INTO THREE (3) PARCELS FOR THE INDIAN WELLS PROFESSIONAL CENTER AND THE NEST LOCATED AT 75-188 HIGHWAY 111, INDIAN WELLS, CALIFORNIA

WHEREAS, Laliberte Enterprise, Inc. (the “Applicant”), filed an application for Tentative Parcel Map No. 36408 to subdivide into three (3) parcels for the Indian Wells Professional Center and The Nest located at 75-188 Highway 111 Indian Wells, California (the “Project”); and

WHEREAS, notice of a public hearing of the Planning Commission of the City of Indian Wells to consider the Applicant's request was given in accordance with applicable law; and

WHEREAS, on February 23, 2012, a duly noticed public hearing was held by the Planning Commission; and

WHEREAS, the Applicant's application for Tentative Parcel Map 36408 was properly noticed as a public hearing before the City Council in accordance with applicable law; and

WHEREAS, on March 15, 2012, a duly noticed public hearing on Tentative Parcel Map 36408 was held by the City Council; and

WHEREAS, after careful consideration of the staff report and all of the information, evidence, and testimony presented at its public hearing, the City Council finds as follows:

1. The Tentative Parcel Map No. 36408 complies with all the requirements of the zoning regulations or with pending zoning requirements that have been adopted by the City Council but have not yet become effective, and with any applicable general and specific plans.

FACT: The proposed Tentative Parcel Map No. 36408 (the “Map”) is consistent with the City’s General Plan and Specific Plan as amended. The Map will allow for conveyance of property to separate entities for ownership purposes.

2. The requirements imposed upon the subdivision would not render infeasible the development of housing for all segments of the economic community and that the effect of any actions on the map considers the housing need of the region and is
balanced against the public service needs of its residents and available fiscal and environmental issues.

FACT: The proposed Map would not render infeasible the development of housing for all segments of the community because it allows for the subdivision of an existing commercial site into three (3) separate parcels for conveyance of property to separate entities for ownership purposes. No housing is involved or affected by the Map.

3. The design of the subdivision provides to the extent feasible; for future passive or natural heating or cooling opportunities in the subdivision.

FACT: The subdivision of the parcels as proposed by the Map will not result in a change to the existing development of the site. The site will continue to function as an integrated development site that will permit natural heating and cooling opportunities for the existing structures on the site

4. The tentative map complies with all of the City’s local park code requirements.

FACT: The subdivision of the parcels as proposed by the Map will not result in a change to the existing development of the site. The site will continue to function as an integrated development site that will permit natural heating and cooling opportunities for the existing structures on the site

5. The tentative map complies with all of the requirements of this Title.

FACT: The Tentative Parcel Map complies with all the provisions of the State of California Subdivision Map Act. Unless otherwise waived by the City, as part of the development approval process, the Map complies with all applicable sections and requirements of the City’s and State’s Subdivision Code. The subdivision of the parcels as proposed by the Map will not result in a change to the existing development of the site. The site will continue to function as an integrated development site and will continue to be physically suitable for the existing uses on the site. Further, the existing improvements meet the development standards set forth in the Municipal Code. The subdivision of the parcels as proposed by the Map will not conflict with any easements acquired by the public at large at this location, for access through or used property within the proposed subdivision. Reciprocal access, parking, and trash agreements will be recorded by separate instrument as required by the Conditions of Approval for the Map.
California Environmental Quality Act (CEQA)

The Map is consistent with the California Environmental Quality Act (CEQA). The subdivision of the parcels as proposed by the Map is categorically exempt from CEQA, pursuant to 15315, Minor Land Divisions which consists of the division of land into four (4) or fewer parcels.

NOW, THEREFORE, the City Council of the City of Indian Wells RESOLVES as follows:

SECTION 1. The City Council APPROVES Tentative Parcel Map 36408 subject to the Conditions of Approval described on Exhibit "A" and plans set forth and attached hereto as Exhibit "B" and by this reference incorporated herein.

SECTION 2. The City Clerk shall certify as to the adoption of this Resolution and shall mail by first class, prepaid, United States mail, a certified copy of this Resolution to Applicant.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Indian Wells, California, at a regular meeting held on 15th day of March, 2012.

DOUGLAS H. HANSON
MAYOR
CERTIFICATION FOR RESOLUTION BILL NO. 2012-12

I, Roderick J. Wood, the City Clerk of the City Council of the City of Indian Wells, California, DO HEREBY CERTIFY that the whole number of the members of the City Council is five (5); that the above and foregoing Resolution was duly and regularly passed and adopted at a regular meeting of the City Council of the City of Indian Wells on the 15th day of March 2012, by the following vote:

AYES:
NOES:

ATTEST:

RODERICK J. WOOD
INTERIM CITY MANAGER/CITY CLERK

APPROVED AS TO FORM:

STEPHEN P. DEITSCH
CITY ATTORNEY
EXHIBIT "A"
TO RESOLUTION BILL NO. 2012-12
TENTATIVE PARCEL MAP 36408

CONDITIONS OF PROJECT APPROVAL:

General Conditions

1. The Applicant shall defend, indemnify, and hold harmless the City of Indian Wells and its officers, employees, and agents from and against any claim, action, or proceeding against the City of Indian Wells, its officers, employees, or agents to attack, set aside, void, or annul any approval or condition of approval of the City of Indian Wells concerning this Project or application, including but not limited to any action or failure to act related to the California Environmental Quality Act and approval or condition of approval of the Planning Commission or the City Council. The City shall promptly notify the applicant of any claim, action, or proceeding concerning the Project and the City shall cooperate fully in the defense of the matter. The City reserves the right, at its own option, to choose its own attorney to represent the City, its officers, employees, and agents in the defense of the matter.

2. The Applicant shall submit a fee in the amount of $64.00 to the County Clerk "Administrative Fee" and must accompany the Notice of Exemption to be filed with the County Clerk.

3. The Applicant shall comply with the provisions of Fees and Deposits within the City Municipal Code. These fees include all deposits and fees required by the City for plan checking. Deposits and fee amounts shall be those in effect when the Applicant makes application for plan check.

Public Works Department

4. The Final Map shall be prepared by a licensed land surveyor or registered civil engineer, subject to all the requirements of the State of California Subdivision Map Act and City Development Code Ordinance No. 249.

5. A Final Map shall be prepared by or under the supervision of a registered civil engineer or licensed land surveyor and must be processed through the City of Indian Wells Public Works Department and approved by the City Council prior to the Map being filed with the County Recorder.
6. The Parcel Map shall be based on a field survey in conformity with the Professional Land Surveyors Act.

7. Prior to the City’s approval of a Final Map, the Applicant shall furnish accurate mylars of the Final Map that were approved by the City’s map checker on a storage media acceptable to the City Engineer. The Final Map shall be 1” = 40’ scale.

8. This Tentative Parcel Map, and any Final Map recorded there under, shall comply with the requirements and standards of Government Code §§ 66410 through 66499.58 (the “Subdivision Map Act”), and Title 20 of the Indian Wells Municipal Code.

9. In accordance with Government Code 66436, prior to filing maps with the County Recorder, the Coachella Valley Water District (District) must be given the opportunity to review and comment on the Map if the District has easement or other interests. Evidence of District review shall be provided to the Public Works Department.

10. If required by the Subdivision Map Act, the District, the City of Indian Wells, or any other entity, the Final Map shall include signature(s) by authorized representative(s) of the District.

11. The Applicant shall provide to the Public Works Department a letter from the District indicating no modifications to sewer or water services shall be required as a result of the filing of the Final Map. If modifications are required, the Applicant shall meet all CVWD requirements at the Applicant’s sole cost.

12. Prior to the recordation of the Final Map, the Applicant shall record in the Office of the Riverside County Recorder an easement providing among other matters reciprocal parking and access benefitting all lots within the Final Map as well as the property currently known as The Sands of Indian Wells located on Parcel Map 17335 (APN 633-770-005). The easement shall include, but not be limited to, shared use access and maintenance obligations among the owners of all the foregoing lots regarding utilities, drainage, insurance, use, location of and access to rubbish pick-up facilities, reciprocal access, and reciprocal vehicular parking. Each of the foregoing lots shall have sufficient parking to satisfy the requirements set forth in the Municipal Code for uses located on such lot, which requirements for all lots including Parcel Map 17335 (APN 633-770-005), cumulatively, may be satisfied by means of a reciprocal parking easement. The total number parking spaces required shall be the sum of the requirements for the various uses computed pursuant to the Municipal Code cumulatively calculated for all lots subject to the Final Map.
Map plus Parcel Map 17335 (APN 633-770-005). The Applicant shall submit the easement document to the City for review and approval by the City Attorney, prior to its recordation of the easement described herein. The easement shall provide that the City is a party to the easement solely for purposes of enforcing the easement, in its discretion, and shall further provide that the easement cannot be amended or terminated without the prior written approval of the City. For purposes of this Condition No. 12, the Applicant shall pay for and deposit with the City in advance of review of the easement by the City Attorney, the City's fees and costs incurred for the City Attorney’s review of the easement in the amount of seven hundred fifty ($750.00) dollars. The Applicant’s obligation to pay such fees will be capped at seven hundred fifty ($750.00) dollars, and any unused portion of the deposit will be refunded to the Applicant.

13. The Applicant shall grant Temporary Construction Easement(s) to the City of Indian Wells, without cost to or payment by the City, other than for the preparation of an easement document, as required for future public improvements, including but not limited to roadway widening and traffic signal modifications.

14. The Applicant shall cause no easement to be granted, or recorded, over any portion of the subject property between the date of approval of the Tentative Parcel Map and the date of recording of any Final Map, unless such easement is approved by the City Engineer, except as conditioned herein.

15. The owners, heirs, and successors of Parcels 2 and 3 of Tentative Parcel Map No. 36408 shall continue to provide for the continuous and perpetual maintenance of existing on-site drainage, curb and gutter, asphalt paving, signage and striping, and perimeter landscaping.

16. The owners, heirs, and successors of Parcels 2 and 3 of Tentative Parcel Map No. 36408 shall continue to provide for the continuous and perpetual maintenance of existing landscaping within the planting strip of the Highway 111 public right-of-way adjacent to said Parcel Map in accordance with Chapter 8.16 of the Indian Wells Municipal Code.

17. Existing (as-built) building conditions do not meet current City building setback requirements. The Applicant grants the City authority to fully improve Highway 111 to a total of six (6) travel lanes with applicable modifications to the design and operation of the existing traffic signal at the intersection of Highway 111 and Province Way, with existing and possible future exceptions to existing building setback requirements.

END OF CONDITIONS
IN THE CITY OF INDIAN WELLS

PARCEL MAP NO. 17335

CHARLES HAYES AND ASSOCIATES

JULY 1988
SCALE 1" = 20'
HIGHWAY 111 FRONTAGE EXHIBIT
STAFF REPORT

DATE: April 5, 2012
TO: Honorable Mayor and City Council
FROM: Kevin McCarthy, Finance Director
SUBJECT: November 2011 Cash Balance and Investment Report

SUMMARY

As of November 30, 2011, the City's cash and investments totaled $32,698,575, of which 98% was invested in Federal Agency Issues, Treasury Securities, Medium Term Notes, CDARS and the Local Area Investment Fund (LAIF). The City's portfolio earned a 2.0% rate of return and remains in compliance with all State laws and the City's Investment Policy.

BACKGROUND

The Treasurer’s report presents the City’s cash activity and investment portfolio on a monthly basis. The report provides reconciliation between investment balances and City ledger balances. The report provides information on the investment type, dates of maturities, costs, current market value of securities, and rates of interest.

As a City Government, the City of Indian Wells is required to maintain a written investment policy in compliance with legal requirements of Government Code section 53600. Under the Government Code, the City is prohibited from investing in the equity markets like stocks, mutual funds, inverse floaters, or interest only strips; to name just a few. Consequently, the City’s portfolio is not subject to the same volatility we have seen in the financial markets. While no portfolio is free from risk the primary objective of the City’s portfolio is safety. Risk in the City’s portfolio is carefully managed through our established policy. Investments of the City of Indian Wells are undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The City invests in: U.S. Treasuries, Federal Agency Securities, FDIC insured bank certificates of deposit, bonds, and overnight cash investments.
FINANCIAL ANALYSIS

Revenues and expenditures within the month are not necessarily related to the current month. The increase or decrease to cash on a monthly basis is not a reflection of the health of the City as a whole. Cash flow citywide will vary month to month as annual taxes, assessments, and seasonal tourism revenue is received.

The investments reflected in this report are booked "Marked-to-Market", meaning the market value of City's investments is updated on a monthly basis. This method provides a clear depiction of the value of the City's portfolio on a monthly basis subject to the performance of the investment market. The City maintains a buy and hold investment philosophy. While Mark to Market reporting is important to establish current market value it doesn't truly affect the City in that investments acquired by the City are held to maturity. Due to fluctuations in the marketplace, the City may have some investments with a current market value that is greater or less than recorded value. This difference has no affect on investment yield as the City intends to hold securities to maturity. Generally accepted accounting principles require that market gains and losses be reported as interest earnings or losses at year-end.

Benchmarking Performance of the Portfolio

It's impossible to manage what you can't measure. Benchmarking is the process that appropriately compares and measures investment performance. Benchmarking the portfolio allows the City to track performance, manage investment and re-investment risk, and monitor duration relative to current markets. The City has chosen to benchmark the portfolio off the one and two year US Constant Maturity Treasury (CMT) authorized in the city's investment policy. These preferred benchmarks are consistent
with the city’s investment policy; authorizing investments, maturity structure, diversification, percentage limitations, and objectives of the portfolio.

The interest rate on the City’s portfolio is now outpacing the benchmarks set by the one and two year US Constant Maturity Treasury. This is primarily due extending the overall duration of the portfolio during a favorable rate environment. As interest rates have declined the spread in the yield trend analysis has widen.

![City of Indian Wells Yield Trend](image)

**RECOMMENDATION**

Receive and file the attached monthly cash balance and investment reports for the month of November 2011.

City Manager
### The City of Indian Wells

#### Summary by Type

**November 30, 2011**

<table>
<thead>
<tr>
<th>Security Type</th>
<th>Number of Investments</th>
<th>Par Value</th>
<th>Market Value</th>
<th>% of Portfolio</th>
<th>Average YTM 365</th>
<th>Average Days to Maturity</th>
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<tbody>
<tr>
<td>Certificates of Deposit - S &amp; L</td>
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<td>250,000.00</td>
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<td>1,899,831.06</td>
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<td>548,616.31</td>
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<td>Medium Term Corporate Notes</td>
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<td>Treasury Securities</td>
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<td>13,339,220.00</td>
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<td><strong>33,180,787.87</strong></td>
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<td><strong>2.053</strong></td>
<td><strong>1,908</strong></td>
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Portfolio CITY AP

ST (PRF_ST) 7.2.0

Report Ver. 7.3.3
### GENERAL FUND

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<tr>
<th>Account Description</th>
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<th>November 2010</th>
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<tbody>
<tr>
<td>101 - GENERAL</td>
<td>$ 423,371.31</td>
<td>$ 5,056,889.20</td>
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<tr>
<td><strong>TOTAL GENERAL FUND</strong></td>
<td>$ 423,371.31</td>
<td>$ 5,056,889.20</td>
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### SPECIAL REVENUE FUNDS

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<tr>
<th>Account Description</th>
<th>November 2011</th>
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<tbody>
<tr>
<td>201 - GENERAL FUND EMERG. RESERVE</td>
<td>19,700,000.00</td>
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<td>202 - TRAFFIC SAFETY</td>
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<td>203 - PUBLIC SAFETY 1/2 CENT SALES TAX</td>
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<td>204 - MEASURE &quot;A&quot;</td>
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<td>209 - F.A.M.D. #1</td>
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<td>210 - SCAQMD (VEHICLE REG.)</td>
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<td>211 - AB 3229 COPS FUNDING</td>
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<td>214 - GAS TAX 2103 MAINTENANCE</td>
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<td>216 - GAS TAX 2106 CONSTRUCT/MAINT</td>
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<td>217 - GAS TAX 2107 MAINTENANCE</td>
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<td>218 - GAS TAX 2107.5 ENG./ADMIN</td>
<td>2,600.16</td>
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<td>228 - EMERG. UPGRADE SERVICES</td>
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<td>247 - AB 939 RECYCLING FUND</td>
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<td>248 - SOLID WASTE</td>
<td>195,246.42</td>
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<td>251 - STREET LIGHTING DISTRICT 2000-1</td>
<td>3,597.06</td>
<td>3,791.14</td>
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<tr>
<td>252 - RDA (LOW &amp; MODERATE)</td>
<td>(1,329,206.38)</td>
<td>4,746,385.32</td>
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<tr>
<td>253- INDIAN WELLS VILLAS OPERATIONS</td>
<td>2,159,623.12</td>
<td>2,123,363.12</td>
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<td>254- MOUNTAIN VIEW VILLAS OPERATIONS</td>
<td>7,071,951.00</td>
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<td>260 - IWGR OPERATIONS</td>
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<td>271 - ELDORADO DRIVE LLMD</td>
<td>71,983.12</td>
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<td>272 - MONTECITO/STARDUST LLMD</td>
<td>7,491.30</td>
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<td>273 - CASA DORADO LLMD</td>
<td>2,144.02</td>
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<td>274 - THE COVE LLMD</td>
<td>2,380.42</td>
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<td>275 - SH 111/IWGR (ENTRANCE) LLMD</td>
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<td>276 - CLUB/IW LANE LLMD</td>
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<td>277 - COLONY LLMD</td>
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<td>278 - COLONY COV ESTATES LLMD</td>
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<td>279 - DESERT HORIZONS LLMD</td>
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<td>280 - MOUNTAIN GATE LLMD</td>
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<td>281 - MOUNTAIN GATE ESTATES LLMD</td>
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<td>282 - VILLAGIO LLMD</td>
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<td>283 - VAIDYA LLMD</td>
<td>28,011.02</td>
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<td>284 - CLUB, SOUTH OF 111 LLMD</td>
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<td>285 - MONTELENA LLMD</td>
<td>13,418.58</td>
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<td>286 - SUNDANCE LLMD</td>
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<td>287 - PROVINCE LLMD</td>
<td>57,277.30</td>
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<td>288 - PROVINCE DBAD</td>
<td>265,193.09</td>
<td>202,058.36</td>
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<tr>
<td><strong>TOTAL SPECIAL REVENUE FUNDS</strong></td>
<td><strong>33,304,490.57</strong></td>
<td><strong>28,515,387.13</strong></td>
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### Capital Project Funds

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<thead>
<tr>
<th>Fund Description</th>
<th>November 2011</th>
<th>November 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>314 - Park-in-Lieu Fees</td>
<td>0.20</td>
<td>0.20</td>
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<tr>
<td>315 - Citywide Public Improvement Fee</td>
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<tr>
<td>316 - Capital Improvement</td>
<td>0.81</td>
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<td>319 - Art in Public Places</td>
<td>294,498.46</td>
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<tr>
<td>321 - Highway 111 Circulation IMP Fee</td>
<td>0.70</td>
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<tr>
<td>337 - RDA (Whitewater)</td>
<td>828,676.13</td>
<td>346,398.46</td>
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<td><strong>Total Capital Project Funds</strong></td>
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<td><strong>5,124,801.04</strong></td>
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### Debt Service Funds

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<th>Fund Description</th>
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<th>November 2010</th>
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<td>453 - RDA (Whitewater)</td>
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<td><strong>Total Debt Service Funds</strong></td>
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### Internal Service Funds

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<th>Fund Description</th>
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<tr>
<td>601 - OPEB Benefit Fund</td>
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<td><strong>2,456,163.82</strong></td>
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### Trust & Agency Funds

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<tr>
<th>Fund Description</th>
<th>November 2011</th>
<th>November 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>732 - Special Deposits</td>
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<td>760 - Visitor Committee</td>
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<tr>
<td><strong>Total Trust &amp; Agency Funds</strong></td>
<td><strong>487,698.92</strong></td>
<td><strong>307,820.14</strong></td>
</tr>
</tbody>
</table>

### Total All Funds

<table>
<thead>
<tr>
<th>Description</th>
<th>November 2011</th>
<th>November 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total All Funds</strong></td>
<td><strong>32,946,063.39</strong></td>
<td><strong>41,461,062.23</strong></td>
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</table>

### Fiscal Agents

<table>
<thead>
<tr>
<th>Fund Description</th>
<th>November 2011</th>
<th>November 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>101 - General Fund</td>
<td>6,168,086.30</td>
<td>8,496,645.12</td>
</tr>
<tr>
<td>252 - Series 2003 at Housing Bonds</td>
<td>7,994.13</td>
<td>7,979.22</td>
</tr>
<tr>
<td>253 - Nat'l Core Indian Wells Villas</td>
<td>707,260.11</td>
<td>584,450.48</td>
</tr>
<tr>
<td>254 - Nat'l Core Mountain View Villas</td>
<td>464,780.76</td>
<td>447,879.78</td>
</tr>
<tr>
<td>260 - Indian Wells Golf Resort</td>
<td>1,018,092.56</td>
<td>717,135.78</td>
</tr>
<tr>
<td>337 - Series 2003 A RDA Bonds</td>
<td>3.30</td>
<td>2.64</td>
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<tr>
<td>453 - Union Bank of California Trustee</td>
<td>823,005.14</td>
<td>799,054.57</td>
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<tr>
<td><strong>Total Fiscal Agents</strong></td>
<td><strong>9,189,222.30</strong></td>
<td><strong>11,053,147.59</strong></td>
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</table>

### Total All Funds & Fiscal Agents

<table>
<thead>
<tr>
<th>Description</th>
<th>November 2011</th>
<th>November 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total All Funds &amp; Fiscal Agents</strong></td>
<td><strong>$ 42,135,285.69</strong></td>
<td><strong>$ 52,514,209.82</strong></td>
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</tbody>
</table>
# City of Indian Wells
## Bank Reconciliation Report - City Held Cash
### Finance Department

**Month:** November 30, 2011

### Bank Balance:

<table>
<thead>
<tr>
<th>Investment #</th>
<th>Investment Description</th>
<th>Investment Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Pacific Western Bank - Sweep 45-301117</td>
<td>$503,681.69</td>
<td></td>
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<tr>
<td>2</td>
<td>Pacific Western Bank - Accts. Payable 45-523411 (zero balance account)</td>
<td>0.00</td>
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<tr>
<td>3</td>
<td>Pacific Western Bank - Payroll 45-501752 (zero balance account)</td>
<td>0.00</td>
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<tr>
<td>4</td>
<td>Union Bank of CA - Sweep Investment 217-00000121</td>
<td>43,534.62</td>
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<tr>
<td>19</td>
<td>Petty Cash</td>
<td>1,400.00</td>
<td></td>
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<tr>
<td>21</td>
<td>Local Agency Investment Fund - City 98-33-385</td>
<td>1,895,676.02</td>
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<tr>
<td>23</td>
<td>Local Agency Investment Fund - RDA 65-33-007</td>
<td>4,155.04</td>
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<tr>
<td>235</td>
<td>Medium Term Corporate Note 36962G3T9</td>
<td>1,000,439.80</td>
<td></td>
</tr>
<tr>
<td>257</td>
<td>Medium Term Corporate Note 59217EBW3</td>
<td>998,331.03</td>
<td></td>
</tr>
<tr>
<td>261</td>
<td>US Treasury 912828L0Q1</td>
<td>2,999,867.28</td>
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<td>264</td>
<td>Federal Home Loan Bank 3133XUMR1</td>
<td>2,029,778.03</td>
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<tr>
<td>266</td>
<td>US Treasury 912828MB3</td>
<td>1,998,374.77</td>
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<td>267</td>
<td>US Treasury 912828MB33</td>
<td>1,997,074.59</td>
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<td>268</td>
<td>US Treasury 912828LZ1</td>
<td>1,996,606.40</td>
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<td>276</td>
<td>Federal Farm Credit 3133113A9</td>
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<td>278</td>
<td>Goldman Sachs Mid Term Corp Note 38141EA74</td>
<td>1,019,885.61</td>
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<tr>
<td>280</td>
<td>Bank of America Mid Term Corp Note 06051GFD</td>
<td>1,012,918.74</td>
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<tr>
<td>281</td>
<td>Certificate of Deposit-Pacific Western Bank 126418</td>
<td>250,000.00</td>
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<td>283</td>
<td>Federal Home Loan Bank 313372NX8</td>
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<tr>
<td>287</td>
<td>US Treasury 912828QL78</td>
<td>3,997,314.92</td>
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<tr>
<td>290</td>
<td>Freddie Mac 3134G2LW0</td>
<td>2,000,000.00</td>
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<tr>
<td>292</td>
<td>Federal National Mortgage Assn 313G0BV4</td>
<td>2,000,000.00</td>
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<tr>
<td>293</td>
<td>Federal National Mortgage Assn 3136FRZNN6</td>
<td>999,536.94</td>
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<tr>
<td>294</td>
<td>Federal National Mortgage Assn 3136FRA37</td>
<td>1,950,000.00</td>
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<tr>
<td>295</td>
<td>Federal National Mortgage Assn 3136FRE587</td>
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<td>296</td>
<td>Barclays Bank Corporate Note 06738JVS0</td>
<td>1,000,000.00</td>
<td></td>
</tr>
</tbody>
</table>

**Total Pooled Cash and Investments:** $32,698,575.48

**Fair Value Increase (over cost):** 576,711.46

### Outstanding Items:

- Outstanding Warrants/Wire Transfers: (53,126.80)
- Pacific Western Bank deposit in transit: (264,428.93)
- Union Bank deposit in transit: (11,687.82)
- Credit card in transit - deposited 12/5/11: 20.00

**Total Outstanding Items:** (329,223.55)

**Reconciled Bank Balance:** $32,946,063.39

**General Ledger Balance:** $32,946,063.39

9 A
4 6

T:Kevin/bankbank reconciliation n12Nov 2011Nov 11 pooled

2:32 PM 3/14/2012
City of Indian Wells
Trustee Reconciliation Report - Cash and Investments with City Agents
Finance Department

MONTH: November 30, 2011

Trustee Balance:

<table>
<thead>
<tr>
<th>Investment #</th>
<th>Investment Description</th>
<th>Investment T-Fund</th>
<th>Investment T-Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>36</td>
<td>Fidelity Institutional Money Markey Fund - Housing Surplus</td>
<td>$ 7,989.70</td>
<td>$ 7,994.13</td>
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RDA Series 2003 A Bonds

<table>
<thead>
<tr>
<th>Investment #</th>
<th>Investment Description</th>
<th>Investment T-Fund</th>
<th>Investment T-Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Blackrock Provident T-Fund</td>
<td>$ 3.30</td>
<td>$ 3.30</td>
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</table>

RDA Series 2006 A Bonds

<table>
<thead>
<tr>
<th>Investment #</th>
<th>Investment Description</th>
<th>Investment T-Fund</th>
<th>Investment T-Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Blackrock Provident T-Fund</td>
<td>$ 4.65</td>
<td>$ 4.65</td>
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</tbody>
</table>

RDA Series 2010 A Bonds

<table>
<thead>
<tr>
<th>Investment #</th>
<th>Investment Description</th>
<th>Investment T-Fund</th>
<th>Investment T-Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Blackrock Provident T-Fund</td>
<td>$ 6,991,083.26</td>
<td>$ 6,991,083.26</td>
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</tbody>
</table>

Other Trustees

<table>
<thead>
<tr>
<th>Investment #</th>
<th>Investment Description</th>
<th>Investment T-Fund</th>
<th>Investment T-Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 &amp; 13</td>
<td>Series 2005 Tax Allocation Refunding Bonds - Escrow Fund</td>
<td>$ 3.53</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Indian Wells Golf Resort</td>
<td>1,018,092.56</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Indian Wells Villas</td>
<td>707,260.11</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Mountain View Villas</td>
<td>464,780.76</td>
<td>2,190,136.96</td>
</tr>
</tbody>
</table>

Total Cash and Investments with City Agents

<table>
<thead>
<tr>
<th>Investment Description</th>
<th>Investment T-Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ 9,189,222.30</td>
</tr>
</tbody>
</table>

Fair Value Increase (over cost)

<table>
<thead>
<tr>
<th>Investment Description</th>
<th>Investment T-Fund</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reconciled Bank Balance</td>
<td>9 A</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>General Ledger Balance</th>
<th>$ 9,189,222.30</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

T:Kevin\bank\bank reconciliation fy12Nov 2011Nov 11 FA

9:43 AM 3/30/2012
<table>
<thead>
<tr>
<th>Investments</th>
<th>Par Value</th>
<th>Market Value</th>
<th>Book Value</th>
<th>% of Portfolio</th>
<th>Term</th>
<th>Days to Maturity</th>
<th>YTM 360 Equiv.</th>
<th>YTM 365 Equiv.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Certificates of Deposit - S &amp; L</td>
<td>250,000.00</td>
<td>250,000.00</td>
<td>250,000.00</td>
<td>0.76</td>
<td>1,096</td>
<td>801</td>
<td>1.250</td>
<td>1.267</td>
</tr>
<tr>
<td>Managed Pool Accounts - LAIF</td>
<td>1,899,831.06</td>
<td>1,899,831.06</td>
<td>1,899,831.06</td>
<td>5.81</td>
<td>1</td>
<td>1</td>
<td>0.380</td>
<td>0.385</td>
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<tr>
<td>Money Market Sweep/Checking Account</td>
<td>548,516.31</td>
<td>548,516.31</td>
<td>548,516.31</td>
<td>1.58</td>
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<td>1</td>
<td>0.246</td>
<td>0.249</td>
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<tr>
<td>Medium Term Corporate Notes</td>
<td>5,000,000.00</td>
<td>4,965,390.00</td>
<td>5,031,575.16</td>
<td>15.39</td>
<td>1,756</td>
<td>1,189</td>
<td>3.904</td>
<td>3.958</td>
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<tr>
<td>Federal Agency Issues - Callables</td>
<td>11,950,000.00</td>
<td>12,177,730.50</td>
<td>11,979,314.97</td>
<td>36.64</td>
<td>1,780</td>
<td>1,506</td>
<td>2.151</td>
<td>2.181</td>
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<tr>
<td>Treasury Securities</td>
<td>13,000,000.00</td>
<td>13,339,220.00</td>
<td>12,992,237.96</td>
<td>39.72</td>
<td>1,261</td>
<td>674</td>
<td>1.511</td>
<td>1.532</td>
</tr>
</tbody>
</table>

| Investments                        | 32,648,447.37| 33,180,787.87| 32,698,575.48| 100.00%| 1,431| 1,008| 2.025| 2.053|

<table>
<thead>
<tr>
<th>Cash and Accrued Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accrued Interest at Purchase</td>
</tr>
<tr>
<td>Subtotal</td>
</tr>
<tr>
<td>Total Cash and Investments</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total Earnings</th>
<th>November 30</th>
<th>Month Ending</th>
<th>Fiscal Year To Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Year</td>
<td>56,297.59</td>
<td>336,121.20</td>
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<tr>
<td>Average Daily Balance</td>
<td>34,509,526.99</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Effective Rate of Return</td>
<td>1.98%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The above investments are consistent with the City's investment policy and allowable under current legislation of the State of California. Investments were purchased using safety, liquidity, and yield as criteria. In addition, cash flow from revenue and maturing investments will be sufficient to cover expenditures for the next six months. All securities are "Marked-to-Market" on a monthly basis.

Kevin McCarthy, Finance Director


Run Date: 01/23/2012 - 17:31
The City of Indian Wells
Portfolio Management
Portfolio Details - Investments
November 30, 2011

<table>
<thead>
<tr>
<th>CUSIP</th>
<th>Investment #</th>
<th>Issuer</th>
<th>Average Balance</th>
<th>Purchase Date</th>
<th>Par Value</th>
<th>Market Value</th>
<th>Book Value</th>
<th>Stated Rate</th>
<th>S&amp;P 360</th>
<th>YTM</th>
<th>Days to Maturity</th>
<th>Maturity Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>SYS281</td>
<td>281</td>
<td>Pacific Western Bank</td>
<td>250,000.00</td>
<td>02/09/2011</td>
<td>250,000.00</td>
<td>250,000.00</td>
<td>250,000.00</td>
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<td>801</td>
<td>02/09/2014</td>
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<tr>
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<td>LAIF - City</td>
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<td>1,895,676.02</td>
<td>1,895,676.02</td>
<td>1,895,676.02</td>
<td>0.385</td>
<td>0.385</td>
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<td>LAIF - Redevelopment</td>
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<td>4,155.04</td>
<td>4,155.04</td>
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<td>Pacific Western Bank</td>
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<td>503,681.69</td>
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<td>0.250</td>
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<td>Pacific Western - Acct Payable</td>
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<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
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<tr>
<td>SYS3</td>
<td>3</td>
<td>Pacific Western-Payroll</td>
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<td>07/01/2011</td>
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<td>0.00</td>
<td>0.00</td>
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<tr>
<td>SYS4</td>
<td>4</td>
<td>Union Bank-Checking</td>
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<td>43,534.62</td>
<td>43,534.62</td>
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<tr>
<td>SYS19</td>
<td>19</td>
<td>Petty Cash</td>
<td>1,400.00</td>
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<td>1,400.00</td>
<td>1,400.00</td>
<td>1,400.00</td>
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<tr>
<td>08738JVS0</td>
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<td>Barclays Bank PLC</td>
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<td>3.500</td>
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<td>3.452</td>
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<td>Bank of America</td>
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<td>895,900.00</td>
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<td>1,012,918.74</td>
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<td>3.700</td>
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<td>36922G3T9</td>
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<td>1,000,439.80</td>
<td>4.800</td>
<td>4.800</td>
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<tr>
<td>38141EA74</td>
<td>278</td>
<td>Goldman Sachs Group Inc</td>
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<td>02/02/2011</td>
<td>964,970.00</td>
<td>1,019,685.61</td>
<td>1,019,685.61</td>
<td>3.700</td>
<td>3.700</td>
<td>AA</td>
<td>3.072</td>
<td>1,339</td>
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<td>59217EBW3</td>
<td>257</td>
<td>MetLife</td>
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<td>998,331.03</td>
<td>998,331.03</td>
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<td>5.125</td>
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<td>922</td>
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<td>31331J3A9</td>
<td>276</td>
<td>Fed. Farm Credit Bank</td>
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<td>11/23/2010</td>
<td>1,007,460.00</td>
<td>1,000,000.00</td>
<td>1,000,000.00</td>
<td>2.000</td>
<td>2.000</td>
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<td>1.767</td>
<td>1,453</td>
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<tr>
<td>3133XUMR1</td>
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<td>2,029,778.03</td>
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<td>3.250</td>
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<td>1,000,000.00</td>
<td>1,000,000.00</td>
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<td>2.000</td>
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<td>1,093</td>
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<tr>
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Subtotal and Average | 12,413,075.63 | 11,950,000.00 | 12,177,730.50 | 11,979,314.97 | 3.250 | 3.250 | 2.151 | 1,506 |
## The City of Indian Wells
### Portfolio Management
#### Portfolio Details - Investments
##### November 30, 2011

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<th>Purchase Date</th>
<th>Par Value</th>
<th>Market Value</th>
<th>Book Value</th>
<th>Stated Rate</th>
<th>S&amp;P</th>
<th>YTM 360</th>
<th>Days to Maturity</th>
<th>Maturity Date</th>
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Subtotal and Average: 12,988,937.42

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<th>Book Value</th>
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<th>S&amp;P</th>
<th>YTM 360</th>
<th>Days to Maturity</th>
<th>Maturity Date</th>
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<td>2,019,920.00</td>
<td>1,998,374.77</td>
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<td>380</td>
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<td>3,997,314.92</td>
<td>0.822</td>
<td>AAA</td>
<td>0.855</td>
<td>486</td>
<td>03/31/2013</td>
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Subtotal and Average: 12,988,937.42
## The City of Indian Wells
### Portfolio Management
#### Portfolio Details - Cash
**November 30, 2011**

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<th>Issuer</th>
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<th>Purchase Date</th>
<th>Par Value</th>
<th>Market Value</th>
<th>Book Value</th>
<th>Stated Rate</th>
<th>S&amp;P</th>
<th>YTM 360</th>
<th>Days to Maturity</th>
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</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Average Balance</td>
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<td></td>
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<td>572.77</td>
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Run Date: 01/23/2012 - 17:31
## City of Indian Wells

### Aging of Maturing Investments at 11/30/2011

$32,698,575

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<td>181 - 360 days</td>
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### Portfolio Summary

**November 30, 2011**

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<th>Investments</th>
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<th>Market Value</th>
<th>Book Value</th>
<th>% of Portfolio</th>
<th>Term</th>
<th>Days to Maturity</th>
<th>YTM 360 Equiv.</th>
<th>YTM 365 Equiv.</th>
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<tbody>
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<td>7,994.13</td>
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<td>1</td>
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**Investments**

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<tr>
<th>Total Earnings</th>
<th>November 30 Month Ending</th>
<th>Fiscal Year To Date</th>
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<td>Current Year</td>
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<td>Effective Rate of Return</td>
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Kevin McCarthy, Agency Treasurer

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Run Date: 01/23/2012 - 17:10
## Housing Series 2003 AT Bonds
### Portfolio Management
### Portfolio Details - Investments
### November 30, 2011

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<thead>
<tr>
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<th>Issuer</th>
<th>Average Balance</th>
<th>Purchase Date</th>
<th>Par Value</th>
<th>Market Value</th>
<th>Book Value</th>
<th>Stated Rate</th>
<th>S&amp;P</th>
<th>YTM 360</th>
<th>Days to Maturity</th>
<th>Maturity Date</th>
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<td>07/01/2011</td>
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<td>1.00</td>
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<td>0.00</td>
<td>0.00</td>
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**Subtotal and Average**

|               | 7,993.25 | 7,994.13 | 7,994.13 | 7,994.13 | 2.376 | 1 |

**Total and Average**

|               | 7,993.25 | 7,994.13 | 7,994.13 | 7,994.13 | 2.376 | 1 |

---

**Run Date:** 01/23/2012 - 17:10

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**Portfolio 03AT**

**CP**

**PM (PRF_PM2) 7.3.0**

**Report Ver:** 7.3.3
## RDA Series 2003 A Bonds
### Portfolio Management
#### Portfolio Summary
November 30, 2011

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<th>Book Value</th>
<th>% of Portfolio</th>
<th>Term</th>
<th>Days to Maturity</th>
<th>YTM 360 Equiv.</th>
<th>YTM 365 Equiv.</th>
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<td>November 30 Month Ending</td>
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<td>Fiscal Year To Date</td>
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Kevin McCarthy, Agency Treasurer

City of Indian Wells
44-950 Eldorado Drive
Indian Wells CA 92210
(760)346-2489

Run Date 01/23/2012 - 16:55
### RDA Series 2003 A Bonds
#### Portfolio Management
#### Portfolio Details - Investments
#### November 30, 2011

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<th>Purchase Date</th>
<th>Par Value</th>
<th>Market Value</th>
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<th>Stated Rate</th>
<th>S&amp;P</th>
<th>YTM</th>
<th>Days to Maturity</th>
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**Subtotal and Average**
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- 3.30
- 3.30
- 3.30
- 0.288
- 1

**Total and Average**
- 3.30
- 3.30
- 3.30
- 3.30
- 0.288
- 1
2006 A Bonds
Portfolio Management
Portfolio Summary
November 30, 2011

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<th>Book Value</th>
<th>% of Portfolio</th>
<th>Term</th>
<th>Days to Maturity</th>
<th>YTM 360 Equiv.</th>
<th>YTM 365 Equiv.</th>
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<td>4.65</td>
<td>4.65</td>
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<td>0.317</td>
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Total Earnings

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Kevin McCarthy, Agency Treasurer
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<th>Purchase Date</th>
<th>Par Value</th>
<th>Market Value</th>
<th>Book Value</th>
<th>Stated Rate</th>
<th>S&amp;P</th>
<th>YTM</th>
<th>Days to Maturity</th>
<th>Maturity Date</th>
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### RDA Series 2010 A Bonds
#### Portfolio Management
#### Portfolio Summary
#### November 30, 2011

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<th>Market Value</th>
<th>Book Value</th>
<th>% of Portfolio</th>
<th>Term Days to Maturity</th>
<th>360 Equiv.</th>
<th>YTM 365 Equiv.</th>
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**Total Earnings**
- **November 30**
- **Month Ending**
- **Fiscal Year To Date**

- **Current Year**: 2,705.30
- **Average Daily Balance**: 6,991,082.36
- **Effective Rate of Return**: 0.47%

---

Kevin McCarthy, Agency Treasurer

---


**Run Date**: 01/23/2012 - 17:27
**Portfolio 010A CP**
**PM (PRF_PM1) 7.3.0**
**Report Ver. 7.3.3**
### RDA Series 2010 A Bonds
#### Portfolio Management
#### Portfolio Details - Investments
#### November 30, 2011

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<th>Book Value</th>
<th>Stated Rate</th>
<th>S&amp;P</th>
<th>YTM</th>
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## City of Indian Wells

### Portfolio Management

**Portfolio Summary**

November 30, 2011

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<th>Market Value</th>
<th>Book Value</th>
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<th>Term</th>
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Kevin McCarthy, Finance Director


Run Date: 03/30/2012 - 09:27
# City of Indian Wells
## Portfolio Management
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#### November 30, 2011

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<th>Market Value</th>
<th>Book Value</th>
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<th>S&amp;P 360</th>
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Par Value: 3.53
Market Value: 3.53
Book Value: 3.53
S&P 360: 1.720

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Market Value: 2,190,133.43
Book Value: 2,190,133.43
S&P 360: 0.528

Total and Average: 1,765,546.25
Par Value: 2,190,136.96
Market Value: 2,190,136.96
Book Value: 2,190,136.96
S&P 360: 0.528

Run Date: 03/30/2012 - 09:27
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Report Ver. 7.3.3
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APPROVED □ DENIED □ REC/FILE □ CONT.
OTHER □
VOTE: YES □ NO □ ABSTAIN □
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Total warrants 40277-40400 & 40417-40424: 616,397.73

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- **1190** 3/16/2012  CALIFORNIA PUBLIC EMPLOYEES 4/12 MEDICAL INSURANCE PREMIUMS 76,427.24 76,427.24
- **1189** 3/20/2012  INTERNAL REVENUE SERVICE 3/16/12 PAYROLL FWT, FICA & MEDICARE 30,343.05 30,343.05
- **1194** 4/3/2012  INTERNAL REVENUE SERVICE 3/30/12 PAYROLL FWT, FICA & MEDICARE 29,916.24 29,916.24
- **1195** 3/30/2012  CALPERS RETIREMENT SYSTEM 3/30/12 PAYROLL CONTRIBUTIONS 7,409.41 7,409.41
- **1191** 3/16/2012  CALPERS RETIREMENT SYSTEM 3/16/12 PAYROLL CONTRIBUTIONS 7,409.41 7,409.41
- **1192** 3/16/2012  CALIFORNIA, STATE OF 3/16/12 PAYROLL-SDI & SWT DEPOSIT 6,730.94 6,730.94
- **1196** 3/30/2012  CALIFORNIA, STATE OF 3/30/12 PAYROLL-SDI & SWT DEPOSIT 6,650.09 6,650.09
- **1188** 3/16/2012  ICMA 3/16/12 PAYROLL 401A, 457 & ROTH IRA 6,353.23 6,353.23
- **1193** 3/29/2012  ICMA 3/30/12 PAYROLL 401A, 457 & ROTH IRA 6,029.82 6,029.82

Payroll Wire Disbursements 1188-1196: 177,269.43

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7S
### CITY OF INDIAN WELLS
04/05/12 MEETING WARRANT LIST

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<td>74,926.56</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Total Net Payroll 03/30/12</td>
<td>74,926.56</td>
<td></td>
</tr>
</tbody>
</table>

TOTAL CITY DISBURSEMENTS: 943,562.23

Note: Warrants 40277-40280 & 40417-40424 were issued prior to City Council Meeting.

Note: Warrant 40145 was voided on 3/15/12.
STAFF REPORT

DATE: April 5, 2012

TO: Honorable Mayor and City Council Members

FROM: Roderick J. Wood, Interim City Manager

SUBJECT: Interim City Manager Update on Casa Dorado Palm Tree Abatement

I placed this item on your agenda concerning the removal of the Date Palms in Casa Dorado because it has generated concerns and many rumors regarding the trees removal. I think it important to get issues of concern in the community into a full public discussion so the facts can be presented and questions answered. I felt the City Council and community has a right to know the facts and the right to draw whatever conclusion they may from those facts. I have attached my public comments to the community concerning this matter to this report as a foundation to the issue. I have also attached the arborists' reports.

First, let me state the city proposed to the HOA, because the city's two arborist and the HOA's arborist do not agree on the removal of the trees, that the City and HOA retain an independent third arborist to evaluate the trees and render an independent opinion on which, if any, date palm trees need to be removed. This arborist would be a person that the city's arborist and the HOA's arborist mutually agree is an expert concerning date palms and the costs would be shared equally so the arborist works equally for both parties. The City and HOA would honor the recommendations of the third independent arborist. That offer is still open to the Casa Dorado.

The city truly appreciates the desire to not remove mature trees. The city does not like having to remove it's own trees when disease, infestation, age or other problems require removal. Unfortunately, a part of maintaining landscaping in addition to all the maintenance requirements periodically requires replacement of plants for a range of reasons.

The city has arrived at the conclusion that these thirty-eight trees present a clear and present danger to the adjacent homes. This conclusion is a result of two arborist retained by the City inspecting the trees and determining the trees had suffered a severe lack of water, were dry and brittle inside and presented a serious threat of breaking and falling. On the fact that two trees in close proximity have already broken in half at the base which is unusual as they normally break in the middle or top during wind conditions indicating a unique problem with the trees. That seven additional trees in this same area of trees
were leaning to such an extreme they presented a serious threat of falling. The city has received independent evidence that the trees had suffered a severe lack of adequate watering for a number of years. Most people including landscapers do not appreciate the quantity of water necessary to maintain healthy and productive trees. According to Shields Dates, it requires 10 feet of water per year or the equivalent of 120 inches of rain per year. Palm trees grow in the desert only where there is an appreciable water supply such as an oasis or canyon stream or spring. The other option is to provide ample irrigation.

There are two issues regarding this problem of which the city has concern. First is the safety to the adjacent homes. Second is the safety and liability of the HOA property owners. The city has a duty to make certain property owners do not maintain their property in an unsafe manner causing a threat to innocent property or persons including themselves. This includes a wide range of issues from building and fire safety, water quality, proper drainage, sanitation, landscapes and many, many more issues. The city continuously inspects and monitors a huge range of public safety issues on both public and private property and orders or makes corrections when it finds safety issues or violations of the law.

The adjacent property owners based on current evidence have legitimate reason to be concerned about the safety of their homes and themselves. They have expressed that they are unable to enjoy their property and peace of mind particularly during wind conditions. They are required by law to disclose this risk from the adjacent date palms if they intend to sell or rent their property, likely reducing the value of their homes and making it more difficult to sell or rent their homes. These owners have a right to expect the city to protect their safety. If these trees were healthy and not presenting a safety risk, these owners most likely would also not want the trees removed as mature trees add beauty and value.

The HOA and its property owners also have safety concerns if the trees are unhealthy and in danger of falling. The HOA is on notice that two trees have fallen. The HOA is on notice by the city that it has two independent arborists stating the trees are unhealthy and present a clear risk and should be removed. Notwithstanding the HOA's arborist stating the trees are healthy, the HOA may be exposed to serious potential liability for knowingly maintaining an unsafe condition by keeping the trees. That liability could carry, in addition to specific damages, some extremely high punitive damages in a lawsuit should additional trees fall. It could be determined that the Board of Directors acted with Gross Negligence which could expose the HOA and Board to additional liability. Depending on how the insurance policies are written, the insurance provider may not cover liability arising from acts of Gross Negligence.
Because the City has to remove and replace a number of trees every year within its properties when the trees become unhealthy and unsafe, we respect the costs to the HOA of the removal and replacement of the trees. Fortunately, date palms can be replaced with fairly mature and tall palms trees providing an established appearance almost immediately. The HOA has at its discretion the option to use trees other than date palms to replace removed trees.

This is not a contest between the City and HOA. The City would like to find a solution that can place the adjacent property owners’ minds and safety at ease, protect the interest of the HOA and its property owners and not require one tree to be removed that is healthy. As the record stands now, the city cannot ignore two arborists and two damaged homes from fallen trees. If a third arborist with specific expertise in date palms can do a more comprehensive analysis of the trees and find that all or some of the trees can be saved, the city would be pleased to support that finding. The decision to retain a third independent arborist or if City must rely on the existing reports and investigations available rest solely with the HOA.

Attachments (5)
1. Newsletter Memo to Residents
2. Palm Tree Abatement Time Line
3. Two Arborist Reports
4. Casa Dorado Arborist Report Given to City
5. Municipal Code Section Covering City’s Authority to Act
Dear Residents:

I would like to make certain everyone has the facts regarding the City of Indian Wells public safety code enforcement action with Casa Dorado HOA concerning the palm trees within the Casa Dorado property. Code enforcement is a process initiated and handled entirely by City staff.

For the general purpose of clarification: City staff would initiate any criminal prosecution for violations of government laws, rules and regulations that are a criminal offense. The Indian Wells Police Department, for the most part, enforces actions for felonies, serious misdemeanors and traffic enforcement. The City's code enforcement officers, community service officers and inspectors would handle most non-serious misdemeanors and infractions. The City Council's sole involvement is to determine if the City should initiate civil litigation if there was damage to City property, which is not the case regarding the palm trees. People are at liberty to draw whatever conclusions they choose regarding the facts, but we believe conclusions should be based on facts not rumor.

The facts listed here are fully documented. This code enforcement issue first arose on April 4, 2011 when a date palm tree on Camino de Dorado in modest wind conditions snapped at its base and fell on a home at 45-3 Via Estancia owned by Mr. and Mrs. Joe Hayes. Because this type of breakage is uncommon for this type of palm tree, the City had its staff agronomist inspect the tree. It was this staff's conclusion that the tree had suffered severe drought damage.

The City notified the HOA on April 26, 2011 and began the City's code enforcement action concerning the palm trees. The HOA did not agree with the City's conclusion that the remaining trees could also be damaged and pose a risk of breaking and falling. The City was in discussions with the HOA to obtain a comprehensive arborist report to affirm or reject the City's conclusion. The City was unsuccessful in getting the HOA to respond in what it considered a timely manner given the seriousness of the concern. Subsequently, City staff engaged the City Attorney's Office and was considering filing a criminal complaint to compel enforcement.

On January 21, 2012, a second tree in high wind conditions broke at the base and fell on a home at 45-109 Via Estancia owned by Mr. and Mrs. Patrick Mullany. This second tree to fall was from the same row of palm trees and located two doors down from the first fallen palm tree. Having a second tree break from the same row of trees two houses apart greatly elevated the City's concern regarding the safety of the remaining trees and the homes adjacent to the trees.

Following the second fallen tree incident, I directed staff to immediately retain an arborist and inspect the trees and determine the safety risk of additional trees falling. I also ordered staff to file criminal prosecution and obtain a court order if necessary to abate any trees that the arborist concluded needed to be removed. The City selected the arborist it uses for its own trees. The arborist concluded that the palm trees were severely damaged from inadequate water and posed a threat of breaking and falling. Seven of the trees were seriously leaning toward the homes and needed immediate removal. The City ordered the HOA to immediately remove these seven palm trees with which the HOA complied. The HOA obtained an arborist and the HOA has furnished the one report from the arborist that the city is aware the HOA retained. The HOA arborist stated he believed all of the remaining trees were healthy and did not present an eminent safety risk. Because there was professional disagreement in the conclusion regarding the health of the trees between the reports filed by the City's arborist and the HOA's arborist, the city retained another arborist. This was also an arborist the City has used in the past for its own trees and found highly competent. It was the conclusion of the City's second arborist that the trees were unhealthy and presented a safety risk.
In the course of the City's investigation, the City found evidence that the trees had not been watered properly for approximately three years. Based on three expert opinions (one staff agronomist and two independent arborists) and the evidence of inadequate watering, and the fact that two trees had already fallen and seven trees had been seriously leaning and had to be removed, the City ordered the remaining 38 palm trees on Camino De Dorado removed.

The HOA protested the order. The City offered to retain a third independent arborist which would not have done work in the past for either party. The selection of this third arborist would be an arborist mutually agreed upon by both the City and HOA and the costs would be shared equally so the arborist would in fact be working equally for both parties. During the course of this process, the HOA proposed that it would agree to the removal of the trees if the City would do the removal and at the City's expense. The City does not use public assets to maintain private property and thus declined the offer. The City did make a counter offer that it was willing to use the City's tree contractor at cost to remove the trees. For a number of reasons this approach could save the HOA appreciable costs over the HOA obtaining its own contractor. The HOA agreed to this counter offer and the city has a signed agreement with the HOA and the $13,000 on deposit to remove the trees. The HOA is responsible for replacing the trees. The HOA can replace the trees with date palms or can select from a number of different species.

The City understands the desire of the HOA and others to not want to remove mature and stately trees. The City does not like to see mature trees removed. Unfortunately, landscape rarely takes care of itself; even most desert landscaping in an urban setting requires care and maintenance. A property owner has the responsibility for the costs of maintaining landscape including the proper care and watering of that landscape. Even with the best care and watering, periodically plants and trees become diseased or infested and die or must be removed. The City regularly has to remove some of its own trees due to disease, infestation or age and replace them. The City also appreciates the costs that the HOA will bear to remove and replace these trees and thus has been tolerant in the timing of the removal of the trees. What type of replacement tree is used, how big the replacement trees and how much is spent for the replacement trees is substantially within the HOA's control not the City's.

The City has no problem with the use of date palms. Date palms are a theme tree in Indian Wells and the City recently planted numerous date palms in the new center medians on Highway 111. However, the City is concerned with public safety be it unsafe buildings, broken gas mains, drunk drivers or unhealthy date palms.

Sincerely,

Roderick J. Wood
Interim City Manager
DATE: March 23, 2012
TO: File
FROM: Mel Windsor, Personnel/Public Safety Director
SUBJECT: Casa Dorado – Palm Tree Abatement Time Line

Below is a time line of events for the Casa Dorado Palm Tree abatement:

April 7, 2011 First palm tree falls on a home in the Sundance HOA, at 45-303 Via Estancia. The homeowners are Mr. and Mrs. Joe Hayes.

Mid April, 2011 Public Works Director/City Engineer, Paul Goble has ongoing verbal conversations with Mr. David Anaya (HOA President) regarding the health of Casa Dorado’s palm trees. Albert Management was recently retained as the new management company around January 24, 2012.

April 26, 2011 Email from Public Works Director/City Engineer Paul Goble to Mr. David Anaya (HOA President) assisting the HOA with Palm tree contractors that could assess the health of Casa Dorado’s palm trees.

January 21, 2012 Second palm tree falls on a home in Sundance at 45-109 Via Estancia. The homeowners are Mr. and Mrs. Patrick Mullany.

February 13, 2012 City hires certified arborist (JP Tree Care) to evaluate the 45 remaining palm trees on Camino De Dorado inside Casa Dorado. JP Tree Care concludes that all 45 palm trees are showing significant stress and all should be removed. They also identified 7 palm trees that were already listing and should be removed immediately.

February 13, 2012 Letter from Mr. James Dodds, resident of Sundance to City Attorney Steve Deitsch regarding the recent damage to residences form the falling Casa Dorado palm trees.

February 15, 2012 City hires independent soil scientist and Plant pathologist (Sam Aslan) to evaluate the 45 palm trees. Mr. Aslan found 45 palm tree trunks to have core root system decay, tree stress and crown growth reduction. 90% of the roots at soil surface were dead and not functional.
<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
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<tbody>
<tr>
<td>February 17, 2012</td>
<td>City issues Notice of Violation to Casa Dorado regarding their hazardous palm trees.</td>
</tr>
<tr>
<td>February 22, 2012</td>
<td>Casa Dorado removes 7 of the most dangerous trees identified by JP Tree Care.</td>
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<tr>
<td>February 27, 2012</td>
<td>Casa Dorado hires MTR Horticulture to inspect the remains of the 7 palm trees that were removed. MTR found the 7 palm trees to be in perfect health. MTR report ignores water starvation condition and is viewed by City as incomplete report. To date the City has not received any other arborist reports from Casa Dorado HOA.</td>
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<tr>
<td>March 19, 2012</td>
<td>Casa Dorado HOA and City of Indian Wells agree to have the remaining 38 trees removed. Casa Dorado agreed to pay the City $13,000 to have the City's contractor remove the trees.</td>
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</table>
JP TREE CARE - CERTIFIED ARBORIST  Joe Padilla 760-272-9440

PALM INSPECTIONS

CASA DORADO, INDIAN WELLS, CALIFORNIA
PALM INSPECTIONS
PALM INSPECTIONS

I proceeded to do my inspection regarding the roots by digging on each palm approximately four feet by two and came to a conclusion that these palms were suffering from desiccation or damage in the root systems. The damage is caused by the reduce number of roots anchoring the trunk. These palms may be structurally unsound and can topple over, especially in periods of high winds.

The roots of a palm are unusual as the top in comparison to other trees. Palm roots do not branch much or increase in size as the tree ages. Palm do not form a woody root system that radiates out from the trunk, but instead generates advantageous roots from the trunk. These roots rarely reach the size at extent of the woody roots found on other species. Palm roots generally do not become more than one half inch in diameter and extent out less than the height of the tree. Most palms roots will die back to the trunk when cut. While palms can be successfully transplanted with a much smaller soil ball that does not mean the palm can endure every stress. Palm stems do not have annual growth rings. Palms can't generate callas tissue or wound wood when they are injured. As I took a closer inspection of the root, I noticed these palms have cracks in the vascular root system. Once these are destroyed, they can never be replaced. After the growth in that portion of the stem is completed the diameter of the stem does not further increase throughout the life of most palms, because a palm fully develop a complete vascular system in the early stages of life, that systems must be adequate for its needs throughout all later stages of its life.

For this reason and the targeted area and pedestrian, my recommendation is to remove all the palms on the eastern edge of the property. Due to the high risk of winds, this is a potential dangerous target area for all residents living in this area.
COST ESTIMATE:

THE GOING RATE WOULD BE $1000.00, JP TREE WILL DO PALM REMOVALS $951.00 PER PALM.
APPROXIMATELY 45 PALM TRUNKS ON CASA DORADO THAT NEED TO BE REMOVED. STUMP
GRINDING IS INCLUDED.
February 15, 2012

Ryan Bowen,
Landscape Specialist
44-950 Eldorado drive
Indian Wells, CA 92210

Dear Mr. Bowen,

On February 14, 2012 you and I investigated forty mature Date palms in Casa Dorado. I estimated the palms to be 60-70 years of age.

The results of my investigation are as follows:
1. Roots below ground are brittle and unhealthy.
2. The core of the palms at soil level contains non-functional dry roots.
3. Only 20% of the core roots within the body of the palm are functional.
4. Palm leaves are 30-40% shorter than normal. This is an indication of dysfunctional roots, lack of photosynthesis and nutrition.
5. Palms have been subjected to water stress for a minimum of 10-15 years.
6. Stressed palms may contain dry rot, Fusarium solani. Which is a saprophytic fungus that develops in dead and dying wood. This condition could slowly rot the base of the palm at soil level, weakening the palm basil root. Palms not having the structural integrity could fall over during windy days. Examination of the basil root remains indicate fungal infection.
7. Soil around the palm showing cracks and root separation at the base is due to weakening and unstable palm structure.
8. 90% of the air roots (roots at soil surface) on all 45 palm trunks are dead and not functional.

All of the reasons listed above, classify all 45 palm trunks to be extremely dangerous to human life, pets, houses and cars.

In my opinion all 45 palm trunks should be removed as soon as possible to prevent tragedy.

Sincerely,

Sam Asian

Sam Asian,
Soil Scientist/Plant Pathologist
INVOICE  # 15-12

Sam Aslan,
48-112 Thornton Court
Indio, CA  92201

February 15, 2012

Palm investigation, field work and report:

Total..................................................................................... $500.00

Please make payment to : Sam Aslan

Please mail to : 48-112 Thornton Court, Indio, CA 92201

Thank you!
On 2-27-12, I inspected the remains of 7 Desert Date palms (Phoenix dactylifera) variety ‘Medjool’, located at this community that had been cut down the previous week. The remains consisted of two 4 to 6 foot trunk sections taken from just below the crown and in the middle of the palms. I also had the 6 foot of trunk bases dissected with a chainsaw by GrandMark Landscape that day to determine if there was any fungal rot present that would have made the palms unstable, dangerous and likely to fall down. All the palms in this line of palms had been tagged for removal by the City of Indian Wells. These seven were cut down because they had been judged by the City of Indian Wells to be the most dangerous of all the palms. My observations and recommendations are as follows:

Overview / Site Conditions

After carefully examining the remains of the 7 Desert Date palms in question I could find no visual evidence of any substantial fungal or bacterial rot in any of the trunk pieces or in the bases of the palms. Also I found no visual evidence of any insect activity. All 7 of the Date palms appeared to be in perfect health.

In addition when I compared the size, frond length and vigor of these Date palms to the dozens of similar Date palms located along Highway 111 in Indian Wells they appeared to be very similar if not identical.
I was also able to find healthy roots at the bases of all 7 of these palms. Indeed it has been my experience that healthy roots will not be present if the crowns are not healthy. These palms all have healthy crowns. I observed this from the ground as well as from 5 feet away in the air when I examined the crowns and sounded the trunks using a boomtruck.

Desert Date Palms along Highway 111
Desert Date Palms at Casa Dorado with Highway 111 Desert Date palms in the background – this photo shows Palms # 1, 2, 3, 4 and 5 from left to right. Palms # 1, 2 and 4 have all been cut down.
Desert Date Palm at Casa Dorado showing healthy, vigorous, disease-free crown
Photo showing healthy root growth
Photo showing healthy root growth - note dissected root in the middle showing healthy, white vascular tissue
Base of Palm #1
Top of the base section showing clean, healthy, solid vascular tissue
Trunk Sections from Palm #1 - no infections present
Base of Palm #1 showing no infections present
Palm #25 - no infections present
This is the trunk section from the middle of the palm - I did find a small area of Stem Bleeding disease - approximately 3 inches deep by 7 inches long - I would not consider this a threat to the stability of the palm.
Palm # 28 - no infections present
Palm # 28 - no infections present
Palm # 28 - no infections present
Palm #31 - no infections present
Palm # 31 - no infections present
Palm # 31 - no infections present
Palm # 31 - no infections present
Palm #32 - no infections present
Palm # 32 - no infections present
Palm # 32 - no infections present

Summary/Conclusion

The 7 Desert Date palms that were cut down appear to be normal healthy Date palms. With the exception of the one small area of Stem Bleeding disease on Palm # 25 I could find no visual evidence of any fungal or bacterial rot on any of the palm pieces I examined. These 7 palms appear to have been cut down and killed without any sound evidence or scientific basis.
Like I stated in my first report, it is important to note though that any tree can be knocked over if the strength of the wind is sufficient. There is no way to guarantee another palm will not fail at some point. Whenever homes are located near trees there is always some risk and it is very important to mitigate that risk by doing the proper palm culture such as trimming, de-fruiting, watering and feeding.

In this situation because of the proximity of homes and people to the Date palms and because of the size of the palms and their potential to cause a serious problem I would strongly recommend that these palms be sounded annually by a qualified and experienced palm specialist in an attempt to be proactive and vigilant in finding any potential serious problems.

Lastly I have been informed that there is a contention being made that the Date palms are presently somehow weakened by them not being properly watered during the last 3 years. As I stated in my first report none of the palms in this line of Desert Date palms are showing any signs of water stress in their crowns. I was also able to find ample healthy roots around the bases of the 7 palms that had been cut down. A water stressed palm will have very distinctive characteristics up in the crown. There are none of these characteristics present. Furthermore when I checked the sections of palm trunks and dissected the bases all these pieces and bases had normal water content and were perfectly normal and healthy – even the aerial root masses located around the bases of the trunks were healthy and full of water.

If you have any questions concerning this report or if MTR Horticulture can be of further service to you, please call me at any time.

Mark T. Robinson / MTR Horticulture, Inc.
Notice of Violation

February 17th, 2012

Casa Dorado @ Indian Wells Association
c/o Albert Management Inc
41865 Boardwalk 101
Palm Desert, CA 92211

Re: Casa Dorado @ Indian Wells Association – 45 Palm Trunks

To Whom It May Concern:

The purpose of this Notice is to make you aware that you will be cited for the violations on your property if you do not bring it into compliance.

A Code Enforcement Officer conducted an inspection of the property identified above on 02/13/2012. The following violation(s) of the Indian Wells City Code were observed on your property:

<table>
<thead>
<tr>
<th>Municipal Code</th>
<th>Description</th>
<th>Action required</th>
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<tbody>
<tr>
<td>8.08.010(g)</td>
<td>Dead, decayed, diseased or hazardous trees, weeds and other vegetation: (1) constituting unsightly appearance, or (2) dangerous to public safety and welfare, or (3) detrimental to nearby property or property values</td>
<td>Remove the 45 palm trunks.</td>
</tr>
<tr>
<td>8.08.035 (a)</td>
<td>If, in the reasonable opinion of the Code Enforcement Officer, there exists a condition which constitutes an imminent threat of serious injury or harm to any persons or property that is likely to occur during the pendency of abatement proceedings, such officer may cause the conditions to be summarily abated in accordance with the following procedure.</td>
<td>Remove the 45 palm trunks.</td>
</tr>
</tbody>
</table>

The City requests your cooperation and the above violation(s) must be corrected by **February 22, 2012**. Should you wish to discuss this matter, you may contact me at (760) 346-2489 extension 290.

Respectfully,

Bruce Pelletier
Code Enforcement Officer
Indian Wells Municipal Code

Title 8 HEALTH AND SANITATION
Chapter 8.08 PROPERTY NUISANCE

8.08.035 Emergency or summary abatement.

(a) If, in the reasonable opinion of the Code Enforcement Officer, there exists a condition which constitutes an imminent threat of serious injury or harm to any persons or property that is likely to occur during the pendency of abatement proceedings, such officer may cause the conditions to be summarily abated in accordance with the following procedure.

(1) The Code Enforcement Officer shall attempt to contact the owner or occupant of the property to notify the responsible individual that the condition must be immediately abated so as to eliminate the imminent threat of serious threat of serious injury or harm.

(2) If the Code Enforcement Officer is unable to make contact, or if after contact the owner or occupant does not take action within the time prescribed by the Code Enforcement Officer, the Code Enforcement Officer is authorized to take all actions deemed necessary to remove, repair or isolate such dangerous condition(s), utilizing the City's own forces or private contract, or any combination thereof.

(3) The Code Enforcement Officer shall keep an itemized account of the costs incurred by the City in abating the public nuisance. Such costs may be recovered by the City in the same manner that abatement costs are recovered pursuant to this Chapter.

(b) Nothing in this Section shall prevent public safety officers from taking actions in emergency situations as they may deem necessary or appropriate in order to protect the public health, safety and general welfare. (Ord. 389 § 1, 1996)
STAFF REPORT

DATE: April 5, 2012

TO: Mayor and City Council

FROM: Mel Windsor, Personnel/Risk Director

SUBJECT: Selection of Executive Recruitment Firm for the City Manager

SUMMARY:
Staff recommends that the City Council approve hiring a recruitment firm and approve a supplemental appropriation to conduct the recruitment for the new City Manager.

BACKGROUND:
Back on October 26 and 27, 2011, the City Council interviewed four recruitment firms at a Special Council Meeting. The four firms selected for interviews by Council were Alliance Resource Consulting, Bob Murray and Associates, Peckham & McKenney and Roberts Consulting Group. Those interviews can be reviewed on our web-site:

Alliance Resource Consulting LLC -

Bob Murray and Associates -
http://indianwells.granicus.com/MediaPlayer.php?view_id=2&clip_id=95

Peckham & McKenney -
http://indianwells.granicus.com/MediaPlayer.php?view_id=2&clip_id=96

Roberts Consulting Group Inc. -
http://indianwells.granicus.com/MediaPlayer.php?view_id=2&clip_id=97

ANALYSIS:
Staff is now recommending that City Council retain one of the four recruitment firms so they can start the search process immediately. Since the interviews with the four firms back in October, Alliance has retained four new accounts; none of these recruitments are for City Manager. Bob Murray and Associates has retained 19 new accounts and four of them are for City Manager (San Marcus, Rancho Santa Margarita, Tucson Az. and Chino). Peckham and McKenney have added seven new accounts, and two of them are for City Manager (La Quinta and West Sacraments). And Roberts Consulting Group is currently working on the recruitment for the City of Eastvale, a new City in Riverside County.

FINANCIAL IMPACT:
The cost to hire a recruitment firm ranges from $23,000 to $27,000. A Supplemental Appropriation will be required for this recruitment. Three of the firms have a consulting service fee and the City is responsible for all the expenses. Roberts Consulting has a fixed fee that includes expenses. The reimbursable expenses fee covers actual out-of-pocket
reimbursable expenses for such items as advertising, printing/copying, background checks, long distance telephone, postage/delivery charges, and travel. The City is responsible for usual travel reimbursements of prospective finalist candidates requiring travel for interviews.

<table>
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<tr>
<th>Consulting Fee</th>
<th>Reimbursable Expenses</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>Peckham &amp; Mckenney</td>
<td>$16,500</td>
<td>$6,500</td>
</tr>
<tr>
<td>Alliance Resource Consulting</td>
<td>$16,500</td>
<td>$7,500</td>
</tr>
<tr>
<td>Bob Murray and Assoc.</td>
<td>$17,500</td>
<td>$6,500</td>
</tr>
<tr>
<td>Roberts Consulting</td>
<td>Fixed Fee</td>
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**RECOMMENDATION:**
Staff recommends that the City Council approve hiring one of the four recruitment firms and approve a supplemental appropriation of the appropriate amount to conduct the recruitment for the new City Manager.

For:
City Manager

October 17, 2011

VIA FEDERAL EXPRESS

Mr. Mel Windsor
City Manager’s Office
City of Indian Wells
44930 Eldorado Drive
Indian Wells, CA 92210

Dear Mr. Windsor:

Alliance Resource Consulting is pleased to submit this proposal to assist the City of Indian Wells in its efforts to recruit and screen candidates for the position of City Manager. Enclosed is our proposal which outlines how we would partner with your organization to recruit the best individuals. We will describe our proposed approach and the steps we will take to accomplish the recruitment within your desired timeframe. If you desire some modification of our work program, we would be pleased to discuss this with you.

Alliance Resource Consulting’s corporate motto is “The Power of Partnership.” We take this seriously and have built our reputation on providing services of the highest quality. Alliance Resource Consulting was formed in 2004 when our executive search consultants acquired the highly regarded executive search practice of one of the largest public sector consulting/government services companies in the United States. With the innovative use of technology and a commitment to forming enduring partnerships with our clients, Alliance Resource Consulting is committed to setting a new standard for the industry.

We do not have any potential conflicts of interest from past recruitments or relationships. We will be happy to answer any additional questions you may have. We look forward with great interest to working with you on this very important assignment.

Sincerely,

Sherrill A. Uyeda
Founding Partner
It is our understanding that the City of Indian Wells wishes to engage an executive search firm to assist in the City Manager recruitment.

Indian Wells is a city in Riverside County, California, in the Coachella Valley (Palm Springs area), between Palm Desert and La Quinta. Indian Wells employs a Council-Manager form of municipal government. The Mayor and City Council appoint the City Manager who serves as chief administrator of the city organization. The City Manager directs the various department heads to carry out planning, public works, public safety, and other necessary duties to serve residents.

2. Project Team

In 2001, Alliance Resource Consulting acquired the national executive recruiting practice of MAXIMUS. We are committed to providing our clients with the highest caliber of service in the industry. Our team of dedicated professionals utilizes custom-built state-of-the-art technology in conducting a search.

We are based out of Long Beach, California and are the only firm in California to provide unlimited on-site visits to in-state clients. We also have an office in Palo Alto, California.

Our current staffing is:

- Sherrill Uyeda – Founding Partner
- David Armijo – Senior Manager
- Syldy Tom – Senior Consultant
- Richard Kaplan – Research Consultant
- Linda Renn – Special Projects and Graphics Manager
- Geoff Gambling – Special Projects Coordinator

David Armijo and Syldy Tom will work on this recruitment. Biographies can be found in Appendix C, and references can be found in Appendix D.

2.2 Our Experience

We believe we are exceptionally well qualified to assist you. We have extensive nationwide experience recruiting chief executives for local government ranging small to large organizations. Currently, we are recruiting the city managers for the City of Tigard (OR) and the City of Bellflower (CA). We recently completed the City Manager recruitments for
the City of Norwalk (CA), City of Hillsboro (OR), City of Seal Beach (CA), City of El Segundo (CA), City of Moreno Valley (CA) and the City of Fresno (CA).

In the past three years, we have completed the following recruitments:

- City Manager – City of Stockton, CA
- City Manager – City of Santa Monica, CA
- City Manager – City of Pacific Grove, CA
- City Manager – City of Anaheim, CA
- City Manager – City of Sanger, CA
- Chief Administrative Officer – Butte County, CA
- City Manager – City of Carlsbad, CA
- City Manager – City of Compton, CA
- Assistant City Manager – City of Concord, CA
- Assistant City Manager – City of Dallas, TX
- City Manager – City of Gaithersburg, MD
- City Manager – City of Hesperia, CA
- City Manager – City of Inglewood, CA
- Assistant City Manager – City of Irvine, CA
- City Manager – City of La Palma, CA
- Assistant City Manager – City of Lancaster, CA
- City Manager – City of Monterey Park, CA
- Chief Administrative Officer – Los Angeles County, CA
- City Manager – City of Long Beach, CA
- City Administrator – City of Placentia, CA
- City Manager – City of San Bernardino, CA
- City Manager – City of San José, CA
- City Manager – City of Yorba Linda, CA

In addition, we have recruited the Chief Executive Officer for the Coachella Valley Economic Partnership and the General Manager, Assistant General Manager, Director of Finance, and Director of Operations for the Coachella Valley Water District. Our office also recruited the current city manager at the City of Palm Springs. Our ability to carry out the work required is heavily dependent on our past experience in providing similar services to others, and we expect to continue such work in the future. It should be noted that all of these recruitments were completed on time and within budget.

We will preserve the confidential nature of any information received from you or developed during the work in accordance with our established professional standards.

We assure you that we will devote our best efforts to carrying out the work required. The results obtained, our recommendations and any written material we provide will be our best judgment based on the information available to us and our liability, if any shall not be greater than the amount paid to us for the services rendered.

2.3 Advantages of Our Firm
Relative to your present search requirements, we believe the principal advantages in using our firm and what may differentiate us from the others are:
Our track record of success in placing superior senior level executives in particularly sensitive and highly responsible/accountable positions;

Our specialization in public sector executive search on a nationwide basis;

Our extensive experience recruiting chief executives in local government;

Our PROACTIVE recruitment of candidates who may not be seeking new employment and would not normally respond to routine advertising or who may come from non-traditional sources;

Our ability to develop and meet recruitment timeline to fit your needs;

The quality of our work and the fact that most of our clients have retained our services on more than one engagement;

Our proven ability to identify and recommend qualified female and minority candidates;

Our reputation among clients and candidates for timely communication and documentation (e.g., acknowledgement of receipt of candidate application, client status reports, candidate interviews, client meetings and candidate feedback);

The thoroughness of our documented reference, internet and background checks. We request very specific references from candidates and supplement our reports with information gathered from available information sources such as Lexis-Nexis, Google web, images and blog searches, and newspapers;

Our close proximity to you with an office based out of Long Beach, and

Our ability to conduct a recruitment at the cost proposed. We have never charged a client more than our proposed amount.

Alliance Resource Consulting believes that we are an extension of your organization. As such, we work within your expectations and guidelines. Our objective is to find the best qualified candidates. While notices in professional journals may be helpful, many of the best candidates must be sought out and their interest encouraged. Our general familiarity with the city, knowledge of the field and our relationships with professional organizations make us well qualified to assist you.

Our clients have found that we are able to:

- Develop the appropriate specifications for a position.
- Encourage the interest of top-level people who would otherwise be reluctant to respond to an advertisement.
- Preserve the confidentiality of inquiries, consistent with State public disclosure and open meeting laws.
- Save a considerable amount of time for client staff in developing and responding to candidates.
- Protect the confidentiality of the information discussed with or received from the client.
- Build consensus among those involved in the hiring process.
- Independently and objectively assess the qualifications and suitability of candidates for the particular position for which we are recruiting.
- Adhere to client's budget expectations.

If you desire to retain us for a full and thorough recruitment process, we will do the following for your recruitment:

3.1 Strategy Development

We will interview members of the Search Committee and other client contacts to obtain a detailed understanding of the position, key goals and challenges, and organizational culture. We will also discuss expectations regarding desirable training, experience and personal characteristics of candidates. In addition, should you request it, we will conduct facilitate community outreach meetings and focus group discussions.
We also have experience creating and managing community surveys, should the City want input from its constituents. We will also gather/review relevant information about the City, such as budgets, organization and/or department goals, organization charts, etc.

Once our findings have been summarized, we will submit a Recruitment Profile with the desired qualifications and characteristics for your approval. The Recruitment Profile that will be sent to potential candidates will include information about the City, the job and the criteria established by you. Sample Recruitment Profiles are enclosed.

3.2 Active Recruitment

Once you have approved the Recruitment Profile, we will actively seek out individuals who meet the client's expectations. To achieve the best response, we will take a three-prong approach to attracting candidates:

1. Direct Contact – We will mail invitations and recruitment profiles to targeted individuals in comparable organizations at the appropriate level. These invitations will be followed up with direct phone calls to potential candidates to gauge interest.

2. Internal “Job Alert” – Over the past six years, we have developed an active database of over 16,000 candidates who are active in various public sector positions. We will send a new “job alert” to all our registered users in the Alliance Resource Consulting candidate application program. Prospective candidates will be contacted via email with a link to the PDF version of the Recruitment Profile.

3. Advertisements – We will place job advertisements in the appropriate professional journals and on-line sites.

As a matter of corporate policy, we do not discriminate against any applicant for employment on the basis of race, religion, creed, age, color, marital status, sex, sexual preference, disabilities, medical condition, veteran status or national origin. A substantial percentage of the placements made by our firm have been minority or female candidates.

Frequent communication with our clients is a hallmark of our firm. While consultants will provide regular updates on the progress of your search, you will also be able to access up-to-date ‘real time’ information regarding your search from our secure website.

3.3 Candidate Evaluation

We will review, acknowledge and evaluate all resumes received. Candidate evaluation will begin with an analysis based upon criteria contained in the Recruitment Profile, information contained in the resumes submitted to us, and our knowledge of the people and organizations in which they work.

The next phase in candidate evaluation will be based upon additional information we receive from the qualified group of candidates. We will utilize various resources and tools of the firm such as written supplemental information questionnaires. Telephone interviews will be conducted with the most promising candidates to gain a better understanding of their backgrounds.

3.4 Progress Report Meeting

After the resume deadline, we will assemble and submit a progress report of the leading candidates to you. This report will include summary resumes, supplemental information, and the original resumes of those candidates we believe to be best qualified for the position. Supplemental information on a candidate typically includes: the size of the organization
for which the person works, reporting relationships, budget responsibility, the number of people supervised, related experience and reasons for interest in the position. Any other specific information will be dictated by the criteria set forth in the Recruitment Profile.

The purpose of our progress report is two-fold. It allows you an opportunity to review the candidates prior to the conclusion of the search and allows us to receive feedback on the caliber of the candidates recruited. In this way, you will not be surprised by the candidates, as you will have seen their qualifications prior to the final interviews. In addition, at this point we will have conducted a news article/periodical records check and internet check on each of the presented candidates. Of course, we are flexible and may consider other individuals as final candidates who are subsequently identified and were not included in the progress report.

3.5 Preliminary Interviews

We will interview (either in person or via video-conference) those candidates identified by you to be the leading candidates. We will conduct a preliminary interview with questions that focus on the selection criteria. Additionally, we will verify degrees and certifications continue to monitor newspaper articles and internet mentions using Lexis-Nexis and the Internet.

As part of our process in evaluating candidates, we make telephone reference checks. In conducting these references, it is our practice to speak directly with individuals who are, or have been, in a position to evaluate the candidate's performance on the job. These references and our evaluations provide you with a frank, objective appraisal of the candidates. We will conduct preliminary references on candidates to be interviewed, and will finalize these for the top one or two candidates.

3.6 Client Interviews & Interview Books

We will assist you in scheduling final candidates for interview with your organization, and will send the candidates packets of information which we obtain from you should you request it (e.g., information about the organization and the geographic area, budgets, etc.).

We will prepare final Interview Books for the selection panel. These books will include interviewing/selection tips, suggested interview questions, and rating forms for your use. Candidates will not be ranked, for we believe it will then be a matter of chemistry between you and the candidates.

We will also be on-site for the interview day(s). We will brief the interview panel at the start of the interviews and will facilitate the process throughout the day. After the last candidate interview, we will assist you in a "debriefing" immediately following the interviews. Once we finalize references on the top one or two candidates, and conduct credit/criminal/civil litigation/motor vehicle record checks through an outside service, we will provide you with a detailed Candidate Evaluation Report Summary written report.

3.7 Special Assistance

Our efforts do not conclude with presentation of the final report. We are committed to you until a successful placement is made. Services that are routinely provided include:

- Arranging the schedule of interviews and the associated logistics for final candidates;
- Advising on starting salary, fringe benefits, relocation trends and employment packages;
- Acting as a liaison between client and candidate in discussing offers and counter offers;
- Conducting a final round of reference checking with current employers (if not previously done for reasons of confidentiality); and
• Notifying unsuccessful candidates, who were not recommended for interview, of the decision.
• Following up with the client and the selected candidate once he/she has joined the organization to ensure a smooth transition.

The client has a very important role in the recruitment process. While we may identify and recommend qualified candidates, it is the client who must make the decision about which candidate to hire.

In order to ensure that the best candidates are available from which to choose, our clients should be willing to do the following:

• Clearly inform us about matters relevant to the search that you wish to keep confidential (e.g., salary, personnel issues, and other privileged information);
• Supply us with the names of people you have previously interviewed/considered for this position;
• Forward to us copies of the resumes you receive, to avoid duplication of effort;
• Provide feedback to Alliance Resource Consulting regarding the information and recommendations provided by us;
• Promptly decide upon and follow up in scheduling interviews with the most promising candidates, and
• Assist in providing information to candidates that will enable them to make their career decisions.
• Uphold confidentiality (while respecting relevant state laws about open disclosure) to protect the integrity of the recruitment process, as well as the candidate's involvement.

By doing the above, we will maximize the likelihood of mutual success.

Finally, please be reminded that the United States Immigration Reform and Control Act of 1986 requires that all employers verify an employee's eligibility to work in the United States. Since Alliance Resource Consulting cannot serve as your agent in this matter, your hiring process should include this verification procedure.

The following is a typical schedule to conduct a thorough recruitment. However, we would be pleased to modify this to meet your needs:

<table>
<thead>
<tr>
<th>Week</th>
<th>Activity</th>
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<tbody>
<tr>
<td>1st Week</td>
<td>Meet with the client to discuss the search plan and gather background information.</td>
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<tr>
<td>2nd - 3rd Week</td>
<td>Develop ad to advertise the job; contact potential candidates.</td>
</tr>
<tr>
<td>4th - 9th Week</td>
<td>Advertise job; receive and review resumes; interview candidates.</td>
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<tr>
<td>10th Week</td>
<td>Submit resumes to client; submit candidates to client for final approval.</td>
</tr>
<tr>
<td>11th Week</td>
<td>Meet with client to review resumes and candidates and discuss final decision</td>
</tr>
<tr>
<td>12th - 14th Week</td>
<td>Submit final recommendations and resumes to client; conduct final interviews.</td>
</tr>
<tr>
<td>Following Interviews</td>
<td>Discuss candidates with client in final interview; finalize decision.</td>
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</tbody>
</table>
6.1 Technology
Alliance Resource Consulting is the only firm to utilize a custom-built "online" client/candidate management system. This custom system allows candidates to input their resumes and cover letters on our website. (For candidates who wish to email or mail us a hard copy of their resume, we will input the information for them.) One of the benefits of our system is that our consultants are able to access this information regardless of where they are staffed. In addition, our client contact is assigned a username and password and is able to check the latest applicant list in real-time.

One of our strengths is our use of social media to best market the recruitment. We have active accounts on Twitter and Facebook. The use of social media allows us to contact our network and "followers" to alert them to our recruitment announcements, informational updates and reminders. It allows us to stay one step ahead of our competitors.

Alliance Resource Consulting is always searching for new ways technology can help save our client's money. One way we do this is our use of Skype. Should we have to videoconference a candidate, we are able to use a webcam and videoconference our candidates for free. Our innovative ways have set us apart from our more traditional competitors.

6.2 Diversity Outreach
Striving for diversity in our recruitment is a hallmark of our firm. We use a variety of sources for outreach to various minority communities to ensure the desired diversity of our candidate pool. In addition to our personal contacts in various minority communities, we advertise our positions in publications that target minorities in government and further publicize the position through minority organizations such as Blacks in Government and the International Hispanic Network. To ensure a diverse pool, we also create a recruiting list of qualified candidates from communities that have a comparable level of diversity as our client's community.

Recently, we created lists for comparable diversity during recruitment for the City Administrator for the City of Inglewood (CA), the Assistant City Manager for the City of Irvine (CA), the City Manager for the City of Calexico (CA), and the City Manager for the City of Marina (CA). The final pool for the City of Irvine included three women among the six finalists. We also collect Equal Employment Opportunity (EEO) information on our candidate pool. This information is accessible to our clients in real time on our company website.
6.3 Stakeholder Outreach

Our firm has used several methods, including stakeholder meetings, community forums and surveys, for stakeholder outreach in a number of previous recruitments. For example, for the City of San José City Manager recruitment, our consultants facilitated 13 community outreach meetings where citizens were invited to attend and express their opinions about what they were looking for in city manager candidates. For the City of Alexandria's City Manager recruitment, we also met with special interest groups such as business leaders, Chamber of Commerce members and historic preservation groups.

During the recruitment of the City Administrator for the City of Huntington Beach (CA), our lead consultant met with each councilperson, each department head, conducted an open citizen forum and a forum for a group of stakeholders comprised of two citizens recommended by each councilperson. For the City Manager recruitment conducted for the City of Duarte (CA), our consultants conducted a community panel as well. Our previous experience in stakeholder outreach makes our firm very qualified to conduct the meetings with the Mayor's Office and City Council Members as well as facilitate multiple stakeholder outreach forums throughout the City that your request for proposal outlined.

Lastly, our firm has significant experience in creating community surveys should you wish to provide this option to your community. We have utilized surveys for many of our recruitments. Last year, for the first time, we provided a survey to our client's citizens in three different languages. The surveys can be accessed on-line, or at our office and our client's office.

We provide local clients with unlimited on-site client meetings. The three major client meetings will be: one to develop the Recruitment Profile, one to present our Progress Report, and one to attend interviews of final candidates. We propose a professional fee of $16,500 for the work outlined above. In addition, we are reimbursed for expenses such as advertising, travel, interviewing, sourcing, support services, background checks and other related items, as well as allocated costs such as telephone, postage and photocopying. These expenses will not exceed $7,500. Please note that this amount does not include reimbursement of candidates who travel to be interviewed by you. Unless you notify us to the contrary, we will assume that you will handle these reimbursements directly.

Our fee will be split between four invoices. The first invoice is an "engagement fee" of $1,500 and will be due once the professional services agreement has been signed. After that, we will submit three equal monthly invoices for the remaining fees, plus an amount for expenses, due and payable upon receipt. We DO NOT base our fees on a percentage of the City Manager's salary.

Our billing schedule on a retained professional fee (and based not on an hourly rate) is as follows:

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<tr>
<th>Billing</th>
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<tr>
<td>1st Billing</td>
<td>Engagement Fee</td>
<td>$1,500</td>
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<tr>
<td>2nd Billing</td>
<td>Community Panel and Forum</td>
<td>$4,000</td>
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<td>3rd Billing</td>
<td>Candidate Interviews Final Candidates</td>
<td>$5,000</td>
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<tr>
<td>4th Billing</td>
<td>Client Surveys</td>
<td>Subsequent Engagement</td>
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Please note that this is a standard billing schedule and can be modified as requested.

You may discontinue this assignment at any time by written notification. In the unlikely event that this occurs, you will be billed for all expenses incurred to the date of the cancellation, and for professional fees based upon the time elapsed from the commencement of the assignment to the date of cancellation. If a cancellation occurs within the first 30 days of the assignment, following either verbal or written authorization to proceed, one-third of the professional fee will be due. If a cancellation occurs thereafter, the fee beyond the first one-third will be prorated based upon the number of calendar days which have elapsed. If a cancellation occurs after 90 days, all professional fees will be due in full.

**Guarantee**

We are committed to working with you until a placement is made, however, if the selected candidate (if recommended by us for hire, and other than an internal candidate) should be terminated within one year from the date of hire, we will redo the search for no additional professional fee. Naturally, we would expect to be reimbursed for any expenses that might be incurred.

Thank you for reviewing our proposal. Should you decide to retain Alliance Resource Consulting for your executive search needs, we will do the following:

- Partner with you and act as an extension of your organization;
- Define a recruitment strategy and timeline, develop a recruitment profile and attract/research prospective candidates;
- Conduct a multi-layered candidate screening analysis on the applicants;
- Communicate frequently and on-time with both the client and candidates;
- Allow client contacts to access the recruitment database in real time from remote sites;
- Interview and screen leading finalists;
- Facilitate the client interview process; and
- Complete the candidate selection and closure of recruitment.
Our firm's motto is "the Power of Partnership" and we are committed to adding value to your organization's goals and mission. We bring an ethical, transparent and well-documented recruitment process to all our clients.

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Syldy Tom
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- Email: stom@alliancerc.com
- Skype: syldytom

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Long Beach, CA 90802
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@ Alliance Resource Consulting, LLC
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Corte Madera, Town of
Culver City, City of
Cypress, City of
Dana Point, City of
Del Mar, City of
Desert Hot Springs, City of
Diamond Bar, City of
East Palo Alto, City of
El Cajon, City of
El Dorado County
El Segundo, City of
Encinitas, City of
Fairfield, City of
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Grover Beach, City of
Hanford, City of
Hawthorne, City of
Henness, City of
Hercules, City of
Hesperia, City of
Hidden Hills, City of
Humboldt County
Huntington Beach, City of
Indio, City of
Inglewood, City of
Irwindale, City of
King City, City of
La Quinta, City of
Laguna Hills, City of
Laguna Niguel, City of
Lathrop, City of
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Town Manager (1983)
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Redlands, City of  City Manager
Redondo Beach, City of  City Manager
Redwood City, City of  City Manager
Ridgecrest, City of  City Manager
Riverside, City of  City Manager
Riverside County  County Administrative Officer
Rolling Hills City of  City Manager
Sacramento County  County Executive
Salinas, City of  City Manager
San Buenaventura, City of  City Manager
San Clemente, City of  City Manager
San Diego, City of  City Manager
San Diego County  County Manager
San Fernando, City of  City Administrative Officer
San Gabriel, City of  City Manager
San Jacinto, City of  City Manager
San Joaquin County  County Administrator
San Jose, City of  City Manager
San Luis Obispo County  County Administrative Officer
San Mateo County  County Manager
Santa Ana, City of  City Manager
Santa Clarita, City of  City Manager
Santa Monica, City of  City Manager
Selma, City of  City Manager
Shasta County  County Administrative Officer
Signal Hill, City of  City Manager
Solvang, City of  City Administrative Officer
South Lake Tahoe, City of  City Manager
South Pasadena, City of  City Manager
South San Francisco, City of  City Manager
Stanford, City of  City Manager
Stockton, City of  City Manager
Sunnyvale, City of  City Manager
Tehachapi, City of  City Manager
Temecula, City of  City Manager
Thousand Oaks, City of  City Manager
Tracy, City of  City Manager
Truckee, City of  City Manager
Tulare, City of  City Manager
Tulare County  County Executive
Turlock, City of  City Manager
Vallejo, City of  City Manager
Ventura County  Chief Administrative Officer
Visalia, City of  City Manager
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**COLORADO, STATE OF**

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**COLUMBIA, DISTRICT OF**

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**FLORIDA, STATE OF**

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Miami—Dade County
Naples, City of
Ocala, City of
Palm Beach, Town of
Pensacola, City of
Riviera Beach, City of
Safety Harbor, City of
Sarasota, City of
Sarasota County
St. Petersburg, City of

KANSAS, STATE OF
Emporia, City of
Sedgwick County
Wichita, City of

MARYLAND, STATE OF
Columbia Association, The
Prince George’s County
Rockville, City of

MICHIGAN, STATE OF
Ann Arbor, City of
Bay City, City of
Berkley, City of
Branch County
Essexville, City of
Grand Rapids, City of
Kalamazoo, City of
Kalamazoo County
Saginaw, City of
Sandstone, City of
St. Joseph, City of
Washtenaw County
Ypsilanti, City of

OREGON, STATE OF
Eugene, City of
Grants Pass, City of
Hillsboro, City of
Lake Oswego, City of
Medford, City of
Milwaukie City of

County Manager
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City Manager

President/Chief Executive Officer
Chief Administrative Officer
City Manager (1985)

City Administrator (1979)
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Pendleton, City of
Redmond, City of
Roseburg, City of
Salem, City of

TENNESSEE, STATE OF

Texas, State Of
Brownsville, City of
Bryan, City of
Carrollton, City of
Cedar Park, City of
El Paso, City of
Gaston County
Georgetown, City of
Grapevine, City of
Longview, City of
Orange, City of
San Antonio, City of
West University Place, City of
Woodlands Community Service

VIRGINIA, STATE OF
Alexandria, City of
Arlington County
Chesapeake, City of
Chesterfield County
Fairfax County
Richmond, City of
Virginia Beach, City of

WASHINGTON, STATE OF
Bellevue, City of
Kirkland, City of
Normandy Park, City of
Vancouver, City of

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*Some searches were conducted by Alliance Resource Consulting when it was known as MAXIMUS Executive Search.

**Searches in which we assisted with the recruitment process.
INLAND EMPIRE (CALIFORNIA) AREA CLIENTS OF ALLIANCE RESOURCE CONSULTING*  

<table>
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<th>Company/Location</th>
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<td>Agua Caliente Tribal Council</td>
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BIOGRAPHIES

David J. Armijo – Senior Manager

David J. Armijo has over 30 years of experience in government and is a highly recognized transportation executive working in aviation, toll roads, and the public transit industry. Armijo has served as chief executive for transit agencies in California, New Mexico, Texas, and Florida. He specialized in bus and rail planning, capital program development, aviation leases, grants, contract negotiations and public involvement.

Early in David's career, he served as Director of Transit and Aviation managing the start-up of operations for the Santa Fe Transit system. The "Santa Fe Trails" bus system was the first transit operation in the United States to operate solely on compressed natural gas (CNG) and the New Mexican newspaper named transit the top news story of 1998, based on the system's success.

Armijo's collaborative leadership style has proven effective in working closely with elected officials, stakeholders and the community. Additionally, Armijo has extensive experience with collective bargaining, working closely with labor unions and management to successfully negotiate labor contracts.

Most recently, he served as chief executive officer for Hillsborough Area Regional Transit Authority responsible for a multi-modal system of bus and rail; including completing the expansion of the TECO Streetcar System. Armijo led HART to record achievements during difficult economic times, including recognition in 2009 with the Florida Public Transportation Association Outstanding Transit System Award, and recognized nationally in 2010 with the Outstanding Public Transportation System Achievement Award by the American Public Transportation Association (APTA).

He holds a master's degree in public administration from California State University, Long Beach, where he serves as an adjunct professor. He teaches graduate courses on Leadership, Human Resource Management, Contract Negotiation, and Executive Management. In 2009, Armijo served as team leader for the Transit Cooperative Research Program (TCRP's) International Transit Studies Program fall 2009 mission to South America, publishing a report for the transit industry.

David has a long history of civic service, serving as a Board Member on the San Fernando Valley Girls Scouts; Board Secretary for the Orange County Hispanic Chamber of Commerce, Santa Anna Empowerment Zone Board. In October 2010, APTA selected David to serve on its Executive Committee; he also serves on the APTA Board of Directors, Legislative and Work Force Development Committees and he serves as co-chair of the Conference of Minority Transportation Officers COMTO's Succession Planning Committee.
Syldy L. Tom – Senior Consultant

Syldy Tom joined Alliance Resource Consulting in 2008. Previously, Ms. Tom worked for STAR Marquez, a nonprofit educational organization which provides enrichment programs to kindergarten aged children in public schools. During her time at STAR, Ms. Tom managed multiple enrichment programs. Ms. Tom also was the Citibank Summer Research Intern for United Way of Greater Los Angeles. She was responsible for researching the unbanked and underbanked population in Los Angeles for Citibank.

Since joining Alliance Resource Consulting, Ms. Tom has focused on administration, operations, maintenance and utility service recruitments. She also oversees the City of Los Angeles intern recruitment program for the Firm.

Ms. Tom has a Master of Public Administration from the University of Southern California, and a Bachelor of Arts Degree in Art History from the University of California at Los Angeles. At USC, she was the Marketing and Fundraising Co-Chair for the Graduate Policy and Administration Community (GPAC). In addition, Ms. Tom is a member of the UCLA Prytanean Alumnae Association, serving as the Benefit Chair, the Scholarship Chair, and is presently the Second Vice President of Membership for Prytanean. Ms. Tom’s volunteer interests include fundraising and marketing.
REFERENCES

Coachella Valley Economic Partnership
Name: Thomas Flavin
Title: President/CEO
Phone #: (760) 540-1575

Coachella Valley Water District
Name: Steve Robbins
Title: General Manager
Phone #: (760) 793-6651

City of El Segundo, CA
Name: Eric Busch
Title: Mayor
Phone #: (310) 524-2502

City of Norwalk, CA
Name: Michael Egan
Title: City Manager
Phone #: (562) 929-5700
A PROPOSAL TO CONDUCT AN EXECUTIVE RECRUITMENT FOR A
City Manager
ON BEHALF OF THE
City of Indian Wells

INDIAN WELLS
CALIFORNIA
October 17, 2011

Mayor Patrick Mullany and Members of the City Council
City of Indian Wells
44950 El Dorado Drive
Indian Wells, CA 92210

Dear Mayor Mullany and City Council Members:

Thank you for inviting Bob Murray & Associates to submit a proposal to conduct the City Manager recruitment for the City of Indian Wells. The following proposal details our qualifications and describes our process of identifying, recruiting and screening outstanding candidates on your behalf. It also includes a proposed budget, timeline, guarantee, and sample recruitment brochure.

At Bob Murray & Associates, we pride ourselves on providing quality service to local governments. We have created a recruitment process that combines our ability to help you to determine the direction of the search and the types of candidates you seek with our experience recruiting outstanding candidates who are not necessarily looking for a job. Our proven expertise ensures that the candidates we present for your consideration will match the criteria you have established and will be outstanding in their field.

With respect to the City Manager recruitment, Bob Murray & Associates offers the following expertise:

- We have over 25 years of experience and an unmatched record of success in recruiting local government professionals. Bob Murray & Associates has conducted over 800 recruitments for local government professionals throughout the United States and has placed over 200 City Managers. We have recently placed several City/Town Managers in communities of similar size and complexity to Indian Wells, including Calistoga, Chowchilla, and Loomis; we are currently conducting the City Manager recruitment on behalf of St. Helena. We are also currently conducting City Manager recruitments on behalf of Arcadia, Rancho Santa Margarita, Salinas, and San Marcos, CA. In the past three years, we have placed City/Town Managers in the California communities of Apple Valley, Barstow, Concord, Coronado, Dixon, Dublin, Escalon, Laguna Beach, Manteca, Martinez, Menifee, Merced, Millbrae, Montebello, Monterey Park, Mountain View, Palo Alto, Pasadena, Patterson, Pittsburg, Roseville, San Carlos, Salinas, San Pablo, San Rafael, Santa Paula, Santa Rosa, South Lake Tahoe, South Pasadena, Temple City, Turlock, and Walnut Creek. For a complete list of our City and Town Manager placements, please see the attached “Client List Since 2000.” Our extensive contacts and knowledge of outstanding candidates will ensure you have a quality group of finalists from which to select the City of Indian Wells’ next City Manager.
Our firm is familiar with Riverside County and the surrounding region; we are currently conducting the Finance Director, Police Chief, Regulatory Compliance Supervisor, Associate Utility Engineer, and Utilities Facilities Maintenance Manager recruitments on behalf of the City of Corona and recently completed the Police Chief recruitment on behalf of the City of Palm Springs. Our other past clients in the surrounding area include the communities of Cathedral City, La Quinta, Menifee, Moreno Valley, Murrieta, Palm Desert, and Riverside, in addition to the Coachella Valley Mosquito and Vector Control District, the Desert Water Agency, March Joint Powers Authority, and the Riverside Transit Agency. Our knowledge of the region, its issues and the County's outstanding quality of life will be an asset in presenting this opportunity to prospective candidates.

A significant portion of our process focuses on conducting thorough and confidential background investigations of the top 2-3 candidates to ensure that nothing about them is left undiscovered. We have candid discussions with references who have insight into the candidate's experience, style and ethics; conduct a search of newspaper articles; and run credit, criminal and civil records reports. This ensures that the chosen candidate will not only be an excellent fit with the City of Indian Wells, but also that the selected candidate will reflect positively upon your organization.

To learn first-hand of the quality of our service and our recruitment successes, we invite you to contact the references listed on page 9 of the attached proposal.

We look forward to your favorable consideration of our qualifications. Please do not hesitate to contact us at (916) 784-9080 should you have any questions.

Sincerely,

Bob Murray
President
Bob Murray & Associates
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THE RECRUITMENT PROCESS

Bob Murray & Associates' unique and client-oriented approach to executive search will ensure that the City of Indian Wells has quality candidates from which to select the new City Manager. Outlined below are the key steps in our recruitment process.

STEP 1 DEVELOPING THE CANDIDATE PROFILE

Our understanding of the City of Indian Wells' needs will be key to a successful search. We will work with the Mayor, City Council, and others as appropriate to learn as much as possible about the organization's expectations for a new City Manager. We want to learn the values and culture of the organization, as well as understand the current issues, challenges and opportunities that face the City of Indian Wells. We also want to know the Mayor and City Council's expectations regarding the knowledge, skills and abilities sought in the ideal candidate and will work with the City to identify expectations regarding education and experience. Additionally, we want to discuss expectations regarding compensation and other items necessary to complete the successful appointment of the ideal candidate. The profile we develop together at this stage will drive subsequent recruitment efforts.

STEP 2 ADVERTISING CAMPAIGN AND RECRUITMENT BROCHURE

After gaining an understanding of the City of Indian Wells' needs, we will design an effective advertising campaign appropriate for the City Manager recruitment. In addition to publication such as Western City Magazine and the Jobs Available newsletter, we will focus on professional journals that are specifically suited to the City Manager search and will utilize social media sources such as Facebook, Twitter, and LinkedIn. We will also develop a professional recruitment brochure on the Mayor and City Council's behalf that will discuss the community, organization, position and compensation in detail. Once completed, we will mail the profile to an extensive audience, making them aware of the exciting opportunity with the City of Indian Wells.

STEP 3 RECRUITING CANDIDATES

After cross-referencing the profile of the ideal candidate with our database and contacts in the field, we will conduct an aggressive outreach effort, including making personal calls to prospective applicants, designed to identify and recruit outstanding candidates. We recognize that the best candidate is often not looking for a new job and this is the person we actively seek to convince to become a candidate. Aggressively marketing the City Manager position to prospective candidates will be essential to the success of the search.
STEP 4 SCREENING CANDIDATES

Following the closing date for the recruitment, we will screen the resumes we have received. We will use the criteria established in our initial meetings as a basis upon which to narrow the field of candidates.

STEP 5 PERSONAL INTERVIEWS

We will conduct personal interviews with the top 10 to 12 candidates with the goal of determining which candidates have the greatest potential to succeed in your organization. During the interviews we will explore each candidate's background and experience as it relates to the City Manager position. In addition, we will discuss the candidate's motivation for applying for the position and make an assessment of his/her knowledge, skills and abilities. We will devote specific attention to establishing the likelihood of the candidate's acceptance of the position if an offer of employment is made.

STEP 6 PUBLIC RECORD SEARCH

Following the interviews, we will conduct a review of published articles for each candidate. Various sources will be consulted including Lexis-Nexis™, a newspaper/magazine search engine, Google, and local papers for the communities in which the candidates have worked. This alerts us to any further detailed inquiries we may need to make at this time.

STEP 7 RECOMMENDATION

Based on the information gathered through meetings with your organization, and personal interviews with candidates, we will recommend a limited number of candidates for your further consideration. We will prepare a detailed written report on each candidate that focuses on the results of our interviews and public record searches. We will make specific recommendations, but the final determination of those to be considered will be up to you.

STEP 8 FINAL INTERVIEWS

Our years of experience will be invaluable as we help you develop an interview process that objectively assesses the qualifications of each candidate. We will adopt an approach that fits your needs, whether it is a traditional interview or multiple-panel interview process. We will provide you with suggested interview questions and rating forms and will be present at the interview/assessment center to facilitate the process. Our expertise lies in facilitating the discussion that can bring about a consensus regarding the final candidates.
We will work closely with your staff to coordinate and schedule interviews and candidate travel. Our goal is to ensure that each candidate has a very positive experience, as the manner in which the entire process is conducted will have an effect on the candidates' perception of your organization.

**STEP 9 BACKGROUND CHECKS /DETAILED REFERENCE CHECKS**

Based on final interviews we will conduct credit, criminal, civil litigation and motor vehicle record checks for the top one to three candidates. In addition, those candidates will be the subjects of detailed, confidential reference checks. In order to gain an accurate and honest appraisal of the candidates' strengths and weaknesses, we will talk candidly with people who have direct knowledge of their work and management style. We will ask candidates to forward the names of their supervisors, subordinates and peers for the past several years. Additionally, we make a point of speaking confidentially to individuals who we know have insight into a candidate's abilities, but who may not be on their preferred list of contacts. At this stage in the recruitment we will also verify candidates' degrees.

**STEP 10 NEGOTIATIONS**

We recognize the critical importance of successful negotiations and can serve as your representative during this process. We know what other organizations have done to put deals together with great candidates and will be available to advise you regarding current approaches to difficult issues such as housing and relocation. We will represent your interests and advise you regarding salary, benefits and employment agreements with the goal of putting together a deal that results in the appointment of your chosen candidate. Most often we can turn a very difficult aspect of the recruitment into one that is viewed positively by both you and the candidate.

**STEP 11 COMPLETE ADMINISTRATIVE ASSISTANCE**

Throughout the recruitment we will provide the Mayor and City Council with updates on the status of the search. We will also take care of all administrative details on your behalf. Candidates will receive personal letters advising them of their status at each critical point in the recruitment. In addition, we will respond to inquiries about the status of their candidacy within twenty-four hours. Every administrative detail will receive our attention. Often, candidates judge our clients based on how well these details are handled.
BUDGET AND TIMING

PROFESSIONAL FEES AND EXPENSES

The consulting fee for conducting the City Manager recruitment on behalf of the City of Indian Wells is $17,500 plus expenses. Services provided for the fee consist of all steps outlined in this proposal including three (3) days of meetings on site. The City of Indian Wells will be responsible for reimbursing expenses Bob Murray & Associates incurs on your behalf. We estimate expenses for this project to be $6,500. Reimbursable expenses include such items as the cost of travel, clerical support, placement of ads, credit, criminal and civil checks, education verification, as well as newspaper searches. In addition, postage, photocopying, and telephone charges will be allocated.

TIMING

We are prepared to start work on this assignment immediately and anticipate that we will be prepared to make our recommendation regarding finalists within seventy five to ninety days from the start of the search.

GUARANTEE

We guarantee that should the selected candidate's employment be concluded within the first two years (twenty-four months) after placement, we will conduct the search again at no cost (with the exception of expenses) to the City of Indian Wells. We are confident in our ability to recruit outstanding candidates and do not expect the City of Indian Wells to find it necessary to exercise this provision of our proposal.
PROFESSIONAL QUALIFICATIONS

BOB MURRAY, PRESIDENT

Mr. Murray brings over 25 years experience as a recruiter. Mr. Murray is recognized as one of the nation's leading recruiters. He has conducted hundreds of searches for cities, counties, and special districts. He has been called on to conduct searches for some of the largest most complex organizations in the country and some of the smallest. Mr. Murray has conducted searches for chief executives, department heads, professional and technical positions. Mr. Murray has taken the lead on the firm's most difficult assignments with great success. His clients have retained him again and again given the quality of his work and success in finding candidates for difficult to fill positions.

Prior to creating Bob Murray & Associates, Mr. Murray directed the search practice for the largest search practice serving local government in the country. Mr. Murray has worked in local government and benefits from the knowledge of having led an organization. Prior to his career in executive search he served as the City Manager for the City of Olympia, Washington. He has also served as an Assistant City Manager and held positions in law enforcement.

Mr. Murray received his bachelor's degree in Criminology from the University of California at Berkeley with graduate studies in Public Administration at California State University at Hayward.

REGAN WILLIAMS, VICE PRESIDENT

Mr. Williams brings 30 years of local government experience to Bob Murray & Associates. Most recently, he worked as a private consultant with Deloitte and Touche on various public sector assignments. Prior to that, he served as Director of Public Safety with the City of Sunnyvale, CA.

Mr. Williams was involved in the development of some of Sunnyvale's most innovative programs and has a national reputation for excellence in law enforcement. He has been responsible for numerous recruitments throughout his career. Clients find his insight and expertise in recruitment and selection a valuable asset.

Mr. Williams received his bachelor's degree in Administration of Justice from San Jose State University. He is also a graduate of the FBI National Academy.
WESt. EY HERMAN, VICE PRESIDENT

Mr. Herman brings over 10 years of management and recruitment experience to Bob Murray & Associates. Most recently, he worked as a Regional Manager for an investment firm directing the recruitment, development and management of a team of associates located throughout the West Coast. Mr. Herman served as the lead contributor to conduct all candidate interviews, engage in negotiations and make recommendations to the firm’s principals regarding associate employment for his division. In addition, Mr. Herman has acted in various public sector capacities including as a law enforcement officer and as a legislative advocate for a state industry association.

Mr. Herman’s local government and private industry experience have afforded him a unique insight into the specialized needs of each selection process and the ability to identify the ideal group of candidates for an open position. Bob Murray & Associates values his strength in communicating and identifying quality candidates.

Mr. Herman received his Bachelor of Science degrees in Economics and Business Administration from Saint Mary’s College of California. He has had further studies in both Public Administration and the Administration of Justice.

S. RENEE NARLOCH, VICE PRESIDENT

Ms. Narloch is the Director of our East Coast Office located in Tallahassee, Florida. Ms. Narloch has extensive experience in public sector recruitment nationwide. She was formerly employed by a large, national search firm as a Senior Recruiter with sole responsibility for the firm’s executive search practice in the Southeastern, Mid-Atlantic and Mid-Western states.

Ms. Narloch has 15 years of experience in Executive Recruitment and has been involved in over 400 national searches. Prior to her recruitment career, she was a Senior Consultant for a national search firm’s cost plan and revenue enhancement divisions, serving public sector clients nationwide. She also worked for three Fortune 500 companies in their sales, marketing and financial accounting divisions. Ms. Narloch is responsible for all facets of recruitment including serving as lead consultant with project management responsibilities, recruiting candidates, conducting preliminary interviews and detailed reference inquiries, and assisting clients in final interviews and negotiations. As Director of the East Coast Office, Ms. Narloch provides expertise in public sector recruitment, enabling us to better serve clients nationwide.

Ms. Narloch received her Bachelor of Arts degree in Information Studies, summa cum laude, at the Florida State University, Tallahassee, Florida.
AMANDA URRUTIA-SANDERS, PRINCIPAL CONSULTANT

As a Principal Consultant with Bob Murray & Associates, Ms. Urrutia-Sanders is responsible for research, candidate recruitment and screening, as well as reference checks and background verifications. She focuses on client communication and works closely with clients to coordinate candidate outreach and ensure a successful search.

Ms. Urrutia-Sanders brings several years of industry experience as she worked for one of the nation's largest recruitment firms. Her insight into the recruitment process is a valuable asset to Bob Murray & Associates.

Ms. Urrutia-Sanders received her Bachelor of Arts degree in Communications from the University of Wyoming.

SARAH KENNEY, SENIOR CONSULTANT

As a Senior Consultant with Bob Murray & Associates, Ms. Kenney is responsible for candidate recruitment and screening, research, reference checks, and background verifications. Her focus is client service, and she works closely with clients to coordinate candidate outreach and ensure successful searches.

Ms. Kenney brings over a decade of customer service and management experience to Bob Murray & Associates. She uses her experience to ensure all parties involved are satisfied with every step of recruitment at our firm.

Ms. Kenney received her Bachelor of Arts degree in Psychology from the University of California at Davis.

ROSA GOMEZ, ADMINISTRATIVE MANAGER

Ms. Rosa Gomez is the Administrative Manager at Bob Murray & Associates. Ms. Gomez is the first point of contact at Bob Murray & Associates and has extensive administrative experience.

Ms. Gomez is known for her personal approach as she works closely with clients and candidates alike to ensure a successful search. As the first point of contact for Bob Murray & Associates Ms. Gomez's professional approach is of the highest caliber.
REFERENCES

Clients and candidates are the best testament to our ability to conduct quality searches. Clients for whom Bob Murray & Associates has recently conducted searches are listed below.

<table>
<thead>
<tr>
<th>CLIENT</th>
<th>POSITION</th>
<th>REFERENCE</th>
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<tbody>
<tr>
<td>City of Calistoga, CA</td>
<td>City Manager</td>
<td>Mayor Jack Gingles, (707) 942-6486</td>
</tr>
<tr>
<td>Town of Loomis, CA</td>
<td>Town Manager</td>
<td>Mr. Perry Beck, retired Town Manager, (916) 652-1840</td>
</tr>
<tr>
<td>City of Coronado, CA</td>
<td>City Manager</td>
<td>Mr. Casey Tanaka, Mayor, (619) 522-7320</td>
</tr>
<tr>
<td>City of Corona, CA</td>
<td>Associate Utility Engineer, City Manager, District Engineer, Finance &amp; Customer Service Manager, Human Resources Director, Human Resources Manager, Library Director, Planning and Maintenance Manager, Regulatory Compliance Supervisor, Senior Utility Engineer, and Utilities Facilities Maintenance Manager</td>
<td>Mr. Jonathon Daly, Water and Power Department General Manager, (951) 736-2477; Mr. Kerry Eden, Assistant General Manager, (951) 917-5740; or Ms. Michelle Tveito, Assistant to the General Manager, (951) 279-3528</td>
</tr>
</tbody>
</table>
BOB MURRAY & ASSOCIATES
CLIENT LIST SINCE 2000

CITY MANAGER
Airway Heights, WA
Albany, CA (City Administrator)
Albany, OR
Antioch, CA
Apple Valley, CA (Town Manager)
Arcadia, CA
Arcata, CA
Arvada, CO
Barstow, CA
Benicia, CA
Campbell, CA
Capitola, CA
Carmel, CA
Castle Rock, CO (Town Manager)
Chico, CA
Chino Hills, CA
Chowchilla, CA (City Administrator)
Chula Vista, CA
Claremont, CA
Concord, CA
Coos Bay, OR
Corcoran, CA
Corona, CA
Coronado, CA
Corte Madera, CA (Town Manager)
Dixon, CA
Dublin, CA
Elk Grove, CA
Escalon, CA
Eugene, OR
Fairfield, CA
Fortuna, CA
Fremont, CA
Goleta, CA
Grover Beach, CA
Half Moon Bay, CA
Holister, CA
Imperial, CA
Ione, CA
Irwindale, CA
Kirkland, WA
La Mesa, CA
La Palma, CA
Laguna Beach, CA
Lakeport, CA
Lancaster, CA

Lathrop, CA
Lemon Grove, CA
Loomis, CA (Town Manager)
Los Alamitos, CA
Manteca, CA
Martinez, CA
Menifee, CA
Menlo Park, CA
Merced, CA
Mills, CA
Mill Valley, CA
Milwaukee, OR
Monrovia, CA
Montebello, CA (City Administrator)
Monterey Park, CA
Mountain View, CA
Needles, CA
Newberg, OR
Newcastle, WA
Novato, CA
Oak Creek, WI (City Administrator)
Oakdale, CA
Oakley, CA
Oceanside, CA
Ojai, CA
Orinda, CA
Pacifica, CA
Palo Alto, CA
Pasadena, CA
Patterson, CA
Phoenix, AZ
Pittsburg, CA
Pico Rivera, CA
Pismo Beach, CA
Pittsburg, CA
Poway, CA
Rancho Cordova, CA
Rancho Santa Margarita, CA
Red Bluff, CA
Rio Vista, CA
Roseville, CA
Salem, OR
Salinas, CA
San Antonio, TX
San Carlos, CA
San Clemente, CA
San Pablo, CA  
San Rafael, CA  
San Ramon, CA  
Santa Ana, CA  
Santa Paula, CA  
Santa Rosa, CA  
Shoreline, WA  
Sonoma, CA  
South Lake Tahoe, CA  
South Pasadena, CA  
Springfield, OR  
St. Helena, CA  
Stanton, CA  
Stockton, CA  
Temple City, CA  
Thousand Oaks, CA  
Tracy, CA  
Truckee, CA (Town Manager)  
Tualatin, OR  
Turlock, CA  
Vallejo, CA  
Ventura, CA  
Walnut Creek, CA  
Westminster, CA  
Woodland, CA  
Yuba City, CA  

COUNTY ADMINISTRATOR  
Butte County, CA  
Clackamas County, OR  
Clark County, NV (Assistant)  
Deschutes County, OR  
Marion County, OR  
San Benito County, CA  
Tehama County, CA  
Washington County, OR

ADMINISTRATIVE SERVICES DIRECTOR  
Central Contra Costa Sanitary District, CA (Director of Administration)  
Garden Grove, CA  
Los Alamitos, CA  
Ontario, CA  
Placer County Water Agency, CA  
Pleasanton, CA  
San Carlos, CA  
Stockton, CA  
Yucca Valley, CA

ASSISTANT/DEPUTY CITY MANAGER  
Alameda, CA  
Arlington, TX  
Barstow, CA  
Beverly Hills, CA  
Carlsbad, CA  
Dublin, CA  
Lancaster, CA  
Monterey, CA  
North Las Vegas, NV  
Orange, CA  
Pasadena, CA  
Peoria, AZ  
Petaluma, CA  
Pomona, CA  
Rancho Cordova, CA  
Reno, NV  
Rocklin, CA  
San Diego, CA (Asst. COO)  
Stockton, CA  
Woodland, CA  
Yuba City, CA

ANIMAL SERVICES DIRECTOR  
Oakland, CA  
Rancho Cucamonga, CA

AVIATION/AIRPORT  
Big Bear Airport, CA  
Bob Hope Airport, CA  
Clark County, NV-McCarran International Airport  
Dallas/Fort Worth, TX  
San Jose, CA

BUILDING OFFICIALS/INSPECTION  
Arroyo Grande, CA  
Bakersfield, CA  
Centre City Development Corporation, CA  
El Segundo, CA  
Grants Pass, OR  
Marin County, CA  
Modesto, CA  
Palo Alto, CA  
Sacramento, CA  
San Francisco, CA
Stockton, CA  
Tehama County, CA  
Yuba City, CA  

CITY CLERK  
Central Contra Costa Sanitation District, CA (Secretary to the District)  
Chino Hills, CA  
Dublin, CA  
Fremont, CA  
Menlo Park, CA  
Monterey County, CA (Clerk to the Board)  
Napa, CA  
Rio Vista, CA  
Santa Clara Valley Transportation Authority, CA (Board Secretary)  
Sunnyvale, CA  

COMMUNITY DEVELOPMENT DIRECTOR  
Benicia, CA  
Beverly Hills, CA  
Capitola, CA  
Chino Hills, CA  
Concord, CA  
Cotati, CA  
Daly City, CA  
Fremont, CA  
Fullerton, CA  
Inglewood, CA  
Los Banos, CA  
Maple Valley, WA  
Marin County, CA  
Modesto, CA  
Moreno Valley, CA  
Morgan Hill, CA  
Newark, CA  
Newcastle, WA  
Oakland, CA  
Oceanside, CA  
Pleasanton, CA  
Redlands, CA  
Salem, OR  
San Antonio Housing Authority, TX  
San Carlos, CA  
Santa Cruz, CA  
Stockton, CA  

Vacaville, CA  
Vallejo, CA  
Walnut Creek, CA  
Yuba City, CA (ACM for Development Services)  
Yucca Valley, CA  

CONVENTION AND VISITOR'S BUREAU DIRECTOR  
Los Angeles, CA  
North Lake Tahoe Visitors Bureau, CA  
Mammoth Lakes, CA  
San Antonio, TX  
Steamboat Springs, CO  

ECONOMIC DEVELOPMENT/REDEVELOPMENT  
Broward County, FL  
Chula Vista, CA  
Concord, CA  
Daly City, CA  
Fresno, CA  
Fullerton, CA  
Milpitas, CA  
Modesto, CA  
Morgan Hill, CA  
New Orleans Redevelopment Authority, OR  
Oakland, CA  
Peoria, AZ  
Port of Los Angeles, CA  
Port of San Diego, CA  
Redlands, CA  
Sacramento, CA  
Salinas, CA  
San Antonio Housing Authority, TX  
Scottsdale, AZ  
Stockton, CA  
Taft, CA  
Tracy, CA  
Upland, CA  
Vancouver, WA  

ENGINEERING  
Bakersfield, CA  
Barstow, CA  
Bob Hope Airport, CA
Central Contra Costa Sanitary District, CA
Chino Hills, CA
Clark County, NV - McCarran Airport
Corona, CA
Damasus, OR
Dublin San Ramon Services District, CA
Elk Grove, CA
Imperial Irrigation District, CA
Los Banos, CA
Needles, CA
Nevada County, NV
Nye County, NV
Oceanside, CA
Omnitrans, CA
Pico Rivera, CA
Pismo Beach, CA
Pomona, CA
Richmond, CA
Reno, NV
Stockton, CA
San Luis Obispo County, Nacimiento Project, CA
South Pasadena, CA
Tiburon, CA
Tracy, CA

EXECUTIVE DIRECTOR
Association of Monterey Bay Area Governments, CA
Arizona Municipal Water Users Association, AZ
Bay Area Air Quality Management District, CA
California Peace Officers Association, CA
California State Association of Counties, CA
California School Boards Association, CA
Central Contra Costa Solid Waste Authority, CA
Chula Vista Redevelopment Agency, CA
Elk Grove-Rancho Cordova-El Dorado Connector JPA, CA
Housing Authority of the City of Los Angeles, CA

Housing Authority of the County of Butte, CA
Housing Authority of the County of Santa Cruz, CA
Hub Cities Consortium, CA
Kings Community Action Organization, CA
Mammoth Lakes Visitors Bureau, CA
March Joint Powers Authority, CA
Metro, Portland, OR
Oregon Cascades West Council of Governments, OR
Palos Verdes Library District, CA
Sacramento Area Flood Control Agency, CA (Executive & Deputy)
San Bernardino Associated Governments (SANBAG), CA
San Diego Association of Governments, CA
San Francisco Estuary Institute, CA
San Joaquin Council of Governments, CA
Santa Clara Valley Water District, CA (CEO)
South Bayside Waste Management Authority, CA
Southern California Association of Governments (Deputy)
Vancouver Housing Authority, WA (Executive & Deputy)
West Contra Costa Integrated Waste Management District, CA
West Contra Costa Transportation Advisory Committee, CA
Yolo Emergency Communications Agency, CA

FINANCIAL
Alameda County Congestion Management Agency, CA
Aurora, CO
Baldwin Park, CA
Barstow, CA
Boulder City, NV
Calaveras County Water District, CA
Campbell, CA
Chino Hills, CA
Clark County, NV
Corona, CA
Damascus, OR
D.C. Government, DC
Elk Grove, CA
Grants Pass, OR
Half Moon Bay, CA
Hercules, CA
Housing Authority of the City of
Los Angeles, CA
Imperial Beach, CA
Imperial Irrigation District, CA
Inglewood, CA
Ione, CA
Lancaster, CA
Los Altos, CA
McCarran International Airport-
Clark County, NV
Menlo Park Fire Protection
District, CA
Norfolk, VA (Assistant Director)
Palmdale Water District, CA
Pleasanton, CA
San Diego, CA
San Francisco, CA
San Leandro, CA
San Jose, CA
Santa Monica, CA
Sparks, NV
Stockton, CA
Thomton, CO
Wayne County, MI
West Wendover, NV

FIRE CHIEF
Alameda, CA
Arroyo Grande (Director of
Building & Fire)
Aurora, CO
Chula Vista, CA
Eugene, OR
Fremont, CA
Folsom, CA
Fullerton, CA
Glendale, CO
Hillsboro, OR
Lodi, CA
Livermore – Pleasanton Fire
District, CA
Milpitas, CA
Monrovia, CA
Montebello, CA
Mountain View, CA
Newark, CA (Assistant & Chief)
Oceanside, CA
Petaluma, CA
Poudre Fire Authority, CO
Rancho Cucamonga, CA (Deputy
& Chief)
Rancho Santa Fe Fire Protection
District, CA
San Mateo, CA
San Miguel Fire Protection District,
CA
Santa Cruz, CA
Sonoma Valley Fire & Rescue
Authority, CA
Sumter County, FL
Sunnyvale, CA (Public Safety
Director)
University of California, Davis
Union City, CA (Assistant & Chief)
Upland, CA
Vacaville, CA
Walla Walla, WA

GENERAL MANAGER
Big Bear City Community Services
District, CA
Calaveras County Water District,
CA
Central Contra Costa Sanitation
District, CA
Central Marin Sanitation Agency,
CA
Coachella Valley Mosquito Vector
Control District, CA
Cordova Recreation and Park
District, CA (District
Administrator)
East Bay Dischargers Authority,
CA
Fallbrook Public Utilities District,
CA
Hilton, Famkof and Hobson
LLC, CA
Joshua Basin Water District, CA
Kennewick Irrigation District, WA
(District Manager)
Los Angeles Convention Center,
CA
Monterey Peninsula Regional Park District, CA
Monterey Regional Waste Management District, CA
Monterey Regional Water Pollution Control Agency, CA (Assistant)
Oro Loma Sanitary District, CA
Public Agency Risk Sharing Authority of California, CA
Pleasant Valley Recreation & Park District, CA
Reclamation District 1000, CA (District Engineer)
Ross Valley Sanitary District, CA
Salinas Valley Solid Waste Authority, CA
Sanitary District No. 5 of Marin County, CA
Santa Cruz Consolidated Emergency Communications Center, CA
Sewer Authority Mid-Coastside, CA
South Placer Municipal Utility District, CA
Sweetwater Springs Water District, CA
Union Sanitary District, CA
Valley of the Moon Water District, CA
Walnut Valley Water District, CA

HOUSING
Housing Authority for the City of Los Angeles, CA
Housing Authority for the County of Butte, CA
Housing Authority for the County of Santa Cruz, CA
Milpitas, CA
San Antonio Housing Authority, TX
Vancouver Housing Authority, WA (Executive Director & Deputy)

LEGAL COUNSEL
Aurora, CO
Broward County, FL
Cupertino, CA
Hayward, CA

Lathrop, CA
Monterey, CA
Morgan Hill, CA
Newport Beach, CA
North Las Vegas, NV
Oceanside, CA
Palo Alto, CA
Sacramento Area Flood Control Agency, CA
Salinas, CA
San Benito County, CA
San Bernardino Associated Governments, CA
San Mateo, CA
Santa Ana, CA
Stockton, CA
Thousand Oaks, CA
Ventura, CA
Walnut Creek, CA
Yolo County, CA (Assistant County Counsel)

LIBRARY
Corona, CA
Folsom, CA
Palos Verdes Library District, CA
Stockton-San Joaquin County Public Library, CA

PARKS/RECREATION/COMMUNITY SERVICES
Anaheim, CA
Arlington, TX
Bakersfield, CA
El Segundo, CA
Emeryville, CA
Half Moon Bay, CA
Lemoore, CA
Long Beach, CA
Lynwood, CA (Director & Assistant Director)
Maple Valley, WA
Milpitas, CA
Pleasanton, CA
Pleasant Valley Recreation and Park District, CA
Pomona, CA
Sacramento County, CA
Sacramento, CA
San Carlos, CA
| San Jose, CA (Director & Assistant Director) | Beverly Hills, CA Centre City Development Corporation, CA |
| Santa Clarita, CA | Corona, CA |
| Stockton, CA | Chula Vista, CA |
| Ventura, CA | Damascus, OR |
| Whittier, CA | El Segundo, CA |
| | Elk Grove, CA |
| | Healdsburg, CA |
| | Los Banos, CA |
| | Madeira, CA |
| | Milpitas, CA |
| | Modesto, CA |
| | Needles, CA |
| | Oceanside, CA |
| | Palo Alto, CA |
| | Pacifica, CA |
| | Pleasanton, CA |
| | Reno, NV |
| | Riverside, CA |
| | Robson Homes, CA |
| | Roseville, CA |
| | Sacramento, CA |
| | San Benito County, CA |
| | Santa Cruz, CA |
| | Santa Monica, CA |
| | Stockton, CA |
| | Tracy Unified School District, CA Washington County, OR |

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<th>Personnel/Human Resources</th>
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<tr>
<td>Alameda County, CA</td>
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<td>Anaheim, CA</td>
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<tr>
<td>Apple Valley, CA</td>
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<td>Barstow, CA (Assistant to the City Manager/Human Resources)</td>
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<td>Desert Water Agency, CA</td>
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<td>Fremont, CA</td>
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<td>Inland Empire Utilities Agency, CA</td>
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<td>Glendale, AZ</td>
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<td>Grants Pass, OR</td>
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<td>Judicial Council of California - Administrative Office of the Courts, CA</td>
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<td>Las Virgenes Municipal Water District, CA</td>
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<td>Arroyo Grande, CA</td>
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<td>Bellevue, WA</td>
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<td>Berkeley, CA</td>
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<td>California State University, Sacramento</td>
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<td>California State University, San Francisco</td>
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<td>Capitola, CA</td>
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<td>Alameda, CA</td>
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Eugene, OR
Fairfield, CA
Folsom, CA
Fullerton, CA
Glendale, AZ (Chief & Assistant Chiefs)
Glendora, CA
Half Moon Bay, CA
Hayward, CA
Irvine, CA
Irwindale, CA
La Mesa, CA
Lake Oswego, OR
Littleton, CO
Livingston, CA
Lodi, CA
Los Angeles, CA
Los Angeles World Airports, CA
Los Banos, CA
Mammoth Lakes, CA (Interim)
Manhattan Beach, CA
Maywood, CA
Menlo Park, CA
Merced, CA
Mesa, AZ
Monrovia, CA
Montebello, CA
Monterey, CA
Morgan Hill, CA
North Las Vegas, NV
Novato, CA
Oakdale, CA
Oceanside, CA
Orange County, CA (Sheriff-Coroner)
Palm Springs, CA
Palo Alto, CA
Pasadena, CA
Peoria, AZ
Petaluma, CA
Pismo Beach, CA
Placentia, CA
Pleasanton, CA
Port of Long Beach, CA
Port of San Diego, CA
Port of Seattle, WA
Redlands, CA
Reno, NV
Rio Vista, CA
Roseville, CA
Sacramento, CA
Salinas, CA
San Bernardino, CA
San Diego State University, CA
San Fernando, CA
San Francisco, CA
San Jose State University, CA
San Rafael, CA
Sausalito, CA
Seaside, CA
Signal Hill, CA
South Gate, CA
Sunnyvale, CA (Public Safety Director)
Tulsa, OK
Turlock, CA
University of California, Davis, CA
University of California, Santa Barbara, CA
University of Oregon, OR
Vacaville, CA
Virginia Commonwealth University, VA
Walla Walla, WA
Whittier, CA

POLICE COMMAND STAFF
Atascadero, CA
Bay Area Rapid Transit, CA
California State University, Sacramento
California State University, San Francisco
Menlo Park, CA
Pleasanton, CA
Santa Rosa, CA
Port of San Diego, CA
University of California, Merced, CA

POLICE OVERSIGHT
Bay Area Rapid Transit, CA
(Independent Police Auditor)
San Francisco, CA (Director of Office of Citizen Complaints)
San Jose, CA (Independent Police Auditor)
| PUBLIC AFFAIRS/INTERGOVERNMENTAL RELATIONS DIRECTOR |
| Beverly Hills, CA |
| Rancho Cordova, CA |
| Thornton, CO |
| San Diego Regional Airport Authority, CA |
| West Basin Municipal Water District, CA |

| PUBLIC SAFETY COMMUNICATIONS |
| Aurora, CO |
| Clackamas County, OR |
| Heartland Communications Facility Authority, CA |
| San Francisco, CA |
| San Jose, CA |
| Santa Cruz Consolidated Emergency Communications Center, CA |
| Washington County Consolidated Communications Agency, OR |
| Yolo Emergency Communications Agency, CA |

| PUBLIC WORKS |
| Belmont, CA |
| Chandler, AZ |
| Clark County, NV |
| Elk Grove, CA |
| Fresno, CA |
| Galt, CA |
| Grants Pass, OR |
| Half Moon Bay, CA |
| Hacienda Heights, CA |
| Huntington Beach, CA |
| Inglewood, CA |
| Lathrop, CA |
| Los Banos, CA |
| Mammoth Lakes, CA |
| Maple Valley, WA |
| Modesto, CA |
| Monrovia, CA |
| Morro Bay, CA |
| Needles, CA (Utilities Director) |
| Pico Rivera, CA |
| Pismo Beach, CA |
| Pomona, CA (Director & Deputy Director) |
| Poway, CA |
| Redlands, CA |
| Roseburg, OR |
| Roseville, CA |
| San Benito County, CA |
| San Carlos, CA |
| San Diego, CA (Utilities Director) |
| San Jose, CA (Deputy Director) |
| Santa Cruz, CA |
| South Pasadena, CA |
| Stockton, CA (Deputy Director) |
| Sumter County, FL |
| Tehama County, CA |
| Tiburon, CA |
| Upland, CA |
| Woodland, CA |

| PURCHASING |
| Central Contra Costa Sanitary District, CA (Purchasing & Materials Manager) |
| Housing Authority of the City of Los Angeles (Director of General Services) |
| Tacoma, WA (Purchasing Manager) |

| RISK MANAGEMENT |
| Central Contra Costa Sanitary District, CA (Safety & Risk Management Administrator) |
| Central Marin Sanitation Agency, CA (Director of Safety and Training) |
| Riverside Transit Agency, CA (Risk Manager) |

| TECHNOLOGY |
| Clark County, NV |
| Durham, NC |
| Fresno, CA |
| Hayward, CA |
| Hillsboro, OR |
| Inland Empire Utilities Agency, CA |
| Modesto, CA |
| San Francisco, CA |
| State Bar of California |
TRANSPORTATION
Association of Monterey Bay Area Governments, CA
Elk Grove-Rancho Cordova-El Dorado County Connector Joint Powers Authority, CA
Omnitran, CA
San Diego Association of Governments, CA
San Joaquin Council of Governments, CA
Santa Clara, CA
Washington County, OR
West Contra Costa Transportation Advisory Committee, CA

WASTE WATER/SANITATION/SOLID WASTE
Central Contra Costa Sanitation District, CA
Central Contra Costa Solid Waste Authority, CA
Central Marin Sanitation Agency, CA
Dublin San Ramon Services District, CA
East Bay Dischargers Authority, CA
Monterey Regional Waste Management District, CA
Monterey Regional Water Pollution Control Agency, CA
Oro Loma Sanitary District, CA
Richmond, CA
Ross Valley Sanitary District, CA
Salinas Valley Solid Waste Authority, CA
Sanitary District No. 5 of Marin County, CA
San Jose, CA
Sewer Authority Mid-Coastside, CA
South Bayside Waste Management Authority, CA
Stockton, CA
Union Sanitary District, CA
West Contra Costa Integrated Waste Management Authority, CA

WATER
Arizona Municipal Water Users Association, AZ
Aurora, CO
Bakersfield, CA
Calaveras County Water District, CA
Joshua Basin Water District, CA
Kennewick Irrigation District, CA
Phoenix, AZ
Reclamation District 1000, CA
(District Engineer)
Sacramento Area Flood Control Agency, CA
San Jose, CA
San Luis Obispo County, CA
Santa Clara Valley Water District, CA
South Placer Municipal Utility District, CA
Stockton, CA
Sweetwater Springs Water District, CA
Valley of the Moon Water District, CA
Walnut Valley Water District, CA

OTHER
Bay Area Air Quality Management District, CA (Deputy Air Pollution Control Officer)
Benton County, OR (Health Director)
Bureau Veritas, CA (Vice President – Operations)
Central Contra Costa Sanitary District (Director of Collection System Operations and Director of Plant Operations)
Cordova Recreation & Park District (District Administrator)
Government Services Group, Inc. (Municipal Services Manager)
Housing Authority of the City of Los Angeles (Director of General Services)
Imperial Irrigation District (Assistant Manager of Construction Operations and Maintenance)
Hilton, Farnkopf, and Hobson LLC (Manager/Vice President)
Las Vegas Convention and Visitors Authority, NV (Director of Facility Projects)
Monterey Bay Unified Air Pollution Control District, CA (Air Pollution Control Officer)
Port of Long Beach, CA (Managing Director)
Port of Los Angeles, CA (Executive Director of Port Technologies Development Center)
Port of San Diego, CA (Senior Director of Real Estate)
Robson Homes (Forward Planner and Land Acquisition Manager)
Sacramento, CA (Preservation Director)
Sacramento, CA (Urban Design Manager)
San Jose, CA (Assistant Director of Environmental Services)
San Manuel Band of Tribal Indians, CA (Tribal Manager)
State Bar of California, CA (Chief Information Officer)
Superior Court of California, County of San Luis Obispo, CA (Assistant Court Executive Officer)
Washoe County, NV (Senior Services Director)
Washoe County, NV (Social Services Director)
CITY OF
CORONADO, CA

INVITES YOUR
INTEREST IN
THE POSITION OF

CITY
MANAGER
THE COMMUNITY

Coronado is rich in history, natural beauty, and village atmosphere. While the city measures only 13.5 square miles, it has 28 miles of pristine beaches, 18 public parks, and an 18-hole golf course. Established in 1890, the City is home to approximately 19,000 permanent residents in three distinct residential areas: the Village, the Coronado Cays and the Coronado Shores. Quiet tree lined streets and friendly neighborhoods display a variety of architectural home styles. The official population of 23,000 includes military personnel home ported on the Navy base within the City boundaries.

The downtown business areas include unique, quaint shops and active Chamber of Commerce and Main Street organizations. With 16 hotels, including three world class resorts, and several highly acclaimed restaurants, this island community welcomes more than two million visitors annually.

Coronado is accented by beautiful surroundings. Bordered by the Pacific Ocean, Glorietta Bay and San Diego Bay, this picturesque seaside city is linked to the City of San Diego by the graceful and stately San Diego-Coronado Bridge, and the City of Imperial Beach to the south by a narrow strip of land known as the Silver Strand.

The City of Coronado provides a stable and secure setting for residents and businesses alike. The careful approach to planned development lends stability to the quality of both the residential lifestyle and the business community. The award winning school system offers a high caliber of educational standards with successful results which is a positive influence on homebuyers considering the area. Coronado residents have carried on the tradition of the island with their dedication to maintaining a landmark community.

THE ORGANIZATION

The City of Coronado operates under the Council/Manager form of government. There are four Council members elected to four-year overlapping terms. The Mayor is directly elected and serves a term of four years. The City Council appoints the City Manager and the City Attorney. The City Council also sits as the board of the City’s redevelopment agency (the Community Development Agency of the City of Coronado).

Coronado is a full service City. The workforce is organized into eleven departments: City Manager, City Clerk, Administrative Services, (Finance, Human Resources, Information Technology, and Risk Management), Community Development Services (Building, Planning, Redevelopment, and Housing), Police Services, Fire Services, Public Services, Engineering and Project Development Services, Library Services, Golf Course Services, and Recreation Services. The city has a total of 223 full-time equivalent employees. The City operates with a two-year financial plan; the current operating budget projects expenditures for all funds for the fiscal year 2009/2010 at $46.3 million.
UNIQUE CITY QUALITIES & OPPORTUNITIES

There are a number of government agencies with which the City of Coronado coordinates services. This is due to the community's unique geographic and political boundaries. The City is home to Naval Base Coronado which consists of two major naval installations, the North Island Naval Air Station and the Naval Amphibious Base, and several smaller installations as well. With a significant military and civilian workforce, the City's daytime population significantly exceeds its permanent residential population. In addition to the Navy presence in Coronado, the City is a member of the San Diego Unified Port District and has a seat on the Port District Board of Directors. The City is one of only a few cities in the state that is entirely within the Coastal Zone, so all land in the City may be impacted by the Coastal Act. With two state highways traversing the City, there is extensive interfacing with Caltrans as well as SANDAG.

Although the City is financially strong with healthy reserves, like all California municipalities, Coronado is experiencing the impact of a recessionary economy. Declines in transient occupancy and sales taxes, flat or declining property taxes, impending and potential state takeaways, coupled with ongoing upward pressures on the operating expenditures, mean that the City is facing potential operating deficits within two years. The City has begun a process of belt tightening to manage this decline in revenue.

The City has had an aggressive capital improvement program over the past 5 years. Currently, the City is constructing a new animal care facility, a new tennis center, and downtown streetscape enhancements are planned within the next few years. The City has an active redevelopment agency, responsible for funding many public improvements, City and school facilities, and housing projects. The agency currently has two active owner participation agreements to fund capital improvements to the community's hospital and to refurbish an historic downtown movie theater.

THE IDEAL CANDIDATE

The City Council is seeking a seasoned manager who is a good communicator and responsive to both the City Council and the community. He/she will be an individual who is honest, approachable and ethical. A manager who demonstrates a successful track record as a consensus builder will be valued. The ideal candidate should have an open door policy and foster an atmosphere of trust. The new manager is expected to provide leadership, while at the same time valuing the staff and its expertise. The new City Manager is expected to provide leadership, while at the same time valuing the staff and its expertise.
Manager should be a collaborative problem solver and straight forward in dealing with both the public and the Council.

Candidates should possess extensive experience in a municipal setting with knowledge of redevelopment, community development and community relations, and demonstrated experience in intergovernmental relations with other governmental entities and the military. Candidates should be familiar with issues faced by cities in California’s coastal zone.

A Bachelor’s Degree in Public Administration, Business Administration or a closely related field is required. A Master’s Degree in one of these fields is preferred.

COMPENSATION

The salary for the City Manager is open, depending on qualifications and experience. The City also offers an attractive benefits package including:

Retirement – the City provides a 3% @ 60 CalPERS retirement (single highest year) and also participates in Social Security.

Administrative Leave – the City provides 80 hours of administrative leave annually.

Annual Leave – the City provides 144 hours to a maximum of 232 hours annually. Up to 80 hours of annual leave may be converted to cash annually.

Health/Cafeteria Benefit Plan – the City will contribute $1,070 per month to the cafeteria plan starting January 2010.

Holidays – 12 paid holidays per year.

Life Insurance – the City provides group term life insurance equal to one times annual salary plus $25,000.

Short Term and Long Term Disability – provided by the City.

TO APPLY

If you are interested in this outstanding opportunity, please apply online at:

www.bobmurrayassoc.com

Filing Deadline:
January 8, 2010

Following the closing date, resumes will be screened according to the qualifications outlined above. The most qualified candidates will be invited to personal interviews with Bob Murray and Associates. A select group of candidates will be asked to provide references once it is anticipated that they may be recommended as finalists. References will be contacted only following candidate approval. Finalist interviews will be held with the City of Coronado. Candidates will be advised of the status of the recruitment following selection of the City Manager.

If you have any questions, please do not hesitate to call Mr. Bob Murray at (916) 784-9080.
TOWN OF LOOMIS, CA

INVITES YOUR INTEREST IN THE POSITION OF TOWN MANAGER
THE COMMUNITY

The Town of Loomis is a rural, family-oriented community located in the heart of South Placer County in Northern California and home to approximately 6,430 residents. The 7.3-square-mile Town is an open space and rural environment containing a blend of residential and business districts with numerous historic buildings. A vision for a renewed walkable downtown retail experience on Taylor Road (a segment of historic Highway 40) between two remaining fruit packing sheds and bordering the Union Pacific Railroad tracks has become a focus for the community. The Town is also continuing to work on its environmental reputation by committing itself to sustainability and capitalizing on the new Green economy industry.

In the early part of the 20th century, the Town of Loomis was the second-largest fruit-shipping station in Placer County. Two of the original fruit-packing sheds still exist today in the downtown corridor as historically renovated businesses operating from within their original buildings, named “High Hand” Nursery and the “Blue Goose” shed.

Established in 1850, Loomis remained part of unincorporated Placer County lands until December 17, 1984, when the Town of Loomis officially incorporated. The Town was in danger of being annexed by its neighbor Rocklin, and the residents voted to incorporate to preserve local control and the small town character and lifestyle. Today, Loomis is proud to be known by its motto: “A small town is like a big family.”

Loomis offers a distinct alternative to those not interested in the typical tract housing neighborhoods and lifestyle created during the last decades of suburban sprawl.

The Town is known for its large areas of open space and ranch estates, many handed down through generations. Loomis has become one of the most desirable communities to live and raise a family in due to its focus on sustainability and preservation of its woodlands, natural streams, wildlife and rolling hillsides.

Loomis offers the ability to live on a multi-acre parcel in a rural community but still work and easily commute to the many nearby cities, such as Roseville and Sacramento. Loomis’ family owned businesses are eager to earn your loyalty through hometown hospitality and long-lasting, trusted relationships created over generations of service.

When a weekend getaway is in order, whether you’re headed east or west, a short 1 1/2 hour drive on I-80 will take you to either beautiful Lake Tahoe or San Francisco.

THE ORGANIZATION

The Town of Loomis is a General Law town that operates under the Council/Manager form of government. The five-member Town Council provides overall policy direction for the Town and is elected to 4-year staggered terms and the Mayor is rotated on an annual basis. The Town Manager and the Town Attorney are appointed by the Council and serve at their pleasure. The Town Manager is responsible for implementing the policies established by the Council and operating the daily administrative affairs for the Town. The Town Clerk and the Town Treasurer (Finance Director) are both elected positions. The Town Council also appoints a 5-member Planning Commission and an ad-hoc 11-member Parks, Recreation and Open Space Committee.

The Town currently budgets for 12 employees, has an operating budget of $2.7 million for fiscal year 2011-2012, has reserves of over $4 million and does not have any debt. The Council sets annual priorities for the Town including supporting more downtown activities, continuing fiscal sustainability, increasing mobility and walkability, improving communications and furthering the commitment to sustainability.

Loomis is unique in its approach to local government’s role as it purposefully does not provide a large number of services to the community. Services
are often costly and can be more efficiently provided by various special districts and partnerships within the community, such as with local schools and service organizations. The Town provides Administration, Finance, Planning, and Public Works. Fire services are provided by 3 special-districts and Police services are contracted with the Placer County Sheriff’s department.

THE IDEAL CANDIDATE

The Town Council seeks a creative and innovative Town Manager who has exceptional people skills. The selected individual should have a genuine appreciation of the uniqueness of Loomis and champion its traditions, natural beauty and desire for preservation and sustainable slow, quality growth. Loomis recognizes its uniqueness comes from the preservation of its small town, rural atmosphere and by fostering a unique experience with local businesses and nonprofit organization at special events. The Town appreciates a candidate whose approach will aid in retaining current businesses while at the same time attracting new businesses to complement its offerings. By maintaining one foot in the past and placing one foot in the future the Town is uniquely able to balance its objectives.

The new Town Manager should be a leader who motivates staff, makes recommendations to Council and creates an open environment within the organization. The candidate should be a skilled consensus builder who creates a team-oriented atmosphere, delegates authority as appropriate, has strong negotiating skills, and follows through on behalf of the Town.

A Manager who is an effective communicator with staff, Council, town leaders, residents, businesses and the media will do well in this position. A keen ability to listen to the needs of all stakeholders and partners, including the solicitation of input from the community using social media and other technologically convenient tools is highly desirable. The Manager will foster an open and transparent environment for government operations exceeding the Brown Act’s minimum standards. The ability to understand and respect a variety of viewpoints and facilitate meaningful discussions while addressing complex issues will assist the Town Manager in accomplishing the Council’s policy objectives.

Outgoing and visible in the community, the selected candidate should be readily accessible to residents, businesses, staff and community leaders. The candidate should be personable, approachable, easy-going and capable of developing trust and earning the respect of colleagues, the community and the Town Council. The ideal candidate will be articulate, strategic and innovative in the approach to problem solving, apolitical and willing to roll up the sleeves and work. A confident, sincere, ethical and friendly leadership style will be well-received by the stakeholders in Loomis.

The ideal candidate will have strong and conservative financial management skills and the ability to anticipate the changing needs of the community. By identifying potential issues and problems as they are developing and recommending solutions and alternatives to the Council, the Manager will demonstrate the ability to lead. Having knowledge and experience necessary to create additional Town revenue, specifically with grant writing and grant sourcing, will enhance the Manager’s success.

Having knowledge and experience necessary to create additional Town revenue, specifically with grant writing and grant sourcing, will enhance the Manager's success.
As with many local government organizations in California, Loomis faces pressures related to growth occurring in the region and surrounding communities. The Town Council seeks a Town Manager who will successfully meet these challenges through cultivating strong regional relationships with neighboring communities while placing importance on issues and concerns unique to Loomis’ small town atmosphere and sustainability.

A bachelor’s degree in Public Administration, Business Administration or a related field is required; a master’s degree is desired. Experience in a small town or rural environment and a background in planning involving preservation and sustainable economic development is encouraged.

THE COMPENSATION

The salary range for the Town Manager position is negotiable depending on qualifications and experience. The Town also offers an excellent benefits package including:

**Retirement** – CalPERS 2% @ 55 formula. Employee contribution paid by Town.

**Health Insurance** – Town pays state annuitant rate for single, double and family plans on PERS health plan choices.

**Section 125 Cafeteria Plan** – Amounts in excess of annuitant rate for health care coverage are deductible pre-tax. Employees can pay into a Flexible Spending Account (FSA) for medical, dental care and child or senior care.

**Deferred Compensation Plan** – PERS 457 plan available (no employer share).

**Vacation** – Leave accrues based on years of service between 10 days and 20 days per year (maximum accrual of 800 hours).

**Other Leaves** – Sick leave equates to 8 hours per month (unlimited accrual). Administrative leave is 80 hours per calendar year (no rollover).

**Holiday** – 12 paid holidays per year.

TO APPLY

If you are interested in this outstanding opportunity, please visit our website at www.bobmurrayassoc.com to apply online.

**Filing Deadline:**

**July 22, 2011**

Following the closing date, resumes will be screened according to the qualifications outlined above. The most qualified candidates will be invited to personal interviews with Bob Murray and Associates. A select group of candidates will be asked to provide references once it is anticipated that they may be recommended as finalists. References will be contacted only following candidate approval. Finalist interviews will be held with the Town of Loomis. Candidates will be advised of the status of the recruitment following selection of the Town Manager.

If you have any questions, please do not hesitate to call Mr. Wesley Herman at:

(916) 784-9080
Executive Search Services

City Manager
City of Indian Wells

October 2011
October 18, 2011

Mayor Patrick Mullany
and Members of the City Council
City of Indian Wells
44-950 Eldorado Drive
Indian Wells, CA 92210-7497

Dear Mayor Mullany and Council Members:

Thank you for the opportunity to express our interest in assisting you in the recruitment of the next City Manager. Peckham & McKenney provides executive search services to local government agencies throughout the Western United States and is headquartered in Sacramento, California. The firm was established as a partnership in 2004 by Bobbi Peckham and Phil McKenney, and we have over 35 years of experience in local government and executive search.

We have conducted hundreds of searches over the years and have extensive experience conducting City Manager recruitments, in particular. You will notice that we have significant experience working with smaller, affluent communities similar to Indian Wells. Not only have we recently completed a successful City Administrator search for the City of Carmel-by-the-Sea, but we are also currently assisting the Town of Woodside in a Town Manager search. In addition, we placed City Managers with the cities of Big Bear Lake, Del Mar, Palo Verdes Estates, Mill Valley, Moraga, St. Helena, and a Community Manager for The Sea Ranch Association. We also have significant experience working with resort and tourism-related communities including Park City, UT; Vail, Steamboat Springs, Snowmass Village, CO; and Jackson, WY, among many others.

Through many of these recruitments as well as current City Manager searches for American Canyon, Campbell, Palmdale, and Woodside, we have an extensive database of industry contacts. We are also active in the Cal-ICMA Preparing the Next Generation Committee, Municipal Management Associations of Northern and Southern California (MMANC and MMASC), and Women Leading Government. These contacts will be extremely beneficial in the recruitment of your next City Manager.

Our clients and candidates have often referred to us as more of a “boutique” firm. We are pleased by this description and believe it is one of the things that make us different from other search firms. We established Peckham & McKenney on the premise that an executive search firm must be dedicated to providing its clients and candidates with professional service, as well as a personal, hands-on approach. Many can claim this, but our business philosophy centers upon the understanding that this is a “people” related industry and that it is “all about fit.” Not only are we committed to providing our clients with well-qualified candidates, but we also take pride in treating both our clients and candidates with utmost respect.

"All About People"
916/443-3333
Fax 916/443-2255
5720 Freeport Boulevard, Suite 201
Sacramento, California 95819
info@peckhammckcenney.com

"All About Fit"

"All About Fit"
City of Indian Wells
Page Two

Having over 23 years' experience conducting City Manager executive searches throughout California, I would serve as your Recruiter. I look forward to meeting you personally on October 27 to confirm the best “fit” as your representative of this opportunity to outstanding candidates.

Sincerely,

Bobbi C. Peckham, Partner
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FULL LIST OF EXECUTIVE SEARCHES CONDUCTED
All conducted by either Bobbi Peckham or Phil McKenney
INTRODUCTION

Peckham & McKenney provides Executive Search and Consulting services to local government agencies throughout the Western United States and is headquartered in Sacramento, CA. The firm was established as a partnership in June 2004 by Bobbi Peckham and Phil McKenney, who serve as the firm's Recruiters. We are supported by an Office Manager, marketing and design professional, research specialist, web technician, and distribution staff.

Peckham & McKenney was established on the premise that an executive search and consulting firm must be dedicated to providing its clients and candidates with professional service, as well as a personal, hands-on approach. Our business philosophy centers upon the understanding that this is a "people" related industry and that attention to others' needs is the key to providing effective customer service. Not only are we committed to providing our clients with well-qualified candidates, but we also take pride in treating both our clients and candidates with utmost respect. This commitment has lead to multi-year retainer agreements with a number of agencies, as well as numerous client and candidate testimonials to their experiences with us. We invite you to visit our web site at www.PeckhamAndMcKenney.com.

At Peckham & McKenney, we are committed to local government and sensitive to the challenges and issues faced by our clients. As such, we participate in the Cal-ICMA Preparing the Next Generation Committee and also serve as the Administrator for the Credentialed Government Leader program for the Municipal Management Associations of Northern & Southern California. In addition, we have provided workshops and training sessions in California and Colorado to up-and-comers on resume and interview preparation and general career guidance.

Bobbi C. Peckham

Bobbi Peckham is one of the West Coast's leading local government recruiters and has over 28 years of experience in local government and executive recruitment. Ms. Peckham began her career in the public sector in Naperville, Illinois, where she became familiar with all aspects of local government. Ms. Peckham was then recruited to join the Executive Search practice of a leading California recruitment firm. Later, she played an integral role in creating a national search business for what became the largest recruitment practice serving local government in the country. Here, she became Regional Director overseeing Northern California and a nine-state region.

In 2001, Ms. Peckham was invited to implement a public sector search practice for a Sacramento-based, private sector firm. With its significant success and her outstanding track record on local government placements, she chose to form her own search firm in partnership with Phil McKenney in 2004. Ms. Peckham has personally conducted hundreds of national searches throughout the Western United States. She has extensive experience working with City Councils, Executive Boards, and local government administrators, listening to and understanding their needs in executive level placements.
Ms. Peckham received a Bachelor of Science degree in Organizational Behavior from the University of San Francisco. She is a contributing member of the International City/County Management Association, Cal-ICMA, Women Leading Government, and Municipal Management Associations of Northern & Southern California. In addition, Ms. Peckham was instrumental in writing the ICMA’s Job Hunting Handbook for Local Government Professionals.

Phil McKenney
Phil McKenney has over 30 years’ management experience and is very familiar with local government agencies, having led a county organization and having worked with numerous city governments and special districts. Mr. McKenney began his career in the resort and hospitality industry and served as General Manager for Mattakesett Properties on the Island of Martha’s Vineyard. He then relocated to Keystone Resort in Colorado, which is now acknowledged as a premiere all-season resort with special recognition for its level of guest services. Mr. McKenney later took over the helm of the Summit County Chamber of Commerce as their Executive Director. This hybrid-Chamber was the only countywide organization responsible for marketing all of Summit County, Colorado, home to Breckenridge, Keystone, and Copper Mountain resorts. Through his leadership and collaborative style, and working with the cities and county within Summit County, he led the Chamber to being a readily recognized and well-respected organization within Colorado and the Western United States.

Mr. McKenney was then selected by Placer County, California to lead the merger of the North Lake Tahoe Chamber of Commerce and the North Tahoe Visitors and Convention Bureau into the North Lake Tahoe Resort Association. As Executive Director of this new county organization, he represented the Tourism Industry for all of North Lake Tahoe. The Resort Association is now a proactive, nationally recognized organization whose model of governance is being replicated in numerous resort communities across the western United States.

Mr. McKenney joined Ms. Peckham in executive recruitment in January 2003 and has since conducted many national recruitments throughout the Western states, including Colorado, Arizona, Oregon, and California. Mr. McKenney has an undergraduate degree in Recreation from Slippery Rock State College as well as a Master of Business Administration from the University of Denver.

Joyce Johnson
Joyce Johnson joined Peckham & McKenney in 2005 and serves as the firm’s Office Manager. Ms. Johnson is complimented regularly on her strong customer orientation working with both clients and candidates alike. She oversees internal administration of the firm as well as directing contract administrative support in the areas of advertising and design, web posting, and duplication and mailing services. Prior to joining Peckham & McKenney, Ms. Johnson oversaw internal administration in the Western Region headquarters of two national management consulting and executive recruitment firms. She has a total of 28 years’ experience in the field of administrative and executive support for all aspects of the executive recruitment process. Ms. Johnson holds an Associate of Arts degree from American River College.
THE SEARCH PROCESS

While it is our intent to customize the search and project schedule to fit the City’s specific needs, the search process typically includes the following key actions:

**Project Organization** – This phase provides for the development of a detailed Candidate Profile. We will meet individually with the Mayor and members of the City Council, as well as others you identify, to discuss the issues and challenges facing the City of Indian Wells. The desired background and experience, leadership style and personality traits, skills and abilities will be discussed. We will also discuss expected parameters of the search, the search timeline, and schedule future meeting dates with the Mayor and City Council.

Typically, we devote significant time to this phase of the recruitment in order to become fully knowledgeable of the organization, community, and desired profile of your next City Manager. We encourage our clients to allow us to meet with staff, the executive management team, Commission members, labor representatives, community business leaders, residents, and others. These may be one-on-one meetings, small group discussions, or larger public forums, depending upon the appropriate style and venue desired by the City. Electronic survey tools may also be utilized to provide input opportunities to the community on a broader scale. We have significant experience in a variety of methods for gaining input on the candidate profile, and we will provide advice and recommendations to the Mayor and City Council. In addition, we ask for a tour of the community in order to more fully understand current and future projects as well as gain a stronger familiarity with the community.

**Recruitment** – Advertisements will be placed in the appropriate industry publications and websites, and our firm will assume responsibility for presenting your opportunity in an accurate and professional manner. Full information on the position will be posted on our firm’s web site as well as the site of the City. In addition, an attractive brochure will be prepared to market the organization and position to potential candidates. This brochure will be mailed to 300-400 industry professionals, and it will also be available on our firm’s web site. Copies of the brochure will also be made available to the Mayor and City Council.

The main focus of our outreach, however, will be direct phone contact with quality potential candidates. With nearly 30 years of executive search experience, we have developed an extensive candidate database that is continuously utilized and updated. Our recruiting efforts will focus on direct and aggressive recruiting of individuals within the search parameters established during the Project Organization phase. We believe direct recruiting produces the most qualified candidates. We know how to identify the “hidden” candidates, including those passive candidates who may be resistant to considering an employment change. Throughout this active search process, we will regularly notify the City Council of the status and share questions, concerns, and comments received from potential candidates as they consider the opportunity. By doing so, we will “team” with the City Council to ensure that all issues and concerns of candidates are discussed and understood thereby eliminating “surprises” once the resume filing deadline has occurred.
As resumes are received, they will be promptly acknowledged, and we will personally respond to all inquiries. Once the resume filing deadline has passed, the City Council will be once again updated on the status of the recruitment, the number of resumes received, and our intent for preliminary interviews.

**Preliminary Interviews/Recommendation** – As resumes are received, supplemental questionnaires will be sent to candidates who appear to meet the candidate profile. Following the resume filing deadline and a thorough review of the resumes and questionnaires received, we will conduct preliminary interviews with those individuals most closely matching the candidate profile. Preliminary reference checks will be conducted and a written recommendation of finalists will be personally presented at an on-site, one- to two-hour meeting with the Mayor and City Council. The City will receive a full listing of all candidates who applied for the position, as well as the cover letters, resumes, and supplemental questionnaires of the recommended group of candidates for further consideration.

Once a group of finalists has been selected as finalists by the Council, all candidates will be notified of their status. We will prepare a finalist interview schedule and notify finalist candidates accordingly. If necessary, finalists will make their own travel plans and reservations. It is customary that the City reimburse finalists for roundtrip airfare, car rental, and lodging necessary to attend the interviews with the City Council. We will confirm this with the City at our meeting to recommend finalists.

**Final Interviews/Selection** – During this phase, finalists will be interviewed by the City. We will provide on-site advice and facilitation assistance during the final interview process. Interview materials, including suggested interview questions, evaluation and ranking sheets will be provided for the City's convenience.

An orientation session will be held with the Council prior to the finalist Interviews, and we will work with the City Council through a ranking process and discussion of the finalists at the end of the day. We will assist the City in coming to consensus on the leading two to three finalists for further consideration, and we will provide recommendations on next steps, including additional meetings or social engagement with each finalist to learn more of the "fit" they may bring. In the past, our clients have chosen to conduct subsequent interviews, roundtable discussions, meals, or receptions with these finalists; we will provide the Mayor and City Council with recommendations and options.

**Qualification** – Once the final candidate has been selected, our firm will verify, at your discretion, professional work experience, educational histories, criminal, civil, credit, motor vehicle records, and second "tier" references. This comprehensive process ensures that only the most thoroughly screened candidate is hired. In addition, negotiation assistance will be provided as requested by the City. Our ultimate goal is to exceed your expectations and successfully place a candidate who "fits" your organization's and community's needs now and into the future.

- 4 -
# PROJECT SCHEDULE

This sample schedule anticipates a 14-week process. In today's competitive recruiting environment, our goal is to make the process as efficient and effective as possible.

<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>TIME FRAME</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Project Organization</td>
<td>(Two Weeks)</td>
</tr>
<tr>
<td>• Kick-Off Meeting to discuss Candidate Profile and formalize project schedule</td>
<td></td>
</tr>
<tr>
<td>• Finalize Candidate Profile with City of Indian Wells and identify “fit” required</td>
<td></td>
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<tr>
<td>• Develop advertising and recruiting plan</td>
<td></td>
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<tr>
<td>• Prepare marketing brochure</td>
<td></td>
</tr>
<tr>
<td>II. Recruitment</td>
<td>(Six Weeks)</td>
</tr>
<tr>
<td>• Advertise, network, and electronically post in appropriate venues</td>
<td></td>
</tr>
<tr>
<td>• Send marketing brochure to 300-400 industry professionals</td>
<td></td>
</tr>
<tr>
<td>• Post opportunity on firm's web site as well as City's site</td>
<td></td>
</tr>
<tr>
<td>• Search for/identify/recruit individuals within the parameters of the Profile</td>
<td></td>
</tr>
<tr>
<td>• Respond to all inquiries and acknowledge all resumes received</td>
<td></td>
</tr>
<tr>
<td>III. Preliminary Interviews/Recommendation</td>
<td>(Three Weeks)</td>
</tr>
<tr>
<td>• Review candidates’ resumes and supplemental questionnaires</td>
<td></td>
</tr>
<tr>
<td>• Conduct preliminary interviews with leading candidates</td>
<td></td>
</tr>
<tr>
<td>• Conduct first-tier reference checks</td>
<td></td>
</tr>
<tr>
<td>• Present written recommendation of finalists to Mayor and City Council</td>
<td></td>
</tr>
<tr>
<td>• Notify all candidates of search status</td>
<td></td>
</tr>
<tr>
<td>IV. Final Interviews/Selection</td>
<td>(Two Weeks)</td>
</tr>
<tr>
<td>• Schedule finalist candidate interviews</td>
<td></td>
</tr>
<tr>
<td>• Design process and facilitate finalist interviews with City</td>
<td></td>
</tr>
<tr>
<td>• Assist City throughout process and provide recommendations</td>
<td></td>
</tr>
<tr>
<td>• Mayor and City Council selects candidate or leading 2-3 candidates for further consideration</td>
<td></td>
</tr>
<tr>
<td>V. Qualification</td>
<td>(One Week)</td>
</tr>
<tr>
<td>• Conduct background checks and second “tier” references</td>
<td></td>
</tr>
<tr>
<td>• City conducts site visit to community of selected candidate</td>
<td></td>
</tr>
<tr>
<td>• Negotiation assistance</td>
<td></td>
</tr>
<tr>
<td>• Exceed expectations and successfully place candidate who “fits.”</td>
<td></td>
</tr>
</tbody>
</table>
PROFESSIONAL FEE AND EXPENSES

The professional fee for the recruitment of the City Manager is $16,500. One-third of this fee is due as a retainer upon execution of the agreement. The remainder of the fee will be divided and billed in two separate, monthly invoices.

The City of Indian Wells will also be responsible for reimbursement of expenses not to exceed from $5,000 to $6,500. Expenses will be pre-approved and will be billed back at cost. Expenses include out-of-pocket costs associated with consultant travel, clerical, advertising, telephone, printing/copying, supplies/postage, and background checks.

Insurance

Peckham & McKenney carries Professional Liability Insurance ($1,000,000 limit) and Commercial General Liability Insurance ($2,000,000 General Liability, $4,000,000 General Aggregate, $1,000,000 Personal Injury and $4,000,000 Products). Our Insurance Broker is Wells Fargo Insurance Inc. out of Minneapolis, Minnesota, and our coverage is provided by Zurich Insurance Company and Markel America Insurance Company.

In addition, Bobbi Peckham and Phil McKenney each carry personal automobile liability insurance in the amount of $1,000,000.
PLACEMENT GUARANTEE AND ETHICS

Our placement record is particularly strong in that 94% of the candidates we have placed within the past six years continue in those positions today. In the unlikely event, however, that a candidate recruited and recommended by our firm leaves your employment for any reason within the first two years (except in the event of budgetary cutbacks or position elimination), we agree to provide a one-time replacement at no additional charge, except expenses.

Time and again, we receive unsolicited comments from clients and candidates relating to our integrity and high ethics.

- First, we believe in honesty. No client should ever appoint an individual without being fully knowledgeable of the candidate's complete background and history. Conversely, no candidate should ever enter into a new career opportunity without full disclosure of any organizational "issues."

- We strive to keep everyone involved in a recruitment process informed of the status. Not only do we provide regular updates to our clients, but we also have a reputation for keeping our candidates posted, even to the extent of informing them as to who was eventually selected.

- As recruitment professionals, we do not recruit our placements -- ever. Should a placement of ours have an interest in a position for which we are recruiting, they may choose to apply. However, if they become a finalist, we ask that they speak to their supervisor (Council member or Manager) to alert them of their intent.

- We do not recruit staff from our clients for another recruitment during an active engagement. Nor do we "parallel process" a candidate, thereby pitting one client against another for the same candidate.

- We are retained only by client agencies and not by our candidates. While we have a reputation for being actively involved in the profession and providing training, workshops, and general advice to candidates, we represent only our clients. In addition, we always represent and speak of our client in a positive manner; during the recruitment engagement as well as years after.

- We do not misrepresent our client list. Only those searches that we personally conducted appear on our list; rather than those conducted by other Recruiters while with other executive search firms.
CLIENT REFERENCES

Please feel free to contact any of the following current and recent clients to inquire about their experience with Bobbi Peckham and Phil McKenney. In addition, we would be pleased to furnish the client contact and phone numbers for any past clients of Ms. Peckham or Mr. McKenney listed in the Attachment.

City of Carmel-by-the-Sea, CA (pop. 4,000) — City Administrator (recently completed)
Sue McCloud, Mayor or Heidi Burch, City Clerk
(831) 624-7310; cloud93921@apn.com

City of Del Mar, CA (pop. 4,500) — City Manager (2007)
Karen Brust, former City Manager
(949) 493-1171; kbrust@sanjuancapistrana.org

City of Encinitas, CA (pop. 56,000) — City Manager (recently completed)
Teresa Barth, Council member; or Richard Phillips, Assistant City Manager
(760) 633-2610; rphillip@cityofencinitas.org

City of Mill Valley, CA (pop. 13,000) — City Manager (2019)
Stephanie Moulton-Peters, Council member and former Mayor; or Jim McCann, City Manager
(415) 302-6032; smoultonpeters@comcast.net

Town of Moraga, CA (pop. 16,000) — Town Manager (2010)
Karen Mendonca, Mayor; or Jill Keimach, Town Manager
(925) 888-7020; kmendonca@moraga.ca.us or jkeimach@moraga.ca.us

Town of Woodside, CA (pop. 5,700) — Town Manager (current recruitment)
Ron Romines, Mayor; or Susan George, Town Manager
(650) 851-6790; sgeorge@woodsidetown.org
RECENT CLIENTS AND EXECUTIVE SEARCHES

Bobbi Peckham and Phil McKenney are proud members of ICMA and adhere to the ICMA Code of Ethics. All recruitments listed herein were personally conducted by either Bobbi Peckham or Phil McKenney.

City/County Manager, Executive Director, and Related

Alameda County Waste Mgt. Authority  | Executive Director
American Canyon, City of  | City Manager
American Water Works Assoc., CA/NV Section  | Executive Director
Arvada, CO, City of  | Deputy City Manager
Ashland, OR, City of  | City Administrator (2002 and 2005)
Atherton, City of  | Assistant City Manager
Baldwin Park, City of  | Chief Executive Officer
Belmont, City of  | City Manager
Benicia, City of  | City Manager
Big Bear Lake, City of  | City Manager (1995, 2001 and 2006)
Big Bear Lake, City of  | General Manager, Dept. of Water & Power
Big Bear Lake, City of  | Asst. General Mgr., Dept. of Water & Power
Buellton, City of  | City Manager
California Water Pollution Control Association  | Association Manager
Calistoga, City of  | City Manager
Campbell, City of  | City Manager
Carlsbad, City of  | Assistant City Manager
Carmel-by-the-Sea, City of  | City Administrator
Corvallis, OR, City of  | City Manager
Del Mar, City of  | City Manager
Delano, City of  | City Manager
Douglas County, CO  | Deputy County Manager
Durango, CO, City of  | City Manager
East Palo Alto, City of  | City Manager
Encinitas, City of  | City Manager
Exeter, City of  | City Manager
Foothills Park & Recreation District, Littleton, CO  | City Manager
Fort Lupton, CO, City of  | City Manager (2001 and 2006)
Fremont, City of  | City Manager
Gillette, WY, City of  | City Manager
Gilroy, City of  | City Manager
Gilroy, City of  | Assistant City Manager
Glendale, City of  | City Administrator
Grand Junction, CO, City of  | Assistant City Administrator
Greeley, CO, City of  | City Manager
Hayward, City of  | City Manager
Hayward, City of  | City Manager
Hesperia, City of  | Assistant City Manager
Hughson, City of  | City Manager
Indio, City of  | City Manager
King City, City of  | County Manager
La Plata County, CO  | County Manager
<table>
<thead>
<tr>
<th>Location</th>
<th>Position</th>
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<tbody>
<tr>
<td>Laramie, WY, City of</td>
<td>City Manager</td>
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<tr>
<td>Mammoth Lakes, Town of</td>
<td>Town Manager</td>
</tr>
<tr>
<td>Manitou Springs Chamber of Commerce,</td>
<td>Chief Operating Officer</td>
</tr>
<tr>
<td>Visitors Bureau &amp; Office of Economic Development, CO</td>
<td></td>
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<tr>
<td>Martinez, City of</td>
<td>City Manager</td>
</tr>
<tr>
<td>Midpeninsula Regional Open Space District</td>
<td>General Manager</td>
</tr>
<tr>
<td>Midpeninsula Regional Open Space District</td>
<td>Assistant General Manager</td>
</tr>
<tr>
<td>Mill Valley, City of</td>
<td>City Manager</td>
</tr>
<tr>
<td>Milpitas, City of</td>
<td>City Manager</td>
</tr>
<tr>
<td>Monte Vista Water District</td>
<td>Town Manager</td>
</tr>
<tr>
<td>Moraga, Town of</td>
<td>General Manager</td>
</tr>
<tr>
<td>Mountain House Community Svcs. District, CA</td>
<td>Assistant General Manager</td>
</tr>
<tr>
<td>Mountain Village, CO, Town of</td>
<td>Town Manager</td>
</tr>
<tr>
<td>Norco, City of</td>
<td>City Manager</td>
</tr>
<tr>
<td>North Lake Tahoe Public Utility District</td>
<td>General Manager</td>
</tr>
<tr>
<td>North Lake Tahoe Resort Association</td>
<td>Executive Director</td>
</tr>
<tr>
<td>Novato, City of</td>
<td>City Manager</td>
</tr>
<tr>
<td>Orange County Fire Authority</td>
<td>Assistant Chief, Business Services</td>
</tr>
<tr>
<td>Palmdale, City of</td>
<td>City Manager</td>
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<tr>
<td>Palo Alto, City of</td>
<td>City Manager</td>
</tr>
<tr>
<td>Palos Verdes Estates, City of</td>
<td>City Manager</td>
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<tr>
<td>Park City Municipal Corporation, UT</td>
<td>Deputy City Manager</td>
</tr>
<tr>
<td>Pleasant Hill, City of</td>
<td>General Manager</td>
</tr>
<tr>
<td>Porterville, City of</td>
<td>City Manager</td>
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<tr>
<td>Public Agency Risk Sharing Authority of CA</td>
<td>Executive Director</td>
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<tr>
<td>Redding, City of</td>
<td>City Manager</td>
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<tr>
<td>Redlands, City of</td>
<td>City Manager</td>
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<tr>
<td>Redwood City, City of</td>
<td>City Manager</td>
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<tr>
<td>Rohnert Park, City of</td>
<td>City Manager</td>
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<tr>
<td>Sacramento, CA, Crocker Art Museum</td>
<td>General Manager</td>
</tr>
<tr>
<td>San Jacinto, City of</td>
<td>City Manager</td>
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<tr>
<td>San Jose, City of</td>
<td>City Manager</td>
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<tr>
<td>San Mateo, County of</td>
<td>City Manager</td>
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<tr>
<td>San Rafael, City of</td>
<td>City Manager</td>
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<tr>
<td>Santa Clara Co. Open Space Authority</td>
<td>Executive Director</td>
</tr>
<tr>
<td>Sea Ranch Association, CA</td>
<td>City Manager</td>
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<tr>
<td>Sedona, AZ, City of</td>
<td>City Manager</td>
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<tr>
<td>Solvang, City of</td>
<td>City Manager</td>
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<tr>
<td>Snowmass Village, CO, Town of</td>
<td>Assistant City Manager</td>
</tr>
<tr>
<td>Springfield, OR, City of</td>
<td>General Manager</td>
</tr>
<tr>
<td>St. Helena, City of</td>
<td>Community Manager</td>
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<tr>
<td>Steamboat Springs, CO, City of</td>
<td>City Manager</td>
</tr>
<tr>
<td>Steamboat Springs Chamber Resort Assoc., CO</td>
<td>General Manager</td>
</tr>
<tr>
<td>Teton County, WY</td>
<td>City Manager</td>
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<tr>
<td>Tracy, City of</td>
<td>City Manager</td>
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<tr>
<td>Tracy, City of</td>
<td>City Manager</td>
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<tr>
<td>Truckee, Town of</td>
<td>City Manager</td>
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<tr>
<td>Tulare, City of</td>
<td>City Manager</td>
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<tr>
<td>Tulare Co. Economic Development Corporation</td>
<td>Executive Vice President</td>
</tr>
<tr>
<td>Tulare Co. Economic Development Corporation</td>
<td>County Administrator</td>
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<tr>
<td>Tulare Co. Economic Development Corporation</td>
<td>City Manager</td>
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<tr>
<td>Tulare Co. Economic Development Corporation</td>
<td>Assistant City Manager</td>
</tr>
<tr>
<td>Tulare Co. Economic Development Corporation</td>
<td>Town Manager</td>
</tr>
<tr>
<td>Tulare Co. Economic Development Corporation</td>
<td>City Manager</td>
</tr>
</tbody>
</table>
City Attorney/Legal Counsel

Antioch, City of
Ashland, OR, City of
Arcata, City of
Burlingame, City of
Eureka, City of
Garfield County, CO
Hayward, City of
Midpeninsula Regional Open Space District, CA
Mountain Village, CO, Town of
Pleasanton, City of
Redding, City of
Richmond, City of
San Bruno, City of

Community Development/Planning/Environmental Services

Alhambra, City of
Ashland, OR, City of
Baldwin Park, City of
Belmont, City of
Beverly Hills, City of
Brookings Economic Development Agency, SD
Corte Madera, Town of
Delano, City of
Delano, City of
Eastern Municipal Water District
Fremont, City of
Fremont, City of
Grand Junction, CO, City of
Hayward, City of
Hayward, City of
Hesperia, City of
Jefferson County, CO
Laguna Niguel, City of
Livermore, City of
Martinez, City of
Mountain Village, CO, Town of
Murrieta, City of

Town Manager
Director of Health & Human Services
City Administrator
Town Manager
Town Manager
Town Manager
Executive Director/Air Pollution Conti Officer
County Administrator
County Administrative Officer

City Attorney
County Attorney
City Attorney
City Attorney
City Attorney
County Attorney
City Attorney
General Counsel
Town Attorney
City Attorney
Assistant City Attorney
City Attorney
City Attorney

Director of Development Services
Community Development Director
Community Development Director
Community Development Director
Community Development Director
Executive Director
Environmental Services Director
Community Development Director
Economic Development Manager
Director, Development & Customer Services
Deputy Director of Community Development
Deputy Redevelopment Agency Director, Housing
Community Development Director
Community Development Director
Economic Development Manager
Redevelopment Director
Planning & Development Director
Director of Community Development
Economic Development Director
Community Development Director
Dir. Of Community Development & Housing Development Services Director
Needles, City of
North Tahoe Public Utility District, CA
Novato, City of
Novato, City of
Oceanside, City of
Pasadena, City of
Reno, NV, City of
San Bernardino, City of
San Bruno, City of
San Clemente, City of
San Mateo, City of
San Mateo, City of
San Pablo, City of
San Pablo, City of
San Rafael, City of
County of Santa Clara, San Jose, CA
Seaside, City of
Seaside, City of
Teton County, CO
Vail, CO, Town of
Walnut Creek, City of
Washington County, OR
Winters, City of

Library Director and Related
Boulder, CO, City of
Hayward, City of
Huntington Beach, City of
Mountain View, City of
Oceanside, City of
Orange, City of
Palo Alto, City of
Pleasanton, City of
Sacramento Public Library
Torrance, City of

Parks & Recreation
Foothills Park & Rec. District, CO
Los Altos, City of
North Clackamas County, OR
Novato, City of
Pacifica, City of
Palo Alto, City of
Pleasanton, City of
Pleasanton, City of
Reno, NV, City of
Rialto, City of
Roseville, City of
San Clemente, City of

City Planner
Planning & Engineering Manager
Community Development Director
Planning Manager
Economic Development Director
Director of Planning & Permitting
Redevelopment Administrator
Business Development Manager
Community Development Director
Econo. Development & Housing Director
Planning Manager
Building Official
Development Services Director
Planning Manager
Community Development Director
Director, Dept. of Planning & Development
Sr. Planning Services Manager
Redevelopment Services Manager
Planning & Development Director
Director of Community Development
Economic Development Manager
Land Development Services Manager
Community Development Director

Library Director
Library Director
Library Director
Library Director
Library Director
City Librarian
Library Director
Library Services Director
Library Director
Cultural Arts Administrator

Executive Director
Recreation Director
Parks & Recreation Director
Depty Director, Parks Rec. & Comm. Svcs.
Dir. Of Parks, Beaches & Recreation
Community Services Director
Community Services Manager
Director of Parks & Community Svcs.
Director of Parks & Recreation
Parks & Community Services Director
Parks, Rec. & Libraries Director
Dir. Of Beaches, Parks & Recreation
Tracy, City of
Vacaville, City of
West Sacramento, City of

Public Works/Engineering and Related
Ashland, OR, City of
Belmont, City of
Belmont, City of
Benicia, City of
Big Bear Lake, City of
Campbell, City of
Campbell, City of
Carlsbad, City of
Chino Basin Municipal Water District, CA
Delta Diablo Sanitary District, CA
Fremont, City of
Gilroy, City of
Greeley, CO, City of
Greenfield, City of
Hayward, City of
Jefferson County, Golden, CO
Louisville, CO, City of
Marin Municipal Water District, CA
North Tahoe Public Utility District, CA
Oceanside, City of
Orange County Fire Authority, CA
Orange County Fire Authority, CA
Port San Luis Harbor District, CA
Reno, NV, City of
Sacramento County, CA
San Jose, City of
San Luis Obispo, City of
Santa Paula, City of
Steamboat Springs, CO, City of
Yorba Linda, City of

Human Resources/Personnel
AC Transit District
Azusa, City of
Belmont, City of
Belmont, City of
Brookings, SD, City of
Contra Costa Water District, CA
Delta Diablo Sanitation District, CA
Douglas County, CO
East Bay Regional Park District
Glendale, AZ, City of
Hayward, City of
Jefferson County, CO

Parks & Community Services Director
Director of Community Services
Parks & Community Services Director
Public Works Director
Public Works Director
Senior Civil Engineer
Land Use & Engineering Manager
City Engineer
City Engineer
Associate Civil Engineer
Deputy Public Works Director
Manager of Planning & Engineering
Senior Engineer
Manager of Maintenance Operations
Building Field Services Manager
Public Works Director
Public Works Director
Director of Public Works
Airport Manager
Public Works Director
Environmental Resources Division Manager
Planning & Engineering Manager
Community Services Director
Fleet Manager
Property Manager
Facilities Manager
Fleet Manager
Associate Civil Engineer
General Services Director
Public Works Director
Public Works Director
Public Works Director
Field Services Supervisor

Human Resources Manager
Human Resources Director
Human Resources Director
Personnel Analyst
Director of Human Resources
Human Resources Manager
Personnel Officer
Human Services Director
Personnel Director
Personnel Director
Human Resources Director
Human Resources Director (2 searches)
<table>
<thead>
<tr>
<th>Organization</th>
<th>Position</th>
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</thead>
<tbody>
<tr>
<td>Las Vegas Metropolitan Police Department, NV</td>
<td>Director, Selection &amp; Classification</td>
</tr>
<tr>
<td>Midpeninsula Regional Open Space District</td>
<td>Administration/Human Resources Director</td>
</tr>
<tr>
<td>Mountain View, City of</td>
<td>Director of Employee Services</td>
</tr>
<tr>
<td>Oceanside, City of</td>
<td>Personnel Director</td>
</tr>
<tr>
<td>Orange County Fire Authority, CA</td>
<td>Human Resources Director</td>
</tr>
<tr>
<td>Palm Desert, City of</td>
<td>Human Resources Manager</td>
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<tr>
<td>Palo Alto, City of</td>
<td>Director of Human Resources</td>
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<tr>
<td>Porterville, City of</td>
<td>Administrative Services Manager</td>
</tr>
<tr>
<td>Redwood City, City of</td>
<td>Human Resources Director</td>
</tr>
<tr>
<td>San Bruno, City of</td>
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Porterville, City of
Rancho Cordova, City of
Reno, NV, City of
San Diego County Water Authority
San Mateo, City of
Santa Clarita, City of
Santa Cruz, City of
Seaside, City of
Steamboat Springs, CO, City of
Superior Court of Calif./Co. of San Mateo
Union City, City of
Ventura, City of
Visalia, City of
Washington County, OR
Western Municipal Water District
Winter Park, CO, City of
Yorba Linda, City of

Public Safety/Law Enforcement
Alhambra, City of
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Antioch, City of
Atherton, City of
Baldwin Park, City of
Belmont, City of
Clayton, City of
Gilroy, City of
Hayward, City of
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Lone Tree, CO, City of
Los Altos, City of
Menlo Park, City of
Milpitas, City of
Modesto, City of
Oceanside, City of
Porterville, City of
Redondo Beach, City of
Riverton, WY, City of
San Rafael, City of
Santa Monica, City of
Vall, CO, Town of
West Covina, City of

Finance Director
Controller
Accounting Manager
Administrative Services Manager
Assistant Finance Director
Finance Director
Investment Analyst
Finance Director
Finance Manager
Finance Director
Financial Services Manager
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Chief of Police
Fire Chief
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Police Chief
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Fire Chief
Fire Chief
Fire Chief
Patrol Operations Commander
Police Captain
Police Chief
Police Chief
Fire Chief
Police Captain
Chief of Police
Communications Manager
Police Chief
Chief of Police
Police Chief
Fire Chief
Fire Chief

City/County Clerk
Alameda County, CA
Berkeley, City of

Clerk of the Board
City Clerk
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<td>San Diego County Water Authority</td>
<td>Information Systems Manager</td>
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THE COMMUNITY

Present day Carmel-by-the-Sea began on a summer day in the 1890's when James Franklin Devendorf stood with his family on Pescadero Point gazing across Carmel Bay at the stunning crescent of white sand. It was here he decided to create a residential, family-oriented community that, from its inception, respected and enhanced the natural setting. With the community's incorporation in 1916, City leaders passed an Ordinance in 1929 determining Carmel to be

"...primarily, a residential City wherein business and commerce have in the past, are now, and are proposed to be in the future subordinated to its residential character..."

Located 120 miles south of San Francisco on the Monterey Peninsula, Carmel today is renowned for its rich beauty and prides itself on its white sand beach, verdant urban forest, natural parklands, and roadside greenbelts all within a one-square-mile, built-out community. Monterey pines, live oaks, and Monterey cypress provide an abundant tree canopy throughout the City. Carmel offers its 4,000 residents premium, quality services and amenities. The City has a high median household income and property values and an average age of 55 years. The Carmel area offers outstanding educational opportunities through the Carmel Unified School District, which has won state and national awards for excellence, as well as institutions of high learning on the Monterey Peninsula.

Carmel community leaders and residents work diligently to create a balance between the focus on a quality residential community while taking advantage of the arts by sponsoring a community theater west of the Mississippi. Each year, visitors are drawn to the diversity of festivals and events created to promote and enhance the creative traditions of Carmel, including the Carmel Art Festival (plein air), Carmel Bach Festival, Carmel Art & Film Festival, and Carmel Authors & Ideas Festival. In addition, the Concours d'Elegance Car Parade and Display and Concours on the Avenue are held annually during “Car Week” on the Peninsula, plus a number of community events marking the Fourth of July parade, City's birthday and parade, and the annual tree lighting ceremony ushering in the holidays. To learn more about the City of Carmel-by-the-Sea, please visit the City's web site at www.ci.carmel.ca.us.

THE ORGANIZATION

Incorporated as a General Law City, Carmel is organized as a Council/City Administrator form of government. The City Council is composed of a Mayor and four Council Members, all of whom are elected at large. The Mayor serves a two-year term, and the Council Members serve four-year, overlapping terms. Municipal elections are held in April of each even-numbered year, and the seats of the Mayor and two Council members will be on the ballot in 2012. The Council provides community leadership, develops policies

Library Board of Trustees, Community Activities and Cultural Commission, Forest and Beach Commission, and Historic Resources Board.

The City’s top three revenue sources include transient occupancy tax, property tax, and sales tax; tourism counts for 2/3 of the City’s revenues. Recently received data illustrate that there is a welcome up-tick in all three major revenue categories. However, due to increasing employee salary and benefit costs over the past decade, the Council is currently reviewing shared services for budgetary savings. In addition, the City is evaluating a Paid Parking Program for the purpose of increasing general fund revenues.

THE POSITION

Discussions with the Mayor and City Council,
Residents of Carmel realize the contributions from business and tourism, but they also jealously guard the residential character of the community. This results in a need to focus on the financial viability of the community and its infrastructure while managing the inevitable changes.

The City Administrator will be comfortable working with an actively engaged citizenry that is accustomed to high standards. Developing the confidence of the community, City staff, and Council, the Administrator will explain, interpret, and propose new approaches and decisions in a professional manner. The Administrator will be unflappable and calm under pressure and stand firm on City principles.

Carmel is seeking candidates with creativity and proven leadership. The Administrator will look to the future and envision opportunities for the community as well as the path to get there. A strategic thinker who is able to identify additional revenue sources and make clear, research-supported recommendations for Council consideration is desired. Sensitive to the needs of the community and organization, the City Administrator will actively engage with neighboring jurisdictions in the discussion regarding potential shared services and will provide recommendations for increased efficiencies and sharing of limited resources.

Teaming with the City Council, the City Administrator will maintain effective relations and treat all fairly, equally, and respectfully. The ideal candidate is politically astute and remains apolitical, allowing the Mayor and Council to determine the
final decision. The City Administrator will be an effective listener and skilled communicator (both verbal and written), able to interpret Council policy to the organization and guide staff in its implementation. The Administrator will have the highest integrity and ethical standards and be genuine in character.

While respecting the talents of staff, the City Administrator will serve as a mentor and coach in order to enhance the delivery of high quality services to the community. The new Administrator will be a hands-on manager, able to roll up his/her sleeves and get the job done. The Administrator will bring energy to the organization, effectively communicate expectations, and promote and enhance teamwork and unity. It is expected that the City Administrator will possess strong organizational and planning skills and the ability to remain consistent with the plan while juggling a variety of priorities. Lastly, a calm demeanor and sense of humor will be essential.

Most importantly, the City Administrator will be respectful of Carmel's history and identity and passionate about serving the community. Visible, accessible, and actively involved in the community, the City Administrator will become part of the fabric of Carmel. The ideal experience will be in a small coastal community with a focus on balancing components of residential, natural beauty, and tourism. Proven experience in municipal finance/budgeting, labor relations, planning, building, and design guidelines; and/or engineering is desired. A Bachelor's degree in public or business administration or related field is required; Master's preferred.

**The Compensation**

The salary for this position is open depending upon the qualifications of the selected candidate. The City offers an attractive benefits package including CalPERS retirement; health, dental, and vision insurance; life and A.D.&D. insurance; monthly automobile allowance; and annual leave and holidays. In addition, a deferred compensation program is available.

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**Search Schedule**

- **Resume filing deadline:** July 8, 2011
- **Preliminary Interviews:** July 18-27, 2011
- **Recommendation of Candidates:** August 2, 2011
- **Final Interview Process:** August 11-12, 2011

These dates have been confirmed, and it is recommended that you plan your calendar accordingly.

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**The Recruitment Process**

To apply for this outstanding career opportunity, please send your resume and cover letter electronically to:

Peckham & McKenney
apply@peckhamandmckenney.com

Please do not hesitate to call Bobbi Peckham toll-free at (866) 912-1919 if you have any questions regarding this position or recruitment process.
PROPOSAL TO RECRUIT
A CITY MANAGER
FOR THE CITY OF INDIAN WELLS, CA

October 2011
October 20, 2011

VIA FEDEX

CONFIDENTIAL

Mayor and Members of the City Council

c/o Mr. Mel Windsor

Interim City Manager

City of Indian Wells

44-950 Eldorado Drive

Indian Wells, CA 92210-7497

Dear Mayor and Members of the City Council:

In response to your request, ROBERTS CONSULTING GROUP, INC. is pleased to submit this proposal to assist the City of Indian Wells in recruiting and evaluating candidates for the position of City Manager.

In addition to having previously been a full-time resident of Indian Wells, Norm Roberts has managed/conducted city manager/chief executive recruitments for the following affluent cities in California: Beverly Hills, Los Altos Hills, Malibu, Palo Alto, Piedmont, Rancho Palos Verdes and Rolling Hills; as well as for West Hartford (CT), Scarsdale (NY), Alexandria (VA) and Bellevue (WA).

In this proposal we outline our general understanding of your requirements and present the process we recommend to conduct this recruitment. It is a process we have successfully utilized for more than 20 years. However, if you desire some modification, we would be pleased to discuss this with you.

We look forward with great interest to working with you on this very important assignment.

Sincerely,

Valerie S. Roberts

President

Roberts Consulting Group Inc.
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Exhibit A – Chief Executive Recruitments for General Purpose Local Governments Managed and/or Conducted by Norman Roberts
Exhibit B – Biography for Norman C. Roberts
Exhibit C – Biography for Valerie S. Roberts
BACKGROUND OF THE ORGANIZATION

The primary objective of ROBERTS CONSULTING GROUP, INC. is to provide our clients with unsurpassed excellence in executive recruitment. Accepting only a limited number of recruitments, we are able to provide senior level, hands on service of the highest quality. From ascertaining our client's needs, to identifying and recruiting qualified candidates, and extensively verifying background information, the work is conducted by senior level consultants with numerous years of experience and judgment. We are also skilled in negotiating final offers, increasing the likelihood of successfully hiring the desired candidate.

Norm Roberts pioneered the field of public sector recruitment over 35 years ago. During his career, he has managed/conducted in excess of 3,000 chief executive and senior level recruitments for general purpose local governments throughout the country. Valerie Roberts has over 25 years of executive recruitment experience, having co-founded and managed Norman Roberts & Associates, Inc., then the largest search firm in the U.S. specializing in public sector recruitment. The majority of our clients have hired us on numerous occasions, including one California county having hired us more than 40 separate times.

Norm Roberts has extensive experience recruiting chief executives for general purpose local governments throughout the country. In addition to having previously been a full-time resident of Indian Wells, Norm Roberts has managed/conducted city manager/chief executive recruitments for the following affluent cities in California: Beverly Hills, Los Altos Hills, Malibu, Palo Alto, Piedmont, Rancho Palos Verdes and Rolling Hills; as well as for West Hartford (CT), Scarsdale (NY), Alexandria (VA) and Bellevue (WA).

Our firm is currently conducting City Manager recruitments for the California cities of Glendale, Riverside and Vallejo. Norm Roberts previously managed/conducted chief executive recruitments for the following California cities: Albany, Arcadia, Bakersfield, Baldwin Park, Banning, Belmont, Berkeley, Beverly Hills, Brea, Buellton, Burbank, Camarillo, Carson, Citrus Heights, Corte Madera, Culver City, Cypress, Dana Point, Desert Hot Springs, Diamond Bar, East Palo Alto, El Segundo, Encinitas, Fontana, Fresno, Glendora, Hemet, Hercules, Hidden Hills, Huntington Beach, King City, Laguna Niguel, Lawndale, Livermore, Lomita, Los Altos Hills, Malibu, Marina, Martinez, Modesto, Monterey Park, Moreno Valley, Morgan Hill, Norco, Novato, Oakland, Ontario, Oxnard, Palm Springs, Palo Alto, Piedmont, Pomona, Porterville, Rancho Palos Verdes, Redding, Redlands, Redwood Beach, Redwood City, Riverside, Rolling Hills, Salinas, San Buenaventura, San Diego, San Fernando, San Jacinto, San Jose, Santa Ana, Santa Clarita, Santa Monica, Signal Hill, Solvang, Stanton, Sunnyvale, Tulare, Turlock, Visalia, Vista, Walnut Creek, West Covina, West Hollywood, Whittier and Yorba Linda. In addition, we have recruited chief executives for many of the counties in California. For example, we are about to start recruiting the County Executive for Riverside County and we recently recruited chief executives for the counties of Butte, Contra Costa, Sacramento, Santa Clara and Sonoma. A list of chief executive recruitments for general purpose local governments managed and/or conducted by Norm Roberts can be found in Exhibit A.

Our firm has also conducted numerous recruitments in Riverside County. We are currently recruiting the City Manager for the City of Riverside, in January we will be starting a recruitment
for the City Manager for the City of Eastvale, and we are about to start conducting our seventh senior level recruitment for Riverside County. We also recruited the General Manager for the Eastern Municipal Water District and the President/CEO for the Palm Springs Desert Resorts Convention and Visitors Authority. Other clients in Riverside County have included: the cities of Desert Hot Springs, Hemet, Moreno Valley, Norco, Palm Desert, Palm Springs, Perris, Redlands and San Jacinto; the Agua Caliente Tribal Council; Inland Empire Economic Partnership; Inland Empire Utilities Agency; and Riverside County Transportation Commission.

We believe the primary advantages in utilizing our firm, and what may differentiate us from others, include our:

- Familiarity with Indian Wells from having previously been full time residents there, as well as our familiarity with the area from numerous other recruitments conducted in Riverside County.
- Extensive experience recruiting chief executives for general purpose local governments throughout the nation, including for many affluent cities.
- Proactive recruitment of candidates who may not be seeking new positions and would not normally respond to routine advertising, or who may come from non-traditional sources.
- Track record of success in placing senior level executives in particularly sensitive and highly responsible/accountable positions.
- Quality of our work—indicative of this is the fact that, over the years, most of our clients have utilized our services on more than one occasion, and many have hired us numerous times.
- Proven ability to identify and recommend qualified female and minority candidates.
- Ability to conduct a recruitment in a timely and complete manner.
- Thoroughness in conducting reference and background checks—we are very specific in the reference names we request from candidates.

Norm Roberts will be the onsite person responsible for this assignment and will be assisted by Valerie Roberts. Our biographies can be found in Exhibits B and C.

SCOPE OF SERVICES

Our objective is to find the best qualified candidates for our clients. While notices in professional journals may be helpful, many of the best candidates must be sought out and their interest encouraged. Our familiarity with the City, knowledge of the field and our relationships with professional organizations make us well qualified to assist you.

Our clients have found that we are able to: 1) build consensus among those involved in the hiring process; 2) develop the appropriate specifications for a position; 3) encourage the interest of top-level people who would otherwise be reluctant to respond to an advertisement, 4) preserve the confidentiality of inquiries, consistent with State public disclosure and open meeting laws;
5) save a considerable amount of time for client staff in developing and responding to candidates; and 6) independently and objectively assess the qualifications and suitability of candidates for the particular position for which we are recruiting.

As requested, if selected to conduct this recruitment, we will provide the City with the names of several possible candidates to serve as Interim City Manager until the position is permanently filled. In addition, we will do the following:

**Information Gathering and Analysis**

We will meet with the Mayor, Members of the City Council and other appropriate individuals to obtain views of the position and expectations regarding desirable training, experience and personal characteristics of candidates. We will also gather/review relevant information about the City and the position.

After summarizing our findings, we will submit a draft Recruitment Brochure with the desired qualifications and characteristics for your approval. The Recruitment Brochure that will be sent to potential candidates will include information about the City, the job and the criteria established by you.

**Candidate Recruitment/Outreach**

Once you have approved the Recruitment Brochure, we will proactively seek out individuals with superior qualifications and invite and encourage their interest. Announcements will be placed on-line and in professional journals. However, we will rely heavily on our own experience and contacts.

We will not discriminate against any applicant for employment on the basis of race, religion, creed, age, color, marital status, sex, sexual preference, disabilities, medical condition, veteran status or national origin.

**Initial Screening**

We will review, acknowledge and evaluate all resumes received. Initial screening will be based upon criteria contained in the Recruitment Brochure, information contained in the resumes submitted to us, and our knowledge of the people and organizations in which they work. Telephone screening will be conducted with the most promising candidates to gain a better understanding of their backgrounds.

**Interim Reporting**

Upon completion of our initial screening, we will assemble and submit a report of the leading candidates. This report will include summary resumes, supplemental information, and the original resumes of those candidates we believe to be best qualified for the position. Supplemental information on a candidate typically includes: the size of the organization for which the person works, reporting relationships, budget responsibility, the number of people supervised, related experience and reasons for interest in the position. Any other specific information will be dictated by the criteria set forth in the Recruitment Brochure.
The purpose of our interim report is to allow our client an opportunity to review the candidates prior to the conclusion of the search, and it allows us to receive feedback on the caliber of the candidates recruited. In this way, you will not be surprised by the candidates, as you will have seen their qualifications prior to the final interviews. Of course, we are flexible and may consider other individuals as final candidates who are subsequently identified and were not included in the interim report.

**Candidate Assessment**

We will interview (either in person or via video-conference) those candidates whose qualifications most closely match the criteria established by you. We will examine their qualifications and achievements in view of the selection criteria. Additionally, we will verify degrees and certifications, gather news articles via the Internet, and conduct credit/criminal/civil litigation/motor vehicle record checks through an outside service.

As part of our process in evaluating candidates, we make telephone reference checks. In conducting these references, it is our practice to speak directly with individuals who are, or have been, in a position to evaluate the candidate's performance on the job. These references and our evaluations provide you with a frank, objective appraisal of the candidates. Following interviews by the City, we will conduct references for the top one or two candidates.

**Client Interviewing**

We will assist you in scheduling final candidates for interview with your organization. We will also prepare a brief written report for those candidates most nearly meeting your specifications, and will provide you with interviewing/selection tips, suggested interview questions, and rating forms for your use. Candidates will not be ranked, for we believe it will then be a matter of chemistry between you and the candidates. We will conduct a “briefing session” immediately preceding your interviews to make sure that the process flows smoothly, and will assist you in a “debriefing” immediately following the interviews. Once we finalize references on the top one or two candidates, we will provide you with a detailed, supplemental written report.

**Additional Consultant Assistance**

Our efforts do not conclude with the presentation of the final report. We are committed to you until a successful placement is made. Services that are routinely provided include:

- Arranging the schedule of interviews and the associated logistics for final candidates.
- Advising on starting salary, fringe benefits, relocation trends and employment packages.
- Acting as a liaison between client and candidate in discussing offers and counter offers.
- Conducting a final round of reference checking with current employers (if not previously done for reasons of confidentiality).
- Notifying unsuccessful candidates, who were not recommended for interview, of the decision.
THE CLIENT'S ROLE

We work in partnership with our clients in conducting a search. While we may identify and recommend qualified candidates, it is the client who must make the decision about which candidate(s) to hire. In order to ensure that the best candidates are available from which to choose, our clients should be willing to do the following:

- Clearly inform us about matters relevant to the search that you wish to keep confidential (e.g., salary, personnel issues, and other privileged information).
- Supply us with the names of people you have previously interviewed/considered for this position.
- Forward to us copies of the resumes you receive, to avoid duplication of effort.
- Provide feedback regarding the information and recommendations provided by us.
- Promptly decide upon and follow up in scheduling interviews with the most promising candidates.
- Assist in providing information to candidates that will enable them to make their career decisions.

By doing the above, we will maximize the likelihood of mutual success.

Finally, please be reminded that the United States Immigration Reform and Control Act of 1986 requires that all employers verify an employee's eligibility to work in the United States. Since we cannot serve as your agent in this matter, your hiring process should include this verification procedure.

PROPOSED TIME SCHEDULE

The following is a typical schedule to conduct a thorough recruitment. However, we would be pleased to modify to this to meet your needs:

Weeks 1 to 4
Meet with the Mayor, Members of the City Council and other appropriate individuals to gather background information.
Develop and obtain approval for the Recruitment Brochure.
Develop a list of potential candidates to target.
Prepare and place advertisements.

Weeks 5 to 9
Proactive recruitment—solicit, receive and acknowledge resumes.
Evaluate resumes and gather supplemental information.
Conduct preliminary telephone interviews with leading candidates.

Week 10
Submit interim report and meet with you to review leading candidates.
Weeks 11 and 12
Verify degrees and certifications, conduct credit/criminal/civil litigation/motor vehicle record checks and interview the best qualified candidates.

Week 13
Submit report on final candidates and initiate the interview process with you.

Following Interviews
Finalize references and assist with negotiations.

FEES AND EXPENSES

We propose a total fixed fee of $27,000 for this recruitment, which includes our firm's expenses. Our budget provides for the following meetings: 1) to develop the Recruitment Brochure; 2) to present the Interim Report; and 3) to attend interviews of final candidates. Please note that our budget does not include reimbursement of candidates who travel to be interviewed by you. Unless you notify us to the contrary, we will assume that you will handle these reimbursements directly. We will submit three equal invoices for fees, due and payable within 30 days. Our first billing will be upon submission of the draft Recruitment Brochure, the second at the deadline for receipt of resumes, and the third upon presentation of our report on the day of interviews (or 90 days from the start of the recruitment, whichever comes first).

Though we are committed to working with you until a placement is made, our fees are not contingent upon our success in placing a candidate with your organization. However, if the selected candidate (other than an internal candidate and if recommended by us for an interview) should be terminated within one year from the date of hire, we will redo the search for no additional professional fee. We would, however, expect to be reimbursed for any expenses that might be incurred. And, in the event that more than one executive is hired in connection with work performed by us (i.e., for another position within your organization), a fee of $10,000 will be due for each additional executive hired.

You may discontinue this assignment at any time by written notification. In the unlikely event that this occurs, you will be billed for fees based upon the time elapsed from the commencement of the assignment to the date of cancellation. If a cancellation occurs within the first 30 days of the assignment, following either verbal or written authorization to proceed, one-third of the professional fee will be due. If a cancellation occurs thereafter, the fee beyond the first one-third will be prorated based upon the number of calendar days which have elapsed. If a cancellation occurs after 90 days, all professional fees will be due in full.

Our ability to carry out the work required is heavily dependent on our past experience in providing similar services to others, and we expect to continue such work in the future. We will, however, preserve the confidential nature of any information received from you or developed during the work in accordance with our established professional standards.

We assure you that we will devote our best efforts to carrying out the work required. The results obtained, our recommendations and any written material we provide will be our best judgment based on the information available to us and our liability, if any, shall not be greater than the amount paid to us for the services rendered.
# EXHIBIT A

CHIEF EXECUTIVE RECRUITMENTS FOR
GENERAL PURPOSE LOCAL GOVERNMENTS
MANAGED AND/OR CONDUCTED BY NORMAN ROBERTS

## Arizona, State of

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## California, State of

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Turlock, City of
Ventura County
Visalia, City of
Vista, City of
Walnut Creek, City of
West Covina, City of
West Hollywood, City of
Whittier, City of
Yorba Linda, City of

COLORADO, STATE OF
Arapahoe County
Aurora, City of
Boulder, City of
Estes Park, Town of
Lakewood, City of
Northglenn, City of

COLUMBIA, DISTRICT OF
District of Columbia Financial Responsibility & Management Assistance Authority

State of California:
City Manager
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City Manager
County Manager
City Administrative Officer
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County Administrator
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County Administrative Officer
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Town Administrator
City Administrative Officer
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Chief Management Officer

Page 3 of 6
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Page 4 of 6
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EXHIBIT B

NORMAN C. ROBERTS

Norman Roberts pioneered the field of public sector recruitment more over 35 years ago. During his career, he has managed more than 3,000 senior level recruitments. In addition, he has also provided other management consulting services for numerous local governments.

Mr. Roberts co-founded ROBERTS CONSULTING GROUP, INC. in 2003 to provide executive recruitment services to local governments. Previously, he co-founded and, for 11 years, served as President of Norman Roberts & Associates, Inc., then the largest search firm in the U.S. specializing in public sector recruitment. He became a Vice President with Maximus, Inc. when the firm was acquired in 1999, and continued in that role until 2003. Prior to establishing Norman Roberts & Associates in 1988, Mr. Roberts was a Senior Vice President of Korn/Ferry International (KFI). He joined KFI in 1976 and was founder and manager of the firm’s national public sector, not-for-profit, education and healthcare executive search practices. Among the many placements made by Mr. Roberts was the President of the Los Angeles Olympic Organizing Committee, Mr. Peter Ueberroth.

Mr. Roberts was previously employed for five years by Arthur D. Little, Inc. (ADL), where he conducted general consulting assignments and recruited executives for local governments and associations. Before joining ADL, Mr. Roberts was a senior consultant with Peat, Marwick, Mitchell & Co., during which time he managed several major consulting engagements to provide management assistance to public agencies. For three years before this, he was a senior member of the Executive Director’s staff of a federally funded program with a $60 million annual budget. Previously, he was Assistant City Administrator of the City of Lomita. He began his career as a staff assistant to the City of Los Angeles’ Board of Public Works.

Mr. Roberts received a Bachelor of Arts degree in Political Science from the University of California, Los Angeles (UCLA), and a Master’s degree in Public Administration from the University of Southern California (USC).

In the book The Career Makers, which profiles the top 150 executive recruiters in the nation, Mr. Roberts was ranked as the leading recruiter for both Government Agencies/Municipalities and Engineering. He was among the top ten for Transportation, MIS/Computer Operations, and Women/Handicapped/Minorities, as well as being named a leader in several other areas, including Associations/Societies/Non-Profit Organizations, Health Services/Hospitals, Universities/Colleges/Schools, Public Relations/Government Affairs, Legal, Law/Accounting/Consulting Firms, Construction and Retail.

Mr. Roberts is a Past President of both the Los Angeles and San Francisco chapters of the American Society for Public Administration (ASPA) and he received the Will Baughman Award for distinguished service to ASPA. He was an Advisory Board Member and Past President of the California Executive Recruiters Association (CERA), and a member of the International City/County Management Association (ICMA), Western Governmental Research Association.
(WGRA), and International Personnel Management Association (IPMA). He is currently on the Advisory Board for the School of Public Policy, Planning and Development at the University of Southern California and is a member of the Government Finance Officers Association (GFOA). He also served on the Board of Children's Institute International and is a Past President. Mr. Roberts has authored numerous articles and spoken before national organizations on the subject of personnel issues.
EXHIBIT C

VALERIE S. ROBERTS

Valerie Roberts is co-founder and President of ROBERTS CONSULTING GROUP, INC. The firm was formed in 2003 to provide executive recruitment services to local governments. In 1988, she was co-founder and Executive Vice President of Norman Roberts & Associates, Inc., then the largest executive search firm in the U.S. specializing in public sector recruitment. She had management responsibility for all recruitments conducted by the firm, including developing systems, reviewing all consultant work, and marketing. Maximus, Inc. acquired Norman Roberts & Associates in 1999, and she continued with them until 2003.

Previously, Ms. Roberts held the position of Assistant to the President of the Arden Group, a $360 million holding company with interests in supermarkets and telecommunications. Prior to joining Arden, Ms. Roberts spent five years as a management consultant with Management Systems Consulting Corporation and Theodore Barry & Associates, specializing in management development, strategic planning and organizational development.

While in graduate school, Ms. Roberts was a Young Presidents' Organization (YPO) intern with Korn/Ferry International and then continued with them as an Associate. She worked on executive search assignments in the areas of financial services, public sector and within the general practice.

Ms. Roberts received a Bachelor of Arts degree from Colorado Women's College (now a part of the University of Denver), where she was valedictorian and graduated summa cum laude. She earned a Master of Business Administration degree from the University of California, Los Angeles (UCLA), with emphasis in finance and strategic planning, and is a member of Beta Gamma Sigma.

Ms. Roberts was a member of the California Executive Recruiters Association, and was active in fundraising efforts sponsored by the Board of Governors of Cedars-Sinai Medical Center and the California Special Olympics. She was also on the Steering Committee for Big Sunday (a Los Angeles county-wide effort to promote volunteerism). Currently, she is a member of the Municipal Management Association of Southern California (MMASC) and serves on the Board of a charitable foundation.
STAFF REPORT

Date: APRIL 5, 2012
To: HONORABLE MAYOR AND CITY COUNCIL MEMBERS
From: BARBARA CARSON, PLANNING DIRECTOR
Subject: LEASE AGREEMENT FOR 45-200 CLUB DRIVE, SUITE B-4

SUMMARY
The World Affairs Council of the Desert desires to enter into a lease for Suite B-4 at 45-200 Club Drive (see Attachment 1 for draft lease).

The World Affairs Council of the Desert is a non-profit organization that provides knowledgeable speakers to inform and educate their audiences on relevant matters affecting our nation's foreign policies. The World Affairs Council of the Desert actively supports programs which establish a foundation for our youth to become engaged in international affairs. The lease terms are as follows:

1. $2.00 per square foot
2. A three year lease
3. Lease term commencing on April 15, 2012

RECOMMENDATION
The City Council APPROVES the proposed lease with The World Affairs Council of the Desert and AUTHORIZES the Interim City Manager to execute the lease.

Roderick J. Wood, Interim City Manager

Attachment:
1. World Affairs Council of the Desert lease
1. Basic Provisions ("Basic Provisions").

1.1 Parties: This Lease ("Lease"), dated for reference purposes only, 2012 is made by and between THE CITY OF INDIAN WELLS, a municipal corporation ("Lessor") and WORLD AFFAIRS COUNCIL OF THE DESERT ("Lessee"), (collectively the "Parties", or individually a "Party").

1.2(a) Premises: That certain portion of the Project (as defined below), including all improvements therein or to be provided by Lessor under the terms of this Lease, commonly known by the street address of 45-200 Club Drive, Suite B-4, located in the City of Indian Wells, County of Riverside, State of California, with zip code 92210, as outlined on Exhibit attached hereto ("Premises") and generally described as (describe briefly the nature of the Premises): approximately 144.0 square feet located within Suite B-4.

In addition to Lessee's rights to use and occupy the Premises as hereinafter specified, Lessee shall have non-exclusive rights to any utility raceways of the building containing the Premises ("Building") and to the common Areas (as defined in Paragraph 2.7 below), but shall not have any rights to the roof or exterior walls of the Building or to any other buildings in the Project. The Premises, the Building, the Common Areas, the land upon which they are located, along with all other buildings and improvements thereon, are hereinafter collectively referred to as the "Project." (See also Paragraph 2)

1.2(b) Parking: See Addendum.

1.3 Term: See Addendum;

1.4 Early Possession: If the Premises are available Lessee may have non-exclusive possession of the Premises commencing See Addendum ("Early Possession Date"). (See also Paragraphs 3.2 and 3.3)

1.5 Base Rent: $216.00 per month ("Base Rent"), payable on the fifteenth (15th) day of each month commencing April 15, 2012 (See also Paragraph 4)

1.6 Lessee's Share of Common Area Operating Expenses: $0.50/sq. foot percent (N/A — %) ("Lessee's Share"). (See also Paragraph 5)

In the event that the size of the Premises and/or the Project are modified during the term of this Lease, Lessor shall recalculate Lessee's Share to reflect such modification. See Addendum.

1.7 Base Rent and Other Monies Paid Upon Execution: on or before Commencement Date:

(a) Base Rent: $216.00 for the period April 15, 2012 - May 15, 2012.

(b) Common Area Operating Expenses: $72.00 for the period 04/15/2012-05/15/2012.

(c) Security Deposit: $288.00 ("Security Deposit"). (See also Paragraph 5)

(d) Other: $0-

(e) Total Due Upon Execution of this Lease: on or before Commencement Date: $576.00

1.8 Agreed Use: General office use
1.9 Insuring Party. Lessor is the "Insuring Party". (See also Paragraph 8)

1.10 Real Estate Brokers: (See also Paragraph 15)

(a) Representation: The following real estate brokers (the "Brokers") and brokerage relationships exist in this transaction (check applicable boxes):

☐ N/A represents Lessor exclusively ("Lessor's Broker");
☐ N/A represents Lessee exclusively ("Lessee's Broker");
☐ N/A represents both Lessor and Lessee ("Dual Agency").

(b) Payment to Brokers: Upon execution and delivery of this Lease by both Parties, Lessor shall pay to the Brokers for the brokerage services rendered by the Brokers the fee agreed to in the attached separate written agreement or if no such agreement is attached, the sum of N/A or N/A of the total Base Rent payable for the Original Term, the sum of N/A or N/A of the total Base Rent payable during any period of time that the Lessee occupies the Premises subsequent to the Original Term, and/or the sum of N/A or N/A of the purchase price in the event that the Lessee or anyone affiliated with Lessee acquires from Lessor any rights to the Premises.

1.11 Guarantor. The obligations of the Lessee under this Lease are to be guaranteed by N/A ("Guarantor"). (See also Paragraph 37)

1.12 Attachments. Attached hereto are the following, all of which constitute a part of this Lease:

☐ an Addendum consisting of Paragraphs 50 through 58;
☐ a site plan depicting the Premises;
☐ a site plan depicting the Project;
☐ a current set of the Rules and Regulations for the Project;
☐ a current set of the Rules and Regulations adopted by the owners' association;
☐ a Work Letter;
☐ other (specify):

2. Premises.

2.1 Letting. Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises, for the term, at the rental, and upon all of the terms, covenants and conditions set forth in this Lease. While the approximate square footage of the Premises may have been used in the marketing of the Premises for purposes of comparison, the Base Rent stated herein is NOT tied to square footage and is not subject to adjustment should the actual size be determined to be different. NOTE: Lessee is advised to verify the actual size prior to executing this Lease.

2.2 Condition. Lessor shall deliver that portion of the Premises contained within the Building ("Unit") to Lessee broom clean and free of debris on the Commencement Date or the Early Possession Date, whichever first occurs ("Start Date"), and, so long as the required service elements described in Paragraph 7.1(b) below are obtained by Lessee and in effect within thirty days following the Start Date, warrants that the existing electrical, plumbing, fire sprinkler, lighting, heating, ventilating and air conditioning systems ("HVAC"), loading doors, sump pumps, if any, and all other such elements in the Unit, other than those constructed by Lessee, shall be in good operating condition on said date, that the structural elements of the roof, bearing walls and foundation of the Unit shall be free of material defects, and that the Unit does not contain hazardous levels of any mold or fungi defined as toxic under applicable state or federal law. If a non-compliance with such warranty exists as of the Start Date, or if one of such systems or elements should malfunction or fail within the appropriate warranty period, Lessor shall, as Lessor's sole obligation with respect to such matter, except as otherwise provided in this Lease, promptly after receipt of written notice from Lessee setting forth with specificity the nature and extent of such non-compliance, malfunction or failure, rectify same at Lessor's expense. The warranty periods shall be as follows: (i) 6 months as to the HVAC systems, and (ii) 30 days as to the remaining systems and other elements of the Unit. If Lessee does not give Lessor the required notice within the appropriate warranty period, correction of any such non-compliance, malfunction or failure shall be the obligation of Lessee at Lessee's sole cost and expense (except for the repairs to the fire sprinkler systems, roof, foundations, and/or bearing walls - see Paragraph 7).

2.3 Compliance. Lessor warrants that to the best of its knowledge the improvements on the Premises and the Common Areas comply with the building codes that were in effect at the time that each such improvement, or portion thereof, was constructed, and also with all applicable laws, covenants or restrictions of record, regulations, and ordinances in effect on the Start Date ("Applicable Requirements"). Said warranty does not apply to the use to which Lessee will put the Premises, modifications which may be required by the Americans with Disabilities Act or any similar laws as a result of Lessee's use (see Paragraph 48), or to any Alterations or Utility Installations (as defined in Paragraph 7.9(a)) made or to be made by Lessee.

NOTE: Lessee is responsible for determining whether or not the Applicable Requirements and especially the zoning are appropriate for Lessee's intended use, and acknowledges that past uses of the Premises may no longer be allowed. If the Premises do not comply with said

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warranty, Lessor shall, except as otherwise provided, promptly after receipt of written notice from Lessee setting forth with specificity the nature and extent of such non-compliance, rectify the same at Lessor’s expense. If Lessee does not give Lessor written notice of a non-compliance with this warranty within 6 months following the Start Date, correction of that non-compliance shall be the obligation of Lessee at Lessee’s sole cost and expense. If the Applicable Requirements are thereafter changed so as to require during the term of this Lease the construction of an addition to or an alteration of the Unit, Premises and/or Building, the remediation of any Hazardous Substance, or the reinforcement or other physical modification of the Unit, Premises and/or Building (“Capital Expenditure”), Lessor and Lessee shall allocate the cost of such work as follows:

(a) Subject to Paragraph 2.3(c) below, if such Capital Expenditures are required as a result of the specific and unique use of the Premises by Lessee as compared with uses by tenants in general, Lessor shall be fully responsible for the cost thereof, provided, however, that if such Capital Expenditure is required during the last 2 years of this Lease and the cost thereof exceeds 6 months’ Base Rent, Lessee may instead terminate this Lease unless Lessor notifies Lessee, in writing, within 10 days after receipt of Lessee’s termination notice that Lessor has elected to pay the difference between the actual cost thereof and the amount equal to 6 months’ Base Rent. If Lessee elects termination, Lessee shall immediately cease the use of the Premises which requires such Capital Expenditure and deliver to Lessor written notice specifying a termination date at least 90 days thereafter. Such termination date shall, however, in no event be earlier than the last day that Lessee could legally utilize the Premises without commencing such Capital Expenditure.

(b) If such Capital Expenditure is not the result of the specific and unique use of the Premises by Lessee (such as, governmentally mandated seismic modifications), then Lessor shall pay for such Capital Expenditure and Lessee shall only be obligated to pay, each month during the remainder of the term of this Lease or any extension thereof, on the date that on which the Base Rent is due, an amount equal to 1/144th of the portion of such costs reasonably attributable to the Premises. Lessee shall pay interest on the balance but may prepay its obligation at any time. If, however, such Capital Expenditure is required during the last 2 years of this Lease or if Lessor reasonably determines that it is not economically feasible to pay its share thereof, Lessor shall have the option to terminate this Lease upon 90 days prior written notice to Lessee unless Lessee notifies Lessor, in writing, within 10 days after receipt of Lessor’s termination notice that Lessee will pay for such Capital Expenditure. If Lessor does not elect to terminate, and fails to tender its share of any such Capital Expenditure, Lessee may advance such funds and deduct same, with interest, from Rent until Lessor’s share of such costs have been fully paid. If Lessee is unable to finance Lessor’s share, or if the balance of the Rent due and payable for the remainder of this Lease is not sufficient to fully reimburse Lessee on an offset basis, Lessee shall have the right to terminate this Lease upon 30 days written notice to Lessor.

(c) Notwithstanding the above, the provisions concerning Capital Expenditures are intended to apply only to non-voluntary, unexpected, and new Applicable Requirements. If the Capital Expenditures are instead triggered by Lessee as a result of an actual or proposed change in use, change in intensity of use, or modification of the Premises then, and in that event, Lessee shall either: (i) immediately cease such changed use or intensity of use and/or take such other steps as may be necessary to eliminate the requirement for such Capital Expenditure, or (ii) complete such Capital Expenditure at its own expense. Lessee shall not have any right to terminate this Lease.

2.4 Acknowledgements. Lessee acknowledges that: (a) it has been given an opportunity to inspect and measure the Premises, (b) it has been advised by Lessor and/or Brokers to satisfy itself with respect to the size and condition of the Premises (including but not limited to the electrical, HVAC and fire sprinkler systems, security, environmental aspects, and compliance with Applicable Requirements and the Americans with Disabilities Act), and their suitability for Lessee’s intended use, (c) Lessee has made such investigation as it deems necessary with reference to such matters and assumes all responsibility therefor as the same relate to its occupancy of the Premises, (d) it is not relying on any representation as to the size of the Premises made by Brokers or Lessor, (e) the square footage of the Premises was not material to Lessee’s decision to lease the Premises and pay the Rent stated herein, and (f) neither Lessor, Lessor’s agents, nor Brokers have made any oral or written representations or warranties with respect to said matters other than as set forth in this Lease. In addition, Lessor acknowledges that: (i) Brokers have made no representations, promises or warranties concerning Lessee’s ability to honor the Lease or suitability to occupy the Premises, and (ii) it is Lessor’s sole responsibility to investigate the financial capability and/or suitability of all proposed tenants.

2.5 Lessee as Prior Owner/Occupant. The warranties made by Lessor in Paragraph 2 shall be of no force or effect if immediately prior to the Start Date Lessee was the owner or occupant of the Premises. In such event, Lessee shall be responsible for any necessary corrective work.

2.6 Vehicle Parking. Lessee shall be entitled to use the number of parking spaces specified in Paragraph 1.2(b) on those portions of the Common Areas designated from time to time by Lessor for parking. Lessee shall not use more parking spaces than said number. Said parking spaces shall be used for parking by vehicles no larger than full-size passenger automobiles or pick-up trucks, herein called “Permitted Size Vehicles.” Lessor may regulate the loading and unloading of vehicles by adopting Rules and Regulations as provided in Paragraph 2.9. No vehicles other than Permitted Size Vehicles may be parked in the Common Area without the prior written permission of Lessor. In addition:

(a) Lessee shall not permit or allow any vehicles that belong to or are controlled by Lessee or Lessee’s employees, suppliers, shippers, customers, contractors or invitees to be loaded, unloaded, or parked in areas other than those designated by Lessor for such activities.
Lessee shall not service or store any vehicles in the Common Areas.
If Lessee permits or allows any of the prohibited activities described in this Paragraph 2.6, then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove or tow away the vehicle involved and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

2.7 Common Areas - Definition. The term "Common Areas" is defined as all areas and facilities outside the Premises and within the exterior boundary line of the Project and interior utility raceways and installations within the Unit that are provided and designated by the Lessor from time to time for the general non-exclusive use of Lessor, Lessee and other tenants of the Project and their respective employees, suppliers, shippers, customers, contractors and invitees, including parking areas, loading and unloading areas, trash areas, roadways, walkways, driveways and landscaped areas.

Lessee, which cost shall be immediately payable upon demand by Lessor.

2.8 Common Areas - Lessee’s Rights. Lessor grants to Lessee, for the benefit of Lessee and its employees, suppliers, shippers, contractors, customers and invitees, during the term of this Lease, the non-exclusive right to use, in common with others entitled to such use, the Common Areas as they exist from time to time, subject to any rights, powers, and privileges reserved by Lessor under the terms hereof or under the terms of any rules and regulations or restrictions governing the use of the Project. Under no circumstances shall the right herein granted to use the Common Areas be deemed to include the right to store any property, temporarily or permanently, in the Common Areas. Any such storage shall be permitted only by the prior written consent of Lessor or Lessor’s designated agent, which consent may be revoked at any time. In the event that any unauthorized storage shall occur then Lessor shall have the right, without notice, in addition to such other rights and remedies that it may have, to remove the property and charge the cost to Lessee, which cost shall be immediately payable upon demand by Lessor.

2.9 Common Areas - Rules and Regulations. Lessor or such other person(s) as Lessor may appoint shall have the exclusive control and management of the Common Areas and shall have the right, from time to time, to establish, modify, amend and enforce reasonable rules and regulations ("Rules and Regulations") for the management, safety, care, and cleanliness of the grounds, the parking and unloading of vehicles and the preservation of good order, as well as for the convenience of other occupants or tenants of the Building and the Project and their invitees. Lessee agrees to abide by and conform to all such Rules and Regulations, and shall use its best efforts to cause its employees, suppliers, shippers, customers, contractors and invitees to so abide and conform. Lessor shall not be responsible to Lessee for the non-compliance with said Rules and Regulations by other tenants of the Project.

2.10 Common Areas - Changes. Lessor shall have the right, in Lessor’s sole discretion, from time to time:
(a) To make changes to the Common Areas, including, without limitation, changes in the location, size, shape and number of driveways, entrances, parking spaces, parking areas, loading and unloading areas, ingress, egress, direction of traffic, landscaped areas, walkways and utility raceways;
(b) To close temporarily any of the Common Areas for maintenance purposes so long as reasonable access to the Premises remains available;
(c) To designate other land outside the boundaries of the Project to be a part of the Common Areas;
(d) To add additional buildings and improvements to the Common Areas;
(e) To use the Common Areas while engaged in making additional improvements, repairs or alterations to the Project, or any portion thereof; and
(f) To do and perform such other acts and make such other changes in, to or with respect to the Common Areas and Project as Lessor may, in the exercise of sound business judgment, deem to be appropriate.

3. Term.
3.1 Term. The Commencement Date, Expiration Date and Original Term of this Lease are as specified in Paragraph 1.3.
3.2 Early Possession. Any provision herein granting Lessee Early Possession of the Premises is subject to and conditioned upon the Premises being available for such possession prior to the Commencement Date. Any grant of Early Possession only conveys the non-exclusive right to occupy the Premises. If Lessee totally or partially occupies the Premises prior to the Commencement Date, the obligation to pay Base Rent shall be abated for the period of such Early Possession. All other terms of this Lease (including but not limited to the obligations to pay Lessee’s Share of Common Area Operating Expenses, Real Property Taxes and insurance premiums and to maintain the Premises) shall be in effect during such period. Any such Early Possession shall not affect the Expiration Date.
3.3 Delay In Possession. Lessor agrees to use its best commercially reasonable efforts to deliver possession of the Premises to Lessee by the Commencement Date. If, despite said efforts, Lessor is unable to deliver possession as agreed, Lessor shall not be subject to any liability therefor, nor shall such failure affect the validity of this Lease or change the Expiration Date. Lessee shall not, however, be obligated to pay Rent or perform its other obligations until Lessor delivers possession of the Premises and any period of rent abatement that Lessee would otherwise have enjoyed shall run from the date of the delivery of possession and continue for a period equal to what Lessee would otherwise have enjoyed, but minus any days of delay caused by the acts or omissions of Lessee. If possession is not delivered within 60 days after the Commencement Date, Lessee may, at its option, by notice in writing within 10 days after the end of such 60-day period, cancel this Lease, in which event the Parties shall be discharged from all obligations hereunder. If such written notice is not received by Lessor within said 10 day period, Lessee’s right to cancel shall terminate. Except as otherwise provided, if possession is not tendered to Lessee by the Commencement Date and Lessee does not terminate this Lease, as aforesaid, any period of rent abatement that Lessee would otherwise have enjoyed shall run from the date of delivery of possession and
continue for a period equal to what Lessee would otherwise have enjoyed under the terms hereof, but minus any days of delay caused by the acts or omissions of Lessee. If possession of the Premises is not delivered within 4 months after the Commencement Date, this Lease shall terminate unless other agreements are reached between Lessor and Lessee, in writing.

3.4 **Lessee Compliance.** Lessor shall not be required to tender possession of the Premises to Lessee until Lessee complies with its obligation to provide evidence of insurance (Paragraph 8.5). Pending delivery of such evidence, Lessee shall be required to perform all of its obligations under this Lease from and after the Start Date, including the payment of Rent, notwithstanding Lessor's election to withhold possession pending receipt of such evidence of insurance. Further, if Lessee is required to perform any other conditions prior to or concurrent with the Start Date, the Start Date shall occur but Lessor may elect to withhold possession until such conditions are satisfied.

4. **Rent.**

4.1 **Rent Defined.** All monetary obligations of Lessee to Lessor under the terms of this Lease (except for the Security Deposit) are deemed to be rent ("Rent").

4.2 **Common Area Operating Expenses.** Lessee shall pay to Lessor during the term hereof, in addition to the Base Rent, Lessee's Share (as specified in Paragraph 1.6) of all Common Area Operating Expenses, as hereinafter defined, during each calendar year of the term of this Lease, in accordance with the following provisions:

   (a) "Common Area Operating Expenses" are defined, for purposes of this Lease, as all costs incurred by Lessor relating to the ownership and operation of the Project, including, but not limited to, the following:

   (i) The operation, repair and maintenance, in neat, clean, good order and condition, and if necessary the replacement, of the following:

      (aa) The Common Areas and Common Area improvements, including parking areas, loading and unloading areas, trash areas, roadways, parkways, walkways, driveways, landscaped areas, bumpers, irrigation systems, Common Area lighting facilities, fences and gates, elevators, roofs, exterior walls of the buildings, building systems and roof drainage systems.

      (bb) Exterior signs and any tenant directories.

      (cc) Any fire sprinkler systems.

      (dd) All other areas and improvements that are within the exterior boundaries of the Project but outside of the Premises and/or any other space occupied by a tenant.

   (ii) The cost of water, gas, electricity and telephone to service the Common Areas and any utilities not separately metered.

   (iii) The cost of trash disposal, pest control services, property management, security services, owners' association dues and fees, the cost to repaint the exterior of any structures and the cost of any environmental inspections.

   (iv) Reserves set aside for maintenance, repair and/or replacement of Common Area improvements and equipment.

   (v) Real Property Taxes (as defined in Paragraph 10).

   (vi) The cost of the premiums for the insurance maintained by Lessor pursuant to Paragraph 8.

   (vii) Any deductible portion of an insured loss concerning the Building or the Common Areas.

   (viii) Auditors', accountants' and attorneys' fees and costs related to the operation, maintenance, repair and replacement of the Project.

   (ix) The cost of any capital improvement to the Building or the Project not covered under the provisions of Paragraph 2.3 provided; however, that Lessor shall allocate the cost of any such capital improvement over a 12 year period and Lessee shall not be required to pay more than Lessee's Share of 1/144th of the cost of such capital improvement in any given month.

   (x) The cost of any other services to be provided by Lessor that are stated elsewhere in this Lease to be a Common Area Operating Expense.

   (b) Any Common Area Operating Expenses and Real Property Taxes that are specifically attributable to the Unit, the Building or to any other building in the Project or to the operation, repair and maintenance thereof, shall be allocated entirely to such Unit, Building, or other building. However, any Common Area Operating Expenses and Real Property Taxes that are not specifically attributable to the Building or to any other building or to the operation, repair and maintenance thereof, shall be equitably allocated by Lessor to all buildings in the Project.

   (c) The inclusion of the improvements, facilities and services set forth in Subparagraph 4.2(a) shall not be deemed to impose an obligation upon Lessor to either have said improvements or facilities or to provide those services unless the Project already has the same, Lessor already provides the services, or Lessor has agreed elsewhere in this Lease to provide the same or some of them.

   (d) Lessee's Share of Common Area Operating Expenses is payable monthly on the same day as the Base Rent is due hereunder. The amount of such payments shall be based on Lessor's estimate of the annual Common Area Operating Expenses. Within 60 days after written request (but not more than once each year) Lessor shall deliver to Lessee a reasonably detailed statement showing Lessor's Share of the actual Common Area Operating Expenses for the preceding year. If Lessee's payments during such year exceed Lessee's Share, Lessor shall credit the amount of such over-payment against Lessee's future payments. If Lessee's payments during such year were less than Lessee's Share, Lessee shall pay to Lessor the amount of the deficiency within 10 days after delivery by Lessor to Lessee of the statement.
4.3 Payment. Lessee shall cause payment of Rent to be received by Lessor in lawful money of the United States, without offset or deduction (except as specifically permitted in this Lease), on or before the day on which it is due. In the event that any invoice prepared by Lessor is inaccurate such inaccuracy shall not constitute a waiver and Lessor shall be obligated for less than one full calendar month shall be prorated at its address stated herein or to such other persons or less than the amount due then shall not be a waiver of Lessor's rights to the balance of such Rent, regardless of Lessor's endorsement of any check so stated. In the event that any check, draft, or other instrument of payment given by Lessee to Lessor is dishonored for any reason, Lessee agrees to pay to Lessor the sum of $25 in addition to any Late Charge and Lessor, at its option, may require all future Rent be paid by cashier's check. Payments will be applied first to accrued late charges and attorney's fees, second to accrued interest, then to Base Rent and Common Area Operating Expenses, and any remaining amount to any other outstanding charges or costs.

5. Security Deposit. Lessee shall deposit with Lessor upon execution hereof the Security Deposit as security for Lessee's faithful performance of its obligations under this Lease. If Lessee fails to pay Rent, or otherwise Defaults under this Lease, Lessor may use, apply or retain all or any portion of said Security Deposit for the payment of any amount already due Lessor, for Rents which will be due in the future, and/or to reimburse or compensate Lessor for any liability, expense, loss or damage which Lessor may suffer or incur by reason thereof. If Lessor uses or applies all or any portion of the Security Deposit, the Security Deposit shall be held in trust, to bear interest or to be applied by Lessor. No part of the Security Deposit shall be considered to be held in trust, to bear interest or to be prepayment for any monies to be paid by Lessee under this Lease.

6. Use. Lessee shall use and occupy the Premises only for the Agreed Use, or any other legal use which is reasonably comparable thereto, and for no other purpose. Lessee shall not use or permit the use of the Premises in a manner that is unlawful, creates damage, waste or a nuisance, or that disturbs occupants of or causes damage to neighboring premises or properties. Other than guide, signal and seeing eye dogs, Lessee shall not keep or allow in the Premises any pets, animals, birds, fish, or reptiles. Lessee shall not unreasonably withhold or delay its consent to any written request for a modification of the Agreed Use, so long as the same will not impair the structural integrity of the Building or the mechanical or electrical systems therein, and/or is not significantly more burdensome to the Project. If Lessor elects to withhold consent, Lessor shall within 7 days after such request give written notification of same, which notice shall include an explanation of Lessor's objections to the change in the Agreed Use.

6.2 Hazardous Substances. (a) Reportable Uses Require Consent. The term "Hazardous Substance" as used in this Lease shall mean any product, substance, or waste whose presence, use, manufacture, disposal, transportation, or release, either by itself or in combination with other materials expected to be on the Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment or the Premises, (ii) regulated or monitored by any governmental authority, or (iii) a basis for potential liability of Lessor to any governmental agency or third party under any applicable statute or common law theory. Hazardous Substances shall include, but not be limited to, hydrocarbons, petroleum, gasoline, and/or crude oil or any products, by-products or fractions thereof. Lessee shall not engage in any activity in or on the Premises which constitutes a Reportable Use of Hazardous Substances without the express written consent of Lessor and timely compliance (at Lessee's expense) with all Applicable Requirements. "Reportable Use" shall mean (i) the installation or use of any above or below ground storage tank, (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority, and/or (iii) the presence at the Premises of a Hazardous Substance.

Notwithstanding the foregoing, Lessor may use any ordinary and customary materials reasonably required to be used in the normal course of the Agreed Use, ordinary office supplies (copier paper, liquid paper, glue, etc.) and common household cleaning materials, so long as such use is in compliance with all Applicable Requirements, is not a Reportable Use, and does not expose the Premises or neighboring property to any meaningful risk of contamination or damage or expose Lessor to any liability therefor. In addition, Lessor may condition its consent to any Reportable Use upon.
receiving such additional assurances as Lessor reasonably deems necessary to protect itself, the public, the Premises and/or the environment against damage, contamination, injury and/or liability, including, but not limited to, the installation (and removal on or before Lease expiration or termination) of protective modifications (such as concrete encasements) and/or increasing the Security Deposit.

(b) Duty to Inform Lessor. If Lessee knows, or has reasonable cause to believe, that a Hazardous Substance has come to be located in, on, under or about the Premises, other than as previously consented to by Lessor, Lessee shall immediately give written notice of such fact to Lessor, and provide Lessor with a copy of any report, notice, claim or other documentation which it has concerning the presence of such Hazardous Substance.

(c) Lessee Remediation. Lessee shall take all necessary precautions to prevent spills or releases of Hazardous Substances from areas outside of the Project not caused or contributed to by Lessee. Lessee shall take all investigatory and/or remedial action reasonably recommended, whether or not formally ordered or required, for the cleanup of any contamination of, and for the maintenance, security and/or monitoring of the Premises or neighboring properties, that was caused or materially contributed to by Lessee, or pertaining to or involving any Hazardous Substance brought onto the Premises during the term of this Lease, by or for Lessee, or any third party.

(d) Lessee Indemnification. Lessee shall indemnify, defend and hold Lessor, its agents, employees, lenders and ground lessor, if any, harmless from and against any and all loss of rents and/or damages, liabilities, judgments, claims, expenses, penalties, and attorneys' and consultants' fees arising out of or involving any Hazardous Substance brought onto the Premises by or for Lessee, or any third party (providing, however, that Lessee shall have no liability under this Lease with respect to underground migration of any Hazardous Substance under the Premises from areas outside of the Project not caused or contributed to by Lessee). Lessee's obligations shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by Lessee, and the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease. No termination, cancellation or release agreement entered into by Lessor and Lessee shall release Lessee from its obligations under this Lease with respect to Hazardous Substances, unless specifically so agreed by Lessor in writing at the time of such agreement.

(e) Lessor Indemnification. Lessor and its successors and assigns shall indemnify, defend, reimburse and hold Lessee, its employees and lenders, harmless from and against any and all environmental damages, including the cost of remediation, which are suffered as a direct result of Hazardous Substances on the Premises prior to Lessee taking possession or which are caused by the gross negligence or willful misconduct of Lessor, its agents or employees. Lessor's obligations, as and when required by the Applicable Requirements, shall include, but not be limited to, the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease.

(f) Investigations and Remediations. Lessor shall retain the responsibility and pay for any investigations or remediation measures required by governmental entities having jurisdiction with respect to the existence of Hazardous Substances on the Premises prior to the Lessee taking possession, unless such remediation measure is required as a result of Lessee's use (including "Alterations", as defined in paragraph 7.3(a) below) of the Premises, in which event Lessee shall be responsible for such payment. Lessee shall cooperate fully in any such activities at the request of Lessor, including allowing Lessor and Lessor's agents to have reasonable access to the Premises at reasonable times in order to carry out Lessor's investigative and remedial responsibilities.

(g) Lessor Termination Option. If a Hazardous Substance Condition (see Paragraph 9.1(e)) occurs during the term of this Lease, unless Lessor's obligation therefor (in which case Lessor shall make the investigation and remediation thereof required by the Applicable Requirements and this Lease shall continue in full force and effect, but subject to Lessor's rights under Paragraph 6.2(d) and Paragraph 13), Lessor may, at Lessor's option, either (i) investigate and remediate such Hazardous Substance Condition, if required, as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) if the estimated cost to remediate such condition exceeds 12 times the then monthly Base Rent or $100,000, whichever is greater, give written notice to Lessee, within 30 days after receipt by Lessor of knowledge of the occurrence of such Hazardous Substance Condition, of Lessor's desire to terminate this Lease as of the date 60 days following the date of such notice. In the event Lessor elects to give a termination notice, Lessor may, within 10 days thereafter, give written notice to Lessor of Lessor's commitment to pay the amount by which the cost of the remediation of such Hazardous Substance Condition exceeds an amount equal to 12 times the then monthly Base Rent or $100,000, whichever is greater. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days following such commitment. In such event, this Lease shall continue in full force and effect, and Lessor shall proceed to make such remediation as soon as reasonably possible after the required funds are available. If Lessee does not give such notice and provide the required funds or assurance thereof within the time provided, this Lease shall terminate as of the date specified in Lessor's notice of termination.

6.3 Lessee's Compliance with Applicable Requirements. Except as otherwise provided in this Lease, Lessee shall, at Lessee's sole expense, fully, diligently and in a timely manner, materially comply with all Applicable Requirements, the requirements of any applicable fire insurance underwriter or rating bureau, and the recommendations of Lessor's engineers and/or consultants which relate in any manner to such Requirements, without regard to whether said Requirements are now in effect or become effective after the Start Date. Lessee shall, within 10 days after receipt of Lessor's written request, provide Lessor with copies of all permits and other documents, and other information evidencing Lessee's compliance with any Applicable Requirements specified by Lessor and shall immediately upon receipt, notify Lessor in writing (with copies of any documents involved) of any threatened or actual claim, notice, citation, warning, complaint or report pertaining to or involving the failure of Lessee or the Premises to comply with any Applicable Requirements. Likewise, Lessee shall immediately give written notice to Lessor of: (i) any water damage to the
Premises and any suspected seepage, pooling, dampness or other condition conducive to the production of mold; or (ii) any mustiness or other odors that might indicate the presence of mold in the Premises.

6.4 Inspection; Compliance. Lessor and Lessor's "Lender" (as defined in Paragraph 30) and consultants shall have the right to enter into Premises at any time, in the case of an emergency, and otherwise at reasonable times after reasonable notice, for the purpose of inspecting the condition of the Premises and for verifying compliance by Lessee with this Lease. The cost of any such inspections shall be paid by Lessor, unless a violation of Applicable Requirements, of a Hazardous Substance Condition (see Paragraph 9.1) is found to exist or be imminent, or the inspection is requested or ordered by a governmental authority. In such case, Lessee shall upon request reimburse Lessor for the cost of such inspection, so long as such inspection is reasonably related to the violation or contamination. In addition, Lessee shall provide copies of all relevant material safety data sheets (MSDS) to Lessor within 10 days of the receipt of written request therefor.

7. Maintenance; Repairs, Utility Installations; Trade Fixtures and Alterations.

7.1 Lessee's Obligations.

(a) In General. Subject to the provisions of Paragraph 2.2 (Condition), 2.3 (Compliance), 6.3 (Lessee's Compliance with Applicable Requirements), 7.2 (Lessor's Obligations), 9 (Damage or Destruction), and 14 (Condemnation), Lessee shall, at Lessee's sole expense, keep the Premises, Utility Installations (intended for Lessee's exclusive use, no matter where located), and Alterations in good order, condition and repair (whether or not the portion of the Premises requiring repairs, or the means of repairing the same, are reasonably or readily accessible to Lessee, and whether or not the need for such repairs occurs as a result of Lessee's use, any prior use, the elements or the age of such portion of the Premises), including, but not limited to, all equipment or facilities, such as plumbing, HVAC equipment, electrical, lighting facilities, boilers, pressure vessels, fixtures, interior walls, interior surfaces of exterior walls, ceilings, floors, windows, doors, plate glass, and skylights but excluding any items which are the responsibility of Lessor pursuant to Paragraph 7.2. Lessee, in keeping the Premises in good order, condition and repair, shall exercise and perform good maintenance practices, specifically including the procurement and maintenance of the service contracts required by Paragraph 7.1(b) below. Lessee's obligations shall include restorations, replacements or renewals when necessary to keep the Premises and all improvements thereon or a part thereof in good order, condition and state of repair.

(b) Service Contracts. Lessee shall, at Lessee's sole expense, procure and maintain contracts, with copies to Lessor, in customary form and substance for, and with contractors specializing and experienced in the maintenance of the following equipment and improvements, if any, if and when installed on the Premises: (i) HVAC equipment, (ii) boiler and pressure vessels, and (iii) clarifiers. However, Lessor reserves the right, upon notice to Lessee, to procure and maintain any or all of such service contracts, and Lessee shall reimburse Lessor, upon demand, for the cost thereof.

(c) Failure to Perform. If Lessee fails to perform Lessee's obligations under this Paragraph 7.1, Lessor may enter upon the Premises after 10 days' prior written notice to Lessee (except in the case of an emergency, in which case no notice shall be required), perform such obligations on Lessee's behalf, and put the Premises in good order, condition and repair, and Lessee shall promptly pay to Lessor a sum equal to 115% of the cost thereof.

(d) Replacement. Subject to Lessee's indemnification of Lessor as set forth in Paragraph 8.7 below, and without relieving Lessee of liability resulting from Lessee's failure to exercise and perform good maintenance practices, if an item described in Paragraph 7.1(b) cannot be repaired other than at a cost which is in excess of 50% of the cost of replacing such item, then such item shall be replaced by Lessor, and the cost thereof shall be prorated between the Parties and Lessee shall only be obligated to pay, each month during the remainder of the term of this Lease, on the date on which Base Rent is due, an amount equal to the product of multiplying the cost of such replacement by a fraction, the numerator of which is one, and the denominator of which is 144 (i.e. 1/144th of the cost per month). Lessee shall pay interest on the unamortized balance but may prepay its obligation at any time.

7.2 Lessor's Obligations. Subject to the provisions of Paragraphs 2.2 (Condition), 2.3 (Compliance), 4.2 (Common Area Operating Expenses), 6 (Use), 7.1 (Lessee's Obligations), 9 (Damage or Destruction) and 14 (Condemnation), Lessor, subject to reimbursement pursuant to Paragraph 4.2, shall keep in good order, condition and repair the foundations, exterior walls, structural condition of interior bearing walls, exterior roof, fire sprinkler system, Common Area fire alarm and/or smoke detection systems, fire hydrants, parking lots, walkways, driveways, landscapes, fences, signs and utility systems serving the Common Areas and all parts thereof, as well as providing the services for which there is a Common Area Operating Expense pursuant to Paragraph 4.2. Lessor shall not be obligated to paint the exterior or interior surfaces of exterior walls nor shall Lessor be obligated to maintain, repair or replace windows, doors or plate glass of the Premises. Lessee expressly waives the benefit of any statute now or hereafter in effect to the extent it is inconsistent with the terms of this Lease.

7.3 Utility Installations; Trade Fixtures; Alterations.

(a) Definitions. The term "Utility Installations" refers to all floor and window coverings, air and/or vacuum lines, power panels, electrical distribution, security and fire protection systems, communication cabling, lighting fixtures, HVAC equipment, plumbing, and fencing in or on the Premises. The term "Trade Fixtures" shall mean Lessee's machinery and equipment that can be removed without doing material damage to the Premises. The term "Alterations" shall mean any modification of the improvements, other than Utility Installations or Trade Fixtures, whether by addition or deletion. "Lessee Owned Alterations and/or Utility Installations" are defined as Alterations and/or Utility installations made by Lessee that are not yet owned by Lessor pursuant to Paragraph 7.4(a).
7.4 Ownership; Removal; Surrender; and Restoration.

(a) Ownership. Subject to Lessor's right to require removal or elect ownership as hereinafter provided, all Alterations and Utility Installations made by Lessee shall be the property of Lessee, but considered a part of the Premises. Lessor may, at any time, elect in writing to be the owner of all or any specified part of the Lessee Owned Alterations and Utility Installations. Unless otherwise instructed per paragraph 7.4(b) hereof, all Lessee Owned Alterations and Utility Installations shall, at the expiration or termination of this Lease, become the property of Lessor and be surrendered by Lessee with the Premises.

(b) Removal. By delivery to Lessee of written notice from Lessor not earlier than 90 and not later than 30 days prior to the end of the term of this Lease, Lessor may require that any or all Lessee Owned Alterations or Utility Installations be removed by the expiration or termination of this Lease. Lessor may require the removal at any time or at any point of any Lessee Owned Alterations or Utility Installations made without the required consent.

(c) Surrender; Restoration. Lessee shall surrender the Premises by the Expiration Date or any earlier termination date, with all of the improvements, parts and surfaces thereof broom clean and free of debris, and in good operating order, condition and state of repair, ordinary wear and tear excepted. "Ordinary wear and tear" shall not include any damage or deterioration that would have been prevented by good maintenance practice. Notwithstanding the foregoing, if this Lease is for 12 months or less, then Lessee shall surrender the Premises in the same condition as delivered to Lessee on the Start Date with NO allowance for ordinary wear and tear. Lessee shall repair any damage occasioned by the installation, maintenance or removal of Trade Fixtures, Lessee owned Alterations and/or Utility Installations, furnishings, and equipment as well as the removal of any storage tanks installed by or for Lessee. Lessee shall also completely remove from the Premises any and all Hazardous Substances brought onto the Premises by or for Lessee, or any third party (except Hazardous Substances which were deposited via underground migration from areas outside of the Project) even if such removal would require Lessee to perform or pay for work that exceeds statutory requirements. Trade Fixtures shall remain the property of Lessee and shall be removed by Lessee. Any personal property of Lessee not removed on or before the Expiration Date or any earlier termination date shall be deemed to have been abandoned by Lessee and may be disposed of or retained by Lessor as Lessor may desire. The failure by Lessee to timely vacate the Premises pursuant to this Paragraph 7.4(c) without the express written consent of Lessor shall constitute a holdover under the provisions of Paragraph 26 below.

8. Insurance; Indemnity.

8.1 Payment of Premiums. The cost of the premiums for the insurance policies required to be carried by Lessor, pursuant to Paragraphs 8.2(b), 8.3(a) and 8.3(b), shall be a Common Area Operating Expense. Premiums for policy periods commencing prior to, or extending beyond, the term of this Lease shall be prorated to coincide with the corresponding Start Date or Expiration Date. Notwithstanding the foregoing, Lessee shall not make or permit any roof penetrations and/or install anything on the roof of any existing walls, will not affect the electrical, plumbing, HVAC and/or life safety systems, and the cumulative cost thereof during this Lease as extended does not exceed a sum equal to 3 months' Base Rent in the aggregate or a sum equal to 1 month's Base Rent in any one year. Notwithstanding the foregoing, Lessee may, as a precondition to granting such approval, require Lessee to utilize Alterations or Utility Installations that Lessee desires to make and which require the consent of the Lessor shall be presented to Lessor in written form with detailed plans. Consent shall be deemed conditioned upon Lessee: (i) acquiring all applicable governmental permits, (ii) furnishing Lessor with copies of both the permits and the plans and specifications prior to commencement of the work, and (iii) compliance with all conditions of said permits and other Applicable Requirements in a prompt and expeditious manner. Any Alterations or Utility Installations shall be performed in a workmanlike manner with good and sufficient materials. Lessee shall promptly upon completion furnish Lessor with as-built plans and specifications. For work which costs an amount in excess of one month's Base Rent, Lessor may condition its consent upon Lessee providing a lien and completion bond in an amount equal to 150% of the estimated cost of such Alteration or Utility Installation and/or upon Lessee's posting an additional Security Deposit with Lessor.

8.2 Liability Insurance.

(a) Carried by Lessee. Lessee shall obtain and keep in force a Commercial General Liability policy of insurance protecting Lessee and Lessor as an additional insured against claims for bodily injury, personal injury and property damage based upon or arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than $1,000,000 per occurrence with an annual aggregate of not less than $2,000,000. Lessee shall maintain during the term of this Lease a Comprehensive General Liability policy of insurance protecting against claims for bodily injury, personal injury and property damage based upon or arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Such insurance shall provide a minimum of $750,000 per occurrence and $1,500,000 annual aggregate. Lessee shall pay the cost of such insurance policies and provide Lessor with current certificates of insurance evidencing such insurance. Lessee shall furnish Lessor with certificates evidencing the insurance required hereunder within ten (10) days after delivery of the notice required hereunder. Lessor shall be named as an additional insured under such insurance policies and such insurance shall be primary to any insurance maintained by Lessor. Lessee shall furnish Lessor with proof of insurance as required. Lessor shall have the right to post notices of non-responsibility. If Lessee shall contest the validity of any such lien, claim or demand, then Lessee shall, at its sole expense defend and protect itself. Lessor and the Premises against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof. If Lessor shall require, Lessee shall furnish a surety bond in an amount equal to 150% of the amount of such contested lien, claim or demand, indemnifying Lessor against liability for the same. If Lessor elects to participate in any such action, Lessee shall pay Lessor's attorneys' fees and costs.
shall add Lessor as an additional insured by means of an endorsement at least as broad as the Insurance Service Organization's "Additional Insured-Managers or Lessors of Premises" Endorsement. The policy shall not contain any intra-insured exclusions as between insured persons or organizations, but shall include coverage for liability assumed under this Lease as an "insured contract" for the performance of Lessee's indemnity obligations under this Lease. The limits of said insurance shall not, however, limit the liability of Lessee nor relieve Lessee of any obligation hereunder. Lessee shall provide an endorsement on its liability policy(ies) which provides that its insurance shall be primary to and not contributory with any similar insurance carried by Lessor, whose insurance shall be considered excess insurance only.

(b) Carried by Lessor. Lessor shall maintain liability insurance as described in Paragraph 8.2(a), in addition to, and not in lieu of, the insurance required to be maintained by Lessee. Lessee shall not be named as an additional insured therein.

8.3 Property Insurance - Building, Improvements and Rental Value.

(a) Building and Improvements. Lessor shall obtain and keep in force a policy or policies of insurance in the name of Lessor, with loss payable to Lessor, any ground-lesser, and to any Lender insuring loss or damage to the Premises. The amount of such insurance shall be equal to the full insurable replacement cost of the Premises, as the same shall exist from time to time, or the amount required by any Lender, but in no event more than the commercially reasonable and available insurable value thereof. Lessee Owned Alterations and Utility Installations, Trade Fixtures, and Lessee's personal property shall be insured by Lessee not by Lessor. If the coverage is available and commercially appropriate, such policy or policies shall insure against all risks of direct physical loss or damage (except the perils of flood and/or earthquake unless required by a Lender), including coverage for debris removal and the enforcement of any Applicable Requirements requiring the upgrading, demolition, reconstruction or replacement of any portion of the Premises as the result of a covered loss. Said policy or policies shall also contain an agreed valuation provision in lieu of any coinsurance clause, waiver of subrogation, and inflation guard protection causing an increase in the annual property insurance coverage amount by a factor of not less than the adjusted U.S. Department of Labor Consumer Price Index for All Urban Consumers for the business of Lessors to where the Premises are located. If such insurance coverage has a deductible clause, the deductible amount shall not exceed $5,000 per occurrence.

(b) Rental Value. Lessor shall also obtain and keep in force a policy or policies in the name of Lessor with loss payable to Lessor and any Lender, insuring the loss of the full Rent for one year with an extended period of indemnity for an additional 180 days ("Rental Value insurance"). Said insurance shall contain an agreed valuation provision in lieu of any coinsurance clause, and the amount of coverage shall be adjusted annually to reflect the projected Rent otherwise payable by Lessee, for the next 12 month period.

(c) Adjacent Premises. Lessee shall pay for any increase in the premiums for the property insurance of the Building and for the Common Areas or other buildings in the Project if said increase is caused by Lessee's acts, omissions, use or occupancy of the Premises.

(d) Lessee's Improvements. Since Lessee is the Insuring Party, Lessor shall not be required to insure Lessee Owned Alterations and Utility Installations unless the item in question has become the property of Lessor under the terms of this Lease.

8.4 Lessee's Property; Business Interruption Insurance; Worker's Compensation Insurance.

(a) Property Damage. Lessee shall obtain and maintain insurance coverage on all of Lessee's personal property, Trade Fixtures, and Lessee Owned Alterations and Utility Installations. Such insurance shall be full replacement cost coverage with a deductible of not to exceed $1,000 per occurrence. The proceeds from any such insurance shall be used by Lessee for the replacement of personal property, Trade Fixtures and Lessee Owned Alterations and Utility Installations. Lessee shall provide Lessor with written evidence that such insurance is in force.

(b) Business Interruption. Lessee shall obtain and maintain loss of income and extra expense insurance in amounts as will reimburse Lessee for direct or indirect loss of earnings attributable to all perils commonly insured against by prudent lessees in the business of Lessee or attributable to prevention of access to the Premises as a result of such perils.

(c) Worker's Compensation Insurance. Lessee shall obtain and maintain Worker's Compensation Insurance in such amount as may be required by Applicable Requirements.

(d) No Representation of Adequate Coverage. Lessor makes no representation that the limits or forms of coverage of insurance specified herein are adequate to cover Lessor's property, business operations or obligations under this Lease.

8.5 Insurance Policies. Insurance required herein shall be by companies maintaining during the policy term a "General Policyholders Rating" of at least A-, VII, as set forth in the most current issue of "Best's Insurance Guide", or such other rating as may be required by a Lender. Lessee shall not do or permit to be done anything that invalidates the required insurance policies. Lessee shall, prior to the Start Date, deliver to Lessor certified copies of policies of such insurance or certificates with copies of the required endorsements evidencing the existence and amounts of the required insurance. No such policy shall be cancelable or subject to modification except after 30 days prior written notice to Lessor. Lessee shall, at least 10 days prior to the expiration of such policies, furnish Lessor with evidence of renewals or "insurance binders" evidencing renewal thereof, or Lessor may order such insurance and charge the cost thereof to Lessee, which amount shall be payable by Lessee to Lessor upon demand. Such policies shall be for a term of at least one year, or the length of the remaining term of this Lease, whichever is less. If either Party shall fail to procure and maintain the insurance required to be carried by it, the other Party may, but shall not be required to, procure and maintain the same.

8.6 Waiver of Subrogation. Without affecting any other rights or remedies, Lessee and Lessor each hereby release and relieve the other, and waive their entire right to recover damages against the other, for loss of or damage to its property arising out of or incident to the perils required to be insured against herein. The effect of such releases and waivers is not limited by the amount of insurance carried or required, or by any deductibles applicable hereunder. The Parties agree to have their respective property damage insurance carriers waive any right to subrogation that such companies may have against Lessor or Lessee, as the case may be, so long as the insurance is not invalidated thereby.
8.7 Indemnity. Except for Lessor's gross negligence or willful misconduct, Lessee shall indemnify, protect, defend and hold harmless the Premises, Lessor and its agents, Lessor's master or ground lessor, partners and Lenders, from and against any and all claims, loss of rents and/or damages, liens, judgments, penalties, attorneys' and consultants' fees, expenses and/or liabilities arising out of, involving, or in connection with, the use and/or occupancy of the Premises by Lessee. If any action or proceeding is brought against Lessor by reason of any of the foregoing matters, Lessee shall upon notice defend the same at Lessee's expense by counsel reasonably satisfactory to Lessor and Lessor shall cooperate with Lessee in such defense. Lessor need not have first paid any such claim in order to be defended or indemnified.

8.8 Exemption of Lessor and its Agents from Liability. Notwithstanding the negligence or breach of this Lease by Lessor or its agents, neither Lessor nor its agents shall be liable under any circumstances for: (i) injury or damage to the person or goods, wares, merchandise or other property of Lessee, Lessee's employees, contractors, invitees, customers, or any other person in or about the Premises, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, indoor air quality, the presence of mold or from the breakage, leakage, obstruction or other defects of pipes, fire sprinklers, wires, appliances, plumbing, HVAC or lighting fixtures, or from any other cause, whether the said injury or damage results from conditions arising upon the Premises or upon other portions of the Building, or from other sources or places, (ii) any damages arising from any act or neglect of any other tenant of Lessor or from the failure of Lessor or its agents to enforce the provisions of any other lease in the Project, or (iii) injury to Lessee's business or for any loss of income or profit therefrom. Instead, it is intended that Lessee's sole recourse in the event of such damages or injury be to file a claim on the Insurance policy(ies) that Lessee is required to maintain pursuant to the provisions of paragraph 8.9.

8.9 Failure to Provide Insurance. Lessee acknowledges that any failure on its part to obtain or maintain the insurance required herein will expose Lessor to risks and potentially cause Lessor to incur costs not contemplated by this Lease, the extent of which will be extremely difficult to ascertain. Accordingly, for any month or portion thereof that Lessee does not maintain the required insurance and/or does not provide Lessor with the required binders or certificates evidencing the existence of the required insurance, the Base Rent shall be automatically increased, without any requirement for notice to Lessee, by an amount equal to 10% of the then existing Base Rent or $100, whichever is greater. The parties agree that such increase in Base Rent represents fair and reasonable compensation for the additional risk/costs that Lessor will incur by reason of Lessee's failure to maintain the required insurance. Such increase in Base Rent shall in no event constitute a waiver of Lessee's Default or Breach with respect to the failure to maintain such insurance, prevent the exercise of any of the other rights and remedies granted hereunder, nor relieve Lessee of its obligation to maintain the insurance specified in this Lease.

9. Damage or Destruction.

9.1 Definitions.

(a) "Premises Partial Damage" shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations, which can reasonably be repaired in 3 months or less from the date of the damage or destruction, and the cost thereof does not exceed a sum equal to 6 month's Base Rent. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(b) "Premises Total Destruction" shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which cannot reasonably be repaired in 3 months or less from the date of the damage or destruction and/or the cost thereof exceeds a sum equal to 6 month's Base Rent. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(c) "Insured Loss" shall mean damage or destruction to improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which was caused by an event required to be covered by the insurance described in Paragraph 8.3(a), irrespective of any deductible amounts or coverage limits involved.

(d) "Replacement Cost" shall mean the cost to repair or rebuild the improvements owned by Lessor at the time of the occurrence to their condition existing immediately prior thereto, including demolition, debris removal and upgrading required by the operation of Applicable Requirements, and without deduction for depreciation.

(e) "Hazardous Substance Condition" shall mean the occurrence or discovery of a condition involving the presence of, or a contamination by, a Hazardous Substance, in, on, or under the Premises which requires restoration.

9.2 Partial Damage - Insured Loss. If a Premises Partial Damage that is an Insured Loss occurs, then Lessor shall, at Lessor's expense, repair such damage (but not Lessee's Trade Fixtures or Lessee Owned Alterations and Utility Installations) as soon as reasonably possible and this Lease shall continue in full force and effect; provided, however, that Lessee shall, at Lessor's election, make the repair of any damage or destruction the total cost to repair of which is $10,000 or less, and, in such event, Lessor shall make any applicable insurance proceeds available to Lessee on a reasonable basis for that purpose. Notwithstanding the foregoing, if the required insurance was not in force or the insurance proceeds are not sufficient to effect such repair, the Insuring Party shall promptly contribute the shortage in proceeds as and when required to complete said repairs. In the event, however, such shortage was due to the fact that, by reason of the unique nature of the improvements, full replacement cost insurance coverage was not commercially reasonable and available, Lessor shall have no obligation to pay for the shortage in insurance proceeds or to fully
restore the unique aspects of the Premises unless Lessee provides Lessor with the funds to cover same, or adequate assurance thereof, within 10 days following receipt of written notice of such shortage and request therefor. If Lessor receives said funds or adequate assurance thereof within said 10 day period, the party responsible for making the repairs shall complete them as soon as reasonably possible and this Lease shall remain in full force and effect. If such funds or assurance are not received, Lessor may nonetheless elect by written notice to Lessee within 10 days thereafter to: (i) make such restoration and repair as is commercially reasonable with Lessor paying any shortage in proceeds, in which case this Lease shall remain in full force and effect, or (ii) have this Lease terminate 30 days thereafter. Lessor shall not be entitled to reimbursement of any funds contributed by Lessee to repair any such damage or destruction. Premises Partial Damage due to flood or earthquake shall be subject to Paragraph 9.3, notwithstanding that there may be some insurance coverage, but the net proceeds of any such insurance shall be made available for the repairs if made by either Party.  

9.3 Partial Damage - Uninsured Loss. If a Premises Partial Damage that is not an Insured Loss occurs, unless caused by a negligent or willful act of Lessee (in which event Lessee shall make the repairs at Lessee's expense), Lessor may either: (i) repair such damage as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) terminate this Lease by giving written notice to Lessee within 30 days after receipt by Lessor of knowledge of the occurrence of such damage. Such termination shall be effective 60 days following the date of such notice. In the event Lessor elects to terminate this Lease, Lessee shall have the right within 10 days after receipt of the termination notice to give written notice to Lessor of Lessee's commitment to pay for the repair of such damage without reimbursement from Lessor. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days after making such commitment. In such event this Lease shall continue in full force and effect, and Lessor shall proceed to make such repairs as soon as reasonably possible after the required funds are available. If Lessee does not make the required commitment, this Lease shall terminate as of the date specified in the termination notice.  

9.4 Total Destruction. Notwithstanding any other provision hereof, if a Premises Total Destruction occurs, this Lease shall terminate 60 days following such Destruction. If the damage or destruction was caused by the gross negligence or willful misconduct of Lessee, Lessor shall have the right to recover Lessor's damages from Lessee, except as provided in Paragraph 8.6.  

9.5 Damage Near End of Term. If at any time during the last 6 months of this Lease there is damage for which the cost to repair exceeds one month's Base Rent, whether or not an Insured Loss, Lessor may terminate this Lease effective 60 days following the date of occurrence of such damage by giving a written termination notice to Lessee within 30 days after the date of occurrence of such damage. Notwithstanding the foregoing, if Lessee at that time has an exercisable option to extend this Lease or to purchase the Premises, then Lessee may preserve this Lease by: (a) exercising such option and (b) providing Lessor with any shortage in insurance proceeds (or adequate assurance thereof) needed to make the repairs on or before the earlier of (i) the date which is 10 days after Lessor's receipt of Lessor's written notice purporting to terminate this Lease, or (ii) the day prior to the date upon which such option expires. If Lessee fails to exercise such option, then this Lease shall terminate as of the date specified in the termination notice and Lessee's option shall be extinguished.  

9.6 Abatement of Rent; Lessee's Remedies.  

(a) Abatement. In the event of Premises Partial Damage or Premises Total Destruction or a Hazardous Substance Condition for which Lessee is not responsible under this Lease, the Rent payable by Lessee for the period required for the repair, remediation or restoration of such damage shall be abated in proportion to the degree to which Lessee is impaired, but not to exceed the proceeds received from the Rental Value insurance. All other obligations of Lessee hereunder shall be performed by Lessee, and Lessor shall have no liability for any such damage, destruction, remediation, repair or restoration except as provided herein.  

(b) Remedies. If Lessor is obligated to repair or restore the Premises and does not commence, in a substantial and meaningful way, such repair or restoration within 90 days after such obligation shall accrue, or if Lessor does not commence such repair or restoration, give written notice to Lessor and to any Lenders of which Lessee has actual notice, of Lessee's election to terminate this Lease on a date not less than 60 days following the giving of such notice. If Lessor gives such notice and such repair or restoration is not commenced within 30 days thereafter, this Lease shall terminate as of the date specified in said notice. If the repair or restoration is commenced within such 30 days, this Lease shall continue in full force and effect. "Commence" shall mean either the unconditional authorization of the preparation of the required plans, or the beginning of the actual work on the Premises, whichever first occurs.  

9.7 Termination; Advance Payments. Upon termination of this Lease pursuant to Paragraph 6.2(g) or Paragraph 9, an equitable adjustment shall be made concerning advance Base Rent and any other advance payments made by Lessee to Lessor. Lessor shall, in addition, return to Lessee so much of Lessee's Security Deposit as has not been, or is not then required to be, used by Lessor.  

10. Real Property Taxes.  

10.1 Definition. As used herein, the term "Real Property Taxes" shall include any form of assessment, real estate, general, special, ordinary or extraordinary, or rental levy or tax (other than inheritance, personal income or estate taxes); improvement bond; and/or license fee imposed upon or levied against any legal or equitable interest of Lessor in the Project; Lessor's right to other income therefrom, and/or Lessor's business of leasing, by any authority having the direct or indirect power to tax and where the funds are generated with reference to the Project address and where the proceeds so generated are to be applied by the city, county or other local taxing authority of a jurisdiction within which the Project is located. The term "Real Property Taxes" shall also include any tax, fee, levy, assessment or charge, or any increase therein: (i) imposed by reason of events...
occurring during the term of this Lease, including but not limited to, a change in the ownership of the Project, (ii) a change in the improvements thereon, and/or (iii) leased or assessed on machinery or equipment provided by Lessor to Lessee pursuant to this Lease. In calculating Real Property Taxes for any calendar year, the Real Property Taxes for any real estate tax year shall be included in the calculation of Real Property Taxes for such calendar year based upon the number of days which such calendar year and tax year have in common.

10.2 Payment of Taxes. Except as otherwise provided in Paragraph 10.3, Lessor shall pay the Real Property Taxes applicable to the Project, and such payments shall be included in the calculation of Common Area Operating Expenses in accordance with the provisions of Paragraph 4.2.

10.3 Additional Improvements. Common Area Operating Expenses shall not include Real Property Taxes specified in the tax assessor's records and work sheets as being caused by additional improvements placed upon the Project by other lessees or by Lessor for the exclusive enjoyment of such other lessees. Notwithstanding Paragraph 10.2 hereof, Lessee shall, however, pay to Lessor at the time Common Area Operating Expenses are payable under Paragraph 4.2, the entirety of any increase in Real Property Taxes if assessed solely by reason of Alterations, Trade Fixtures or Utility Installations placed upon the Premises by Lessee or at Lessee's request or by reason of any alterations or improvements to the Premises made by Lessor subsequent to the execution of this Lease by the Parties.

10.4 Joint Assessment. If the Building is not separately assessed, Real Property Taxes allocated to the Building shall be an equitable proportion of the Real Property Taxes for all of the land and improvements included within the tax parcel assessed, such proportion to be determined by Lessor from the respective valuations assigned in the assessor's work sheets or such other information as may be reasonably available. Lessor's reasonable determination thereof, in good faith, shall be conclusive.

10.5 Personal Property Taxes. Lessee shall pay prior to delinquency all taxes assessed against and levied upon Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all personal property of Lessee contained in the Premises. When possible, Lessee shall cause its Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real property of Lessor. If any of Lessee's said property shall be assessed with Lessor's real property, Lessee shall pay Lessor the taxes attributable to Lessee's property within 10 days after receipt of a written statement setting forth the taxes applicable to Lessee's property.

11. Utilities and Services. Lessee shall pay for all water, gas, heat, light, power, telephone, trash disposal and other utilities and services supplied to the Premises, together with any taxes thereon. Notwithstanding the provisions of Paragraph 4.2, if at any time in Lessor's sole judgment, Lessor determines that Lessee is using a disproportionate amount of water, electricity or other commonly metered utilities, or that Lessee is generating such a large volume of trash as to require an increase in the size of the trash receptacle, Lessor will adjust the cost of trash pickup per Paragraph 4.2, the entirety of any increase in Real Property Taxes if assessed solely by reason of Alterations, Trade Fixtures or Utility Installations placed upon the Premises by Lessee or at Lessee's own request or by reason of any alterations or improvements to the Premises made by Lessor subsequent to the execution of this Lease by the Parties.

12. Assignment and Subletting.

12.1 Lessor's Consent Required.
(a) Lessee shall not voluntarily or by operation of law assign, transfer, mortgage or encumber (collectively, "assign or assignment") or sublet all or any part of Lessee's interest in this Lease or in the Premises without Lessor's prior written consent.
(b) Unless Lessee is a corporation and its stock is publicly traded on a national stock exchange, a change in the control of Lessee shall constitute an assignment requiring consent. The transfer, on a cumulative basis, of 25% or more of the voting control of Lessee shall constitute a change in control for this purpose.
(c) The involvement of Lessee or its assets in any transaction, or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buy-out or otherwise), whether or not a formal assignment or hypothecation of this Lease or Lessee's assets occurs, which results or will result in a reduction of the Net Worth of Lessee by an amount greater than 25% of such Net Worth as it was represented at the time of the execution of this Lease or at the time of the most recent assignment to which Lessor has consented, or as it exists immediately prior to said transaction or transactions constituting such reduction, whichever was or is greater, shall be considered an assignment of this Lease to which Lessor may withhold its consent. "Net Worth of Lessee" shall mean the net worth of Lessee (excluding any guarantors) established under generally accepted accounting principles.
(d) An assignment or subletting without consent shall, at Lessor's option, be a Default curable after notice per Paragraph 13.1(c), or a noncurable Breach without the necessity of any notice and grace period. If Lessor elects to treat such unapproved assignment or subletting as a noncurable Breach, Lessor may either: (i) terminate this Lease, or (ii) upon 30 days written notice, increase the monthly Base Rent to 110% of the Base Rent then in effect. Further, in the event of such Breach and rental adjustment, (i) the purchase price of any option to purchase the Premises held by Lessee shall be subject to similar adjustment to 110% of the price previously in effect, and (ii) all fixed and non-fixed rental adjustments scheduled during the remainder of the Lease term shall be increased to 110% of the scheduled adjusted rent.
(e) Lessee's remedy for any breach of Paragraph 12.1 by Lessor shall be limited to compensatory damages and/or injunctive relief.
(f) Lessor may reasonably withhold consent to a proposed assignment or subletting if Lessee is in Default at the time consent is requested.
(g) Notwithstanding the foregoing, allowing a de minimis portion of the Premises, i.e., 20 square feet or less, to be used by a third party vendor in connection with the installation of a vending machine or payphone shall not constitute a subletting.

12.2 Terms and Conditions Applicable to Assignment and Subletting.
(a) Regardless of Lessor's consent, no assignment or subletting shall: (i) be effective without the express written assumption by such assignee or sublessee of the obligations of Lessee under this Lease, (ii) release Lessee of any obligations hereunder, or (iii) alter the primary liability of Lessee for the payment of Rent or for the performance of any other obligations to be performed by Lessee.
(b) Lessor may accept Rent or performance of Lessee's obligations from any person other than Lessee pending approval or disapproval of an assignment. Neither a delay in the approval or disapproval of such assignment nor the acceptance of Rent or performance shall constitute a waiver or estoppel of Lessor's right to exercise its remedies for Lessee's Default or Breach.
(c) Lessor's consent to any assignment or subletting shall not constitute consent to any subsequent assignment or subletting.
(d) In the event of any Default or Breach by Lessee, Lessor may proceed directly against Lessee, any Guarantors or anyone else responsible for the performance of Lessee's obligations under this Lease, including any assignee or sublessee, without first exhausting Lessor's remedies against any other person or entity responsible therefore to Lessor, or any security held by Lessor.
(e) Each request for consent to an assignment or subletting shall be in writing, accompanied by information relevant to Lessor's determination as to the financial and operational responsibility and appropriateness of the proposed assignee or sublessee, including but not limited to the intended use and/or required modification of the Premises, if any, together with a fee of $500 as consideration for Lessor's considering and processing said request. Lessor agrees to provide Lessor with such other or additional information and/or documentation as may be reasonably requested. (See also Paragraph 36)
(f) Any assignee of, or sublessee under, this Lease shall, by reason of accepting such assignment, entering into such sublease, or entering into possession of the Premises or any portion thereof, be deemed to have assumed and agreed to conform and comply with each and every term, covenant, condition and obligation herein to be observed or performed by Lessee during the term of said assignment or sublease, other than such obligations as are contrary to or inconsistent with provisions of an assignment or sublease to which Lessor has specifically consented to in writing.
(g) Lessor's consent to any assignment or subletting shall not transfer to the assignee or sublessee any Option granted to the original Lessee by this Lease unless such transfer is specifically consented to by Lessor in writing. (See Paragraph 39.2)

12.3 Additional Terms and Conditions Applicable to Subletting. The following terms and conditions shall apply to any subletting by Lessee of all or any part of the Premises and shall be deemed included in all subleases under this Lease whether or not expressly incorporated therein:
(a) Lessee hereby assigns and transfers to Lessor all of Lessee's interest in all Rent payable on any sublease, and Lessor may collect such Rent and apply same toward Lessee's obligations under this Lease; provided, however, that until a Breach shall occur in the performance of Lessee's obligations, Lessee may collect said Rent. In the event that the amount collected by Lessor exceeds Lessee's then outstanding obligations any such excess shall be refunded to Lessee. Lessor shall not, by reason of the foregoing or any assignment of such sublease, nor by reason of the collection of Rent, be deemed liable for the sublessee for any failure of Lessee to perform and comply with any of Lessee's obligations to such sublessee. Lessee hereby irrevocably authorizes and directs any such sublessee, upon receipt of a written notice from Lessor stating that a Breach exists in the performance of Lessee's obligations under this Lease, to pay to Lessor all Rent due and to become due under the sublease. Sublessee shall rely upon any such notice from Lessor and shall pay all Rents to Lessor without any obligation or right to inquire as to whether such Breach exists, notwithstanding any claim from Lessee to the contrary.
(b) In the event of a Breach by Lessee, Lessor may, at its option, require sublessee to attorn to Lessor, in which event Lessor shall undertake the obligations of the sublessor under such sublease from the time of the exercise of said option to the expiration of such sublease; provided, however, Lessor shall not be liable for any prepaid rents or security deposit paid by such sublessee to such sublessor or for any prior Defaults or Breaches of such sublessor.
(c) Any matter requiring the consent of the sublessor under a sublease shall also require the consent of Lessor.
(d) No sublessee shall further assign or sublet all or any part of the Premises without Lessor's prior written consent.
(e) Lessor shall deliver a copy of any notice of Default or Breach by Lessor to the sublessee, who shall have the right to cure the Default of Lessee within the grace period, if any, specified in such notice. The sublessee shall have a right of reimbursement and offset from and against Lessee for any such Defaults cured by the sublessee.

13. Default; Breach; Remedies.

13.1 Default; Breach. A "Default" is defined as a failure by the Lessee to comply with or perform any of the terms, covenants, conditions or Rules and Regulations under this Lease. A "Breach" is defined as the occurrence of one or more of the following Defaults, and the failure of Lessee to cure such Default within any applicable grace period:
(a) The abandonment of the Premises; or the vacating of the Premises without providing a commercially reasonable level of security, or where the coverage of the property insurance described in Paragraph 8.3 is jeopardized as a result thereof, or without providing reasonable assurances to minimize potential vandalism.
(b) The failure of Lessee to make any payment of Rent or any Security Deposit required to be made by Lessee hereunder, whether to Lessor or to a third party, when due, to provide reasonable evidence of insurance or surety bond, or to fulfill any obligation under this Lease which endangers or threatens life or property, where such failure continues for a period of 3 business days following written notice to Lessee. THE ACCEPTANCE BY LESSOR OF A PARTIAL PAYMENT OF RENT OR SECURITY DEPOSIT SHALL NOT CONSTITUTE A WAIVER OF ANY OF LESSOR'S RIGHTS, INCLUDING LESSOR'S RIGHT TO RECOVER POSSESSION OF THE PREMISES.

(c) The failure of Lessee to allow Lessor and/or its agents access to the Premises or the commission of waste, act or acts constituting public or private nuisance, and/or an illegal activity on the Premises by Lessee, where such actions continue for a period of 3 business days following written notice to Lessee.

(d) The failure by Lessee to provide (i) reasonable written evidence of compliance with Applicable Requirements, (ii) the service contracts, (iii) the rescission of an unauthorized assignment or subleasing, (iv) an Estoppel Certificate or financial statements, (v) a requested subordination, (vi) evidence concerning any guaranty and/or Guarantor, (vii) any document requested under Paragraph 41, (viii) material safety data sheets (MSDS), or (ix) any other documentation or information which Lessor may reasonably require of Lessee under the terms of this Lease, where any such failure continues for a period of 10 days following written notice to Lessee.

(e) A Default by Lessee as to the terms, covenants, conditions or provisions of this Lease, or of the rules adopted under Paragraph 2.9 hereof, other than those described in subparagraphs 13.1(a), (b), (c) or (d), above, where such Default continues for a period of 30 days after written notice; provided, however, that if the nature of Lessee's Default is such that more than 30 days are reasonably required for its cure, then it shall not be deemed to be a Breach if Lessee commences such cure within said 30 day period and thereafter diligently prosecutes such cure to completion.

(f) The occurrence of any of the following events: (i) the making of any general arrangement or assignment for the benefit of creditors; (ii) becoming a "debtor" as defined in 11 U.S.C. § 101 or any successor statute thereto (unless, in the case of a petition filed against Lessee, the same is dismissed within 60 days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where possession is not restored to Lessee within 30 days; or (iv) the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where such seizure is not discharged within 30 days; provided, however, in the event that any provision of this subparagraph is contrary to any applicable law, such provision shall be of no force or effect, and not affect the validity of the remaining provisions.

(g) The discovery that any financial statement of Lessee or of any Guarantor given to Lessor was materially false.

(h) If the performance of Lessee's obligations under this Lease is guaranteed: (i) the death of a Guarantor, (ii) the termination of a Guarantor's liability with respect to this Lease other than in accordance with the terms of such guaranty, (iii) a Guarantor's becoming insolvent or the subject of a bankruptcy filing, (iv) a Guarantor's refusal to honor the guaranty, or (v) a Guarantor's breach of its guaranty obligation on an anticipatory basis, and Lessee's failure, within 30 days following written notice of any such event, to provide written alternative assurance or security, which, when coupled with the then existing resources of Lessee equals or exceeds the combined financial resources of Lessee and the Guarantors that existed at the time of execution of this Lease.

13.2 Remedies. If Lessor fails to perform any of its affirmative duties or obligations, within 10 days after written notice (or in case of an emergency, without notice), Lessor may, at its option, perform such duty or obligation on Lessee's behalf, including but not limited to the obtaining of reasonably required bonds, insurance policies, or governmental licenses, permits or approvals. Lessor shall pay to Lessor an amount equal to 115% of the costs and expenses incurred by Lessor in such performance upon receipt of an invoice therefor. In the event of a Breach, Lessor may, with or without further notice or demand, and without limiting Lessor in the exercise of any right or remedy which Lessor may have by reason of such Breach:

(a) Terminate Lessee's right to possession of the Premises by any lawful means. In which case this Lease shall terminate and Lessee shall immediately surrender possession to Lessor. In such event Lessor shall be entitled to recover from Lessee: (i) the unpaid Rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that the Lessee proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that the Lessee proves could be reasonably avoided; and (iv) any other amount necessary to compensate Lessor for all the detriment proximately caused by the Lessee's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including but not limited to the cost of recovering possession of the Premises, expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and that portion of any leasing commission paid by Lessor in connection with this Lease applicable to the unexpired term of this Lease. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of the District within which the Premises are located at the time of award plus one percent. Efforts by Lessor to mitigate damages caused by Lessee's Breach of this Lease shall not waive Lessor's right to recover damages under Paragraph 12. If termination of this Lease is obtained through the provisional remedy of unlawful detainer, Lessor shall have the right to recover in such proceeding any unpaid Rent and damages as are recoverable therein, and Lessor may reserves the right to recover all or any part thereof in a separate suit. If a notice and grace period required under Paragraph 13.1 was not previously given, a notice to pay rent or quit, or to perform or quit given to Lessee under the unlawful detainer statute shall also constitute the notice required by Paragraph 13.1. In such case, the applicable grace period required by Paragraph 13.1 and the unlawful detainer statute shall run concurrently, and the failure of Lessee to cure the
Default within the greater of the two such grace periods shall constitute both an unlawful detainer and a Breach of this Lease entitling Lessor to the remedies provided for in this Lease and/or by said statute.

(b) Continue the Lease and Lessee’s right to possession and recover the Rent as it becomes due, in which event Lessee may sublet or assign, subject only to reasonable limitations. Acts of maintenance, efforts to rent, and/or the appointment of a receiver to protect the Lessor’s interests, shall not constitute a termination of the Lessee’s right to possession.

(c) Pursue any other remedy now or hereafter available under the laws or judicial decisions of the state wherein the Premises are located. The expiration or termination of this Lease and/or the termination of Lessee’s right to possession shall not relieve Lessee from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the term hereof or by reason of Lessee’s occupancy of the Premises.

13.3 Inducement Recapture. Any agreement for free or abated rent or other charges, or for the giving or paying by Lessor to or for Lessee of any cash or other bonus, inducement or consideration for Lessee’s entering into this Lease, all of which concessions are hereinafter referred to as “Inducement Provisions”, shall be deemed conditioned upon Lessee’s full and faithful performance of all of the terms, covenants and conditions of this Lease. Upon Breach of this Lease by Lessee, any such Inducement Provision shall automatically be deemed deleted from this Lease and of no further force or effect, and any rent, other charge, bonus, inducement or consideration theretofore abated, given or paid by Lessor under such an Inducement Provision shall be immediately due and payable by Lessee to Lessor, notwithstanding any subsequent cure of said Breach by Lessee. The acceptance by Lessor of rent or the cure of the Breach which initiated the operation of this paragraph shall not be deemed a waiver by Lessor of the provisions of this paragraph unless specifically so stated in writing by Lessor at the time of such acceptance.

13.4 Late Charges. Lessee hereby acknowledges that late payment by Lessee of Rent will cause Lessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Lessor by any Lender. Accordingly, if any Rent shall not be received by Lessor within 5 days after such amount shall be due, then, without any requirement for notice to Lessee, Lessor shall immediately pay to Lessor a one-time late charge equal to 10% of each such overdue amount or $100, whichever is greater. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of such late payment. Acceptance of such late charge by Lessor in no event constitute a waiver of Lessor’s Default or Breach with respect to such overdue amount, nor prevent the exercise of any of the other rights and remedies granted hereunder.

In the event that a late charge is payable hereunder, whether or not collected, for 3 consecutive installments of Base Rent, then notwithstanding any provision of this Lease to the contrary, Base Rent shall, at Lessor’s option, become due and payable quarterly in advance.

13.5 Interest. Any monetary payment due Lessor hereunder, other than late charges, not received by Lessor, when due as to scheduled payments (such as Base Rent) or within 30 days following the date on which it was due for non-scheduled payment, shall bear interest from the date when due, as to scheduled payments, or the 31st day after it was due as to non-scheduled payments. The interest ("Interest") charged shall be computed at the rate of 10% per annum but shall not exceed the maximum rate allowed by law. Interest is payable in addition to the potential late charge provided for in Paragraph 13.4.

13.6 Breach by Lessor.

(a) Notice of Breach. Lessor shall not be deemed in breach of this Lease unless Lessor fails within a reasonable time to perform an obligation required to be performed by Lessor. For purposes of this Paragraph, a reasonable time shall in no event be less than 30 days after receipt by Lessor, and any Lender whose name and address shall have been furnished Lessee in writing for such purpose, of written notice specifying wherein such obligation of Lessor has not been performed; provided, however, that if the nature of Lessor’s obligation is such that more than 30 days are reasonably required for its performance, then Lessor shall not be in breach if performance is commenced within such 30 day period and thereafter diligently pursued to completion.

(b) Performance by Lessee on Behalf of Lessor. In the event that neither Lessor nor Lender cures said breach within 30 days after receipt of said notice, or if having commenced said cure they do not diligently pursue it to completion, then Lessor may elect to cure said breach at Lessee’s expense and offset from Rent the actual and reasonable cost to perform such cure, provided however, that such offset shall not exceed an amount equal to the greater of one month’s Base Rent or the Security Deposit, reserving Lessor’s right to reimbursement from Lessor for any such expense in excess of such offset. Lessee shall document the cost of said cure and supply said documentation to Lessor.

14. Condemnation. If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (collectively “Condemnation”), this Lease shall terminate as to the part taken as of the date the condemning authority takes title or possession, whichever first occurs. If more than 10% of the floor area of the Unit, or more than 25% of the parking spaces is taken by Condemnation, Lessee may, at Lessee’s option, to be exercised in writing within 10 days after Lessor shall have given Lessee written notice of such taking (or in the absence of such notice, within 10 days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession.

If Lessee does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the Base Rent shall be reduced in proportion to the reduction in utility of the Premises caused by such Condemnation. Condemnation awards and/or payments shall be the property of Lessor, whether such award shall be made as compensation for diminution in value of the leasehold, the value of the part taken, or for severance damages; provided, however, that Lessee shall be entitled to any compensation paid by the condemnor for Lessee’s relocation expenses, loss of business goodwill and/or Trade Fixtures, without regard

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to whether or not this Lease is terminated pursuant to the provisions of this Paragraph. All Alterations and Utility Installations made to the Premises by Lessee, for purposes of Condemnation only, shall be considered the property of the Lessee and Lessee shall be entitled to any and all compensation which is payable therefor. In the event that this Lease is not terminated by reason of the Condemnation, Lessor shall repair any damage to the Premises caused by such Condemnation.

15. Brokerage Fees.

15.1 Additional Commission. If a separate brokerage fee agreement is attached then in addition to the payments owed pursuant to Paragraph 4.10 above, and unless Lessor and the Brokers otherwise agree in writing, Lessor agrees that—(a) if Lessee exercises any Option, (b) if Lessee or anyone affiliated with Lessee, acquire from Lessor any rights to the Premises or other premises owned by Lessor and located within the Project, (c) if Lessee remains in possession of the Premises, with the consent of Lessor, after the expiration of this Lease, or (d) if Base Rent is increased, whether by agreement or operation of an escalation clause herein, then, Lessor shall pay Brokers a fee in accordance with the schedule attached to such brokerage fee agreement.

15.2 Assumption of Obligations. Any buyer or transferee of Lessor’s interest in this Lease shall be deemed to have assumed Lessor’s obligation hereunder. Brokers shall be third party beneficiaries of the provisions of Paragraphs 1.10, 15, 22 and 31. If Lessor fails to pay to Brokers any amounts due as and for brokerage fees pertaining to this Lease when due, then such amounts shall accrue Interest. In addition, if Lessor fails to pay any amounts to Lessee’s Broker when due, Lessee’s Broker may send written notice to Lessor and Lessee of such failure and if Lessor fails to pay such amounts within 10 days after said notice, Lessee shall pay said monies to its Broker and offset such amounts against Rent. In addition, Lessee’s Broker shall be deemed to be a third-party beneficiary of any commission agreement entered into by and/or between Lessor and Lessee’s Broker for the limited purposes of collecting any brokerage fee owed.

15.3 Representations and Indemnities of Broker Relationships. Lessor and Lessee each represent and warrant to the other that it has had no dealings with any person, firm, broker or finder (other than the Brokers; if any) in connection with this Lease, and that no one other than said named Brokers is entitled to any commission or finder’s fee in connection herewith. Lessor and Lessee do each hereby agree to indemnify, protect, defend and hold the other harmless from and against liability for compensation or charges which may be claimed by any such unnamed broker, finder or other similar party by reason of any dealings or actions of the indemnifying Party, including any costs, expenses, attorneys’ fees reasonably incurred with respect thereto.

16. Estoppel Certificates.

(a) Each Party (as “Responding Party”) shall within 10 days after written notice from the other Party (the “Requesting Party”) execute, acknowledge and deliver to the Requesting Party a statement in writing in form similar to the then current “Estoppel Certificate” form published by the AIR Commercial Real Estate Association, plus such additional information, confirmation and/or statements as may be reasonably requested by the Requesting Party.

(b) If the Responding Party shall fail to execute or deliver the Estoppel Certificate within such 10 day period, the Requesting Party may execute an Estoppel Certificate stating that (i) the Lease is in full force and effect without modification except as may be represented by the Requesting Party, (ii) there are no uncured defaults in the Requesting Party’s performance, and (iii) if Lessor is the Requesting Party, not more than one month’s rent has been paid in advance. Prospective purchasers and encumbrancers may rely upon the Requesting Party’s Estoppel Certificate, and the Responding Party shall be estopped from denying the truth of the facts contained in said Certificate.

(c) If Lessor desires to finance, refinance, or sell the Premises, or any part thereof, Lessee and all Guarantors shall within 10 days after written notice from Lessor deliver to any potential lender or purchaser designated by Lessor such financial statements as may be reasonably required by such lender or purchaser, including but not limited to Lessee’s financial statements for the past 3 years. All such financial statements shall be received by Lessor and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.

17. Definition of Lessor. The term “Lessor” as used herein shall mean the owner or owners at the time in question of the fee title to the Premises, or, if this is a sublease, of the Lessee’s interest in the prior lease. In the event of a transfer of Lessor’s title or interest in the Premises or this Lease, Lessor shall deliver to the transferee or assignee (in cash or by credit) any unused Security Deposit held by Lessor. Upon such transfer or assignment and delivery of the Security Deposit, as aforesaid, the prior Lessor shall be relieved of all liability with respect to the obligations and/or covenants under this Lease thereafter to be performed by the Lessor. Subject to the foregoing, the obligations and/or covenants in this Lease to be performed by the Lessor shall be binding only upon the Lessor as hereinabove defined.

18. Severability. The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

19. Days. Unless otherwise specifically indicated to the contrary, the word “days” as used in this Lease shall mean and refer to calendar days.

20. Limitation on Liability. The obligations of Lessor under this Lease shall not constitute personal obligations of Lessor, or its partners, members, directors, officers or shareholders, and Lessee shall look to the Premises, and to no other assets of Lessor, for the satisfaction of any liability of Lessor with respect to this Lease, and shall not seek recourse against Lessor’s partners, members, directors, officers or shareholders, or any of their personal assets for such satisfaction.

21. Time of Essence. Time is of the essence with respect to the performance of all obligations to be performed or observed by the Parties under this Lease.
22. **No Prior or Other Agreements; Broker Disclaimer.** This Lease contains all agreements between the Parties with respect to any matter mentioned herein, and no other prior or contemporaneous agreement or understanding shall be effective. Lessor and Lessee each represents and warrants to the Brokers that it has made, and is relying solely upon, its own investigation as to the nature, quality, character and financial responsibility of the other Party to this Lease and as to the use, nature, quality and character of the Premises. Brokers have no responsibility with respect thereto or with respect to any default or breach hereof by either Party.

23. **Notices.**

23.1 **Notice Requirements.** All notices required or permitted by this Lease or applicable law shall be in writing and may be delivered in person (by hand or by courier) or by facsimile transmission, and shall be deemed sufficiently given if served in a manner specified in this Paragraph 23. The addresses noted adjacent to a Party’s signature on this Lease shall be that Party’s address for delivery or mailing of notices. Either Party may by written notice to the other specify a different address for notice, except that if a lease transfer is authorized, the address for notice shall be that party’s address for delivery of the premises. A copy of all notices to Lessor shall be concurrently transmitted to such party or parties at such addresses as Lessor may from time to time hereafter designate in writing.

23.2 **Date of Notice.** Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the postmark thereon. If sent by regular mail the notice shall be deemed given 72 hours after the same is addressed as required herein and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that guarantees next day delivery shall be deemed given 24 hours after delivery of the same to the Postal Service or courier. Notices transmitted by facsimile transmission or similar means shall be deemed delivered upon telephone confirmation of receipt (confirmation report from fax machine is sufficient), provided a copy is also delivered via delivery or mail. If notice is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

24. **Waivers.**

(a) No waiver by Lessor of the Default or Breach of any term, covenant or condition hereof by Lessee, shall be deemed a waiver of any other term, covenant or condition hereof, or of any subsequent Default or Breach by Lessee of the same or of any other term, covenant or condition hereof. Lessor’s consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of Lessor’s consent to, or approval of, any subsequent or similar act by Lessee, or be construed as the basis of an estoppel to enforce the provision or provisions of this Lease requiring such consent.

(b) The acceptance of Rent by Lessor shall not be a waiver of any Default or Breach by Lessee. Any payment by Lessee may be accepted by Lessor on account of moneys or damages due Lessor, notwithstanding any qualifying statements or conditions made by Lessee in connection therewith, which such statements and/or conditions shall be of no force or effect whatsoever unless specifically agreed to in writing by Lessor or at or before the time of deposit of such payment.

(c) THE PARTIES AGREE THAT THE TERMS OF THIS LEASE SHALL GOVERN WITH REGARD TO ALL MATTERS RELATED THERETO AND HEREBY WAIVE THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE TO THE EXTENT THAT SUCH STATUTE IS INCONSISTENT WITH THIS LEASE.

26. **Disclosure Regarding The Nature of a Real Estate Agency Relationship.**

(a) When entering into a discussion with a real estate agent regarding a real estate transaction, a Lessor or Lessee should from the outset understand what type of agency relationship or representation it has with the agent or agents in the transaction. Lessor and Lessee acknowledging being advised by the Brokers in this transaction, as follows:

(i) **Lessor’s Agent.** A Lessor’s agent under a listing agreement with the Lessor acts as the agent for the Lessor only. A Lessor’s agent or subagent has the following affirmative obligations: To the Lessor: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Lessor. To the Lessor and the Lessee: (a) Diligent exercise of reasonable skills and care in performance of the agent’s duties. (b) A duty of honest and fair dealing and good faith. (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(ii) **Lessee’s Agent.** An agent can agree to act as agent for the Lessee only. In these situations, the agent is not the Lessor’s agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Lessor. An agent acting only for a Lessee has the following affirmative obligations: To the Lessee: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Lessee. To the Lessor and the Lessee: (a) Diligent exercise of reasonable skills and care in performance of the agent’s duties. (b) A duty of honest and fair dealing and good faith. (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(iii) **Agent Representing Both Lessor and Lessee.** A real estate agent, either acting directly or through one or more associate licensees, can legally be the agent of both the Lessor and the Lessee in a transaction, but only with the knowledge and consent of both the Lessor and the Lessee. In a dual agency situation, the agent has the following affirmative obligations to both the Lessor and the Lessee: (a) A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either Lessor or the Lessee. (b) Other duties to the Lessor and the Lessee as stated.
above in subparagraphs (i) or (ii). In representing both Lessor and Lessee, the agent may not without the express permission of the respective Party, disclose to the other Party that the Lessor will accept rent in an amount less than that indicated in the listing or that the Lessee is willing to pay a higher rent than that offered. The above duties of the agent in a real estate transaction do not relieve a Lessor or Lessee from the responsibility to protect their own interests. Lessor and Lessee should carefully read all agreements to assure that they adequately express their understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional.

30. Subordination; Attornment; Non-Disturbance.
30.1 Subordination. This Lease and any Option granted hereby shall be subject and subordinate to any ground lease, mortgage, deed of trust, or other hypothecation or security device (collectively, "Security Device"), now or hereafter placed upon the Premises, to any and all advances made on the security thereof, and to all renewals, modifications, and extensions thereof. Lessor agrees that the holders of any such Security Devices (hereinafter referred to as "Lender") shall have no liability or obligation to perform any of the obligations of Lessor under this Lease. Any Lender may elect to have this Lease and/or any Option granted hereby subject to the lien of any Security Device by giving written notice thereof to Lessor, whereupon this Lease and such Option shall be deemed prior to any Security Device, notwithstanding the relative dates of the documentation or recordation thereof.

30.2 Attornment. In the event that Lessor transfers title to the Premises, or the Premises are acquired by another upon the foreclosure or termination of a Security Device to which this Lease is subordinated (i) Lessee shall, subject to the non-disturbance provisions of Paragraph 30.3, atom to such new owner, and upon request, enter into a new lease, containing all of the terms and provisions of this Lease, with such new owner for the remainder of the term hereof, or, at the election of the new owner, this Lease will automatically become a new lease between Lessee and such new owner, and (ii) Lessor shall thereupon be relieved of any further obligations hereunder and such new owner shall assume all of Lessor's obligations, except that such new owner shall not: (a) be liable for any act or omission of any prior lessor or with respect to events occurring prior to acquisition of ownership; (b) be subject to any offsets or defenses which Lessee might have against any prior lessor, (c) be bound by prepayment of more than one month's rent, or (d) be liable for the return of any security deposit paid to any prior lessor which was not paid or credited to such new owner.

30.3 Non-Disturbance. With respect to Security Devices entered into by Lessor after the execution of this Lease, Lessor's subordination of this Lease shall be subject to receiving a commercially reasonable non-disturbance agreement (a "Non-Disturbance Agreement") from the Lender which Non-Disturbance Agreement provides that Lessor's possession of the Premises, and this Lease, including any options to extend the term hereof, will not be disturbed so long as Lessee is not in breach hereof and attorns to the record owner of the Premises. Further, within 60 days after the execution of this Lease, Lessor shall, if requested by Lessor, use its commercially reasonable efforts to obtain a Non-Disturbance Agreement with the holder of any pre-existing Security Device which is secured by the Premises. In the event that Lessor is unable to provide the Non-Disturbance Agreement within said 60 days, then Lessee may, at Lessee's option, directly contact Lender and attempt to negotiate for the execution and delivery of a Non-Disturbance Agreement.

30.4 Self-Executing. The agreements contained in this Paragraph 30 shall be effective without the execution of any further documents; provided, however, that, upon written request from Lessor or a Lender in connection with a sale, financing or refinancing of the Premises, Lessor and Lessor shall execute such further writings as may be reasonably required—separately document any subordination, attornment and/or Non-Disturbance Agreement provided herein.

31. Attorneys' Fees. If any Party or Broker brings an action or proceeding involving the Premises whether founded in tort, contract or equity, or to declare rights hereunder, the Prevailing Party (as hereafter defined) in any such proceeding, action, or appeal thereon, shall be entitled to reasonable
attorneys' fees. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The term, "Prevailing Party" shall include, without limitation, a Party or Broker who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other Party or Broker of its claim or defense. The attorneys' fees award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorneys' fees reasonably incurred. In addition, Lessor shall be entitled to attorneys' fees, costs and expenses incurred in the preparation and service of notices of Default and consultations in connection therewith, whether or not a legal action is subsequently commenced in connection with such Default or resulting Breach ($200 is a reasonable minimum per occurrence for such services and consultation).

32. Lessor's Access; Showing Premises; Repairs. Lessor and Lessor's agents shall have the right to enter the Premises at any time, in the case of an emergency, and otherwise at reasonable times after reasonable prior notice to the purpose of showing the same to prospective purchasers, lenders, or tenants, and making such alterations, repairs, improvements or additions to the Premises as Lessor may deem necessary or desirable and the erecting, using and maintaining of utilities, services, pipes and conduits through the Premises and/or other premises as long as there is no material adverse effect on Lessee's use of the Premises. All such activities shall be without abatement of rent or liability to Lessee.

33. Auctions. Lessee shall not conduct, nor permit to be conducted, any auction upon the Premises without Lessor's prior written consent. Lessor shall not be obligated to exercise any standard of reasonableness in determining whether to permit an auction.

34. Signs. Lessor may place on the Premises ordinary "For Sale" signs at any time and ordinary "For Lease" signs during the last 6 months of the term hereof. Except for ordinary "For Sublease" signs which may be placed only on the Premises, Lessee shall not place any sign upon the Project without Lessor's prior written consent. All signs must comply with all Applicable Requirements.

35. Termination; Merger. Unless specifically stated otherwise in writing by Lessor, the voluntary or other surrender of this Lease by Lessee, the mutual termination or cancellation hereof, or a termination hereof by Lessor for Breach by Lessee, shall automatically terminate any sublease or lesser estate in the Premises; provided, however, that Lessor may elect to continue any one or all existing subtenancies. Lessor's failure within 10 days following any such event to elect to the contrary by written notice to the holder of any such lesser interest, shall constitute Lessor's election to have such event constitute the termination of such interest.

36. Consents. Except as otherwise provided herein, wherever in this Lease the consent of a Party is required to an act by or for the other Party, such consent shall not be unreasonably withheld or delayed. Lessor's actual reasonable costs and expenses (including but not limited to architects', attorneys', engineers' and other consultants' fees) incurred in the consideration of, or response to, a request by Lessee for any Lessor consent, including but not limited to consents to an assignment, a subletting or the presence or use of a Hazardous Substance, shall be paid by Lessee upon receipt of an invoice and supporting documentation. Lessor's consent to any act, assignment or subletting shall not constitute an acknowledgment that No Default or Breach by Lessor of this Lease exists, nor shall such consent be deemed a waiver of any then existing Default or Breach, except as may be otherwise specifically stated in writing by Lessor at the time of such consent. The failure to specify herein any particular condition to Lessor's consent shall not preclude the imposition by Lessor at the time of consent of such further or other conditions as are then reasonable with reference to the particular matter for which consent is being given. In the event that either Party disagrees with any determination made by the other hereunder and reasonably requests the reasons for such determination, the determining party shall furnish its reasons in writing and in reasonable detail within 10 business days following such request.

37. Guarantor.  
37.1 Execution. The Guarantors, if any, shall each execute a guaranty in the form most recently published by the AIR Commercial Real Estate Association.  
37.2 Default. It shall constitute a Default of the Lessee if any Guarantor fails or refuses, upon request to provide: (a) evidence of the execution of the guaranty, including the authority of the party signing on Guarantor's behalf to obligate Guarantor, and in the case of a corporate Guarantor, a certified copy of a resolution of its board of directors authorizing the making of such guaranty, (b) current financial statements, (c) an Estoppel Certificate, or (d) written confirmation that the guaranty is still in effect.

38. Quiet Possession. Subject to payment by Lessee of the Rent and performance of all of the covenants, conditions and provisions on Lessee's part to be observed and performed under this Lease, Lessee shall have quiet possession and quiet enjoyment of the Premises during the term hereof.

39. Options. If Lessee is granted an option, as defined below, then the following provisions shall apply.
39.1 Definition. "Option" shall mean: (a) the right to extend or reduce the term of or renew this Lease or to extend or reduce the term of or renew any lease that Lessee has on other property of Lessor; (b) the right of first refusal or first offer to lease either the Premises or other property of Lessor; (c) the right to purchase, the right of first offer to purchase or the right of first refusal to purchase the Premises or other property of Lessor.
39.2 Options Personal To Original Lessee. Any Option granted to Lessee in this Lease is personal to the original Lessee, and cannot be assigned or exercised by anyone other than said original Lessee and only while the original Lessee is in full possession of the Premises and, if requested by Lessor, with Lessee certifying that Lessee has no intention of thereafter assigning or subletting.
39.3 Multiple Options. In the event that Lessee has any multiple Options to extend or renew this Lease, a later Option cannot be exercised unless the prior Options have been validly exercised.
39.4 Effect of Default on Options.

(a) Lessee shall have no right to exercise an Option: (i) during the period commencing with the giving of any notice of Default and continuing until said Default is cured, (ii) during the period of time any Rent is unpaid (without regard to whether notice thereof is given to Lessee), (iii) during the time Lessee is in Breach of this Lease, or (iv) in the event that Lessee has been given 3 or more notices of separate Default, whether or not the Defaults are cured, during the 12 month period immediately preceding the exercise of the Option.

(b) The period of time within which an Option may be exercised shall not be extended or enlarged by reason of Lessee's inability to exercise an Option because of the provisions of Paragraph 39.4(a).

(c) An Option shall terminate and be of no further force or effect, notwithstanding Lessee's due and timely exercise of the Option, if, after such exercise and prior to the commencement of the extended term or completion of the purchase, (i) Lessee fails to pay Rent for a period of 30 days after such Rent becomes due (without any necessity of Lessor to give notice thereof), or (ii) if Lessee commits a Breach of this Lease.

40. Security Measures. Lessee hereby acknowledges that the Rent payable to Lessor hereunder does not include the cost of guard service or other security measures, and that Lessor shall have no obligation whatsoever to provide same. Lessee assumes all responsibility for the protection of the Premises, Lessee, its agents and invitees and their property from the acts of third parties.

41. Reservations. Lessor reserves the right: (i) to grant, without the consent or joinder of Lessee, such easements, rights and dedications that Lessor deems necessary, (ii) to cause the recordation of parcel maps and restrictions, and (iii) to create and/or install new utility raceways, so long as such easements, rights, dedications, maps, restrictions, and utility raceways do not unreasonably interfere with the use of the Premises by Lessee. Lessee agrees to sign any documents reasonably requested by Lessor to effectuate such rights.

42. Performance Under Protest. If at any time a dispute shall arise as to any amount or sum of money to be paid by one Party to the other under the provisions hereof, the Party against whom the obligation to pay the money is asserted shall have the right to make payment "under protest" and such payment shall not be regarded as a voluntary payment and there shall survive the right on the part of said Party to institute suit for recovery of such sum. If it shall be adjudged that there was no legal obligation on the part of said Party to pay such sum or any part thereof, said Party shall be entitled to recover such sum or so much thereof as it was not legally required to pay. A Party who does not initiate suit for the recovery of sums paid "under protest" within 6 months shall be deemed to have waived its right to protest such payment.

43. Authority; Multiple Parties; Execution.

(a) If either Party hereto is a corporation, trust, limited liability company, partnership, or similar entity, each individual executing this Lease on behalf of such entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on its behalf. Each Party shall, within 30 days after request, deliver to the other Party satisfactory evidence of such authority.

(b) If this Lease is executed by more than one person or entity as "Lessee", each such person or entity shall be jointly and severally liable hereunder. It is agreed that any one of the named Lessees shall be empowered to execute any amendment to this Lease, or other document ancillary thereto and bind all of the named Lessees, and Lessor may rely on the same as if all of the named Lessees had executed such document.

(c) This Lease may be executed by the Parties in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

44. Conflict. Any conflict between the printed provisions of this Lease and the typewritten or handwritten provisions shall be controlled by the typewritten or handwritten provisions.

45. Offer. Preparation of this Lease by either party or their agent and submission of same to the other Party shall not be deemed an offer to lease to the other Party. This Lease is not intended to be binding until executed and delivered by all Parties hereto.

46. Amendments. This Lease may be modified only in writing, signed by the Parties in interest at the time of the modification. As long as they do not materially change Lessee's obligations hereunder, Lessee agrees to make such reasonable non-monetary modifications to this Lease as may be reasonably required by a Lender in connection with the obtaining of normal financing or refinancing of the Premises.

47. Waiver of Jury Trial. The Parties hereby waive their respective rights to trial by jury in any action or proceeding involving the property or arising out of this Agreement.

48. Arbitration of Disputes. An Addendum requiring the Arbitration of all disputes between the Parties and/or Brokers arising out of this Lease is not attached to this Lease.

49. Americans with Disabilities Act. Since compliance with the Americans with Disabilities Act (ADA) is dependent upon Lessee's specific use of the Premises, Lessor makes no warranty or representation as to whether or not the Premises comply with ADA or any similar legislation. In the event that Lessee's use of the Premises requires modifications or additions to the Premises in order to be in ADA compliance, Lessee agrees to make any such necessary modifications and/or additions at Lessee's expense.

Lessor and Lessee have carefully read and reviewed this Lease and each term and provision contained herein, and by the execution of this Lease show their informed and voluntary consent thereto. The Parties hereby agree that, at the time this Lease is executed, the terms of this Lease are commercially reasonable and effectuate the intent and purpose of Lessor and Lessee with respect to the Premises.

Attention: No representation or recommendation is made by the Air Commercial Real Estate Association or by any broker as to the legal sufficiency, legal effect, or tax consequences of this Lease or the transaction to which it relates. The Parties are urged to:

1. Seek advice of counsel as to the legal and tax consequences of this Lease.

WARNING: IF THE PREMISES ARE LOCATED IN A STATE OTHER THAN CALIFORNIA, CERTAIN PROVISIONS OF THE LEASE MAY NEED TO BE REVISED TO COMPLY WITH THE LAWS OF THE STATE IN WHICH THE PREMISES ARE LOCATED.

The parties hereto have executed this Lease at the place and on the dates specified above their respective signatures.

Executed at: ____________________________
On: ____________________________
By LESSOR: ____________________________

THE CITY OF INDIAN WELLS,
a municipal corporation

By: ____________________________
Name Printed: ____________________________
Title: ____________________________
Address: ____________________________
Telephone: (___) ______________________
Facsimile: (___) ______________________
Federal ID No. ______________________

By: ____________________________
Name Printed: ____________________________
Title: ____________________________
Address: ____________________________
Telephone: (___) ______________________
Facsimile: (___) ______________________
Federal ID No. ______________________

By LESSEE: ____________________________
WORLD AFFAIRS COUNCIL OF THE DESERT

By: ____________________________
Name Printed: ____________________________
Title: ____________________________
Address: ____________________________
Telephone: (___) ______________________
Facsimile: (___) ______________________
Federal ID No. ______________________

By: ____________________________
Name Printed: ____________________________
Title: ____________________________
Address: ____________________________
Telephone: (___) ______________________
Facsimile: (___) ______________________
Federal ID No. ______________________

BROKER: ____________________________

Attn: ____________________________
Title: ____________________________
Address: ____________________________
Telephone: (___) ______________________
Facsimile: (___) ______________________
Email: ____________________________
Federal ID No. ______________________
Broker/Agent DRE License #: ______________________

NOTICE: These forms are often modified to meet changing requirements of law and industry needs. Always write or call to make sure you are utilizing the most current form: AIR Commercial Real Estate Association, 800 W 6th Street, Suite 800, Los Angeles, CA 90017. Telephone No. (213) 687-8777. Fax No. (213) 687-8616.

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STANDARD LEASE ADDENDUM

Dated ______________________, 2012

By and Between (Lessor) THE CITY OF INDIAN WELLS, a municipal corporation

(Lessee) WORLD AFFAIRS COUNCIL OF THE DESERT

Address of Premises: 45-200 Club Drive, Suite B-4

A. RENT ADJUSTMENTS:

The monthly rent for each month of the adjustment period(s) specified below shall be increased using the method(s) indicated below:

(Select Method(s) to be Used and Fill in Appropriately)

☑ I. Cost of Living Adjustment(s) (COLA)

a. On (Fill in COLA Dates): On the first anniversary of the Commencement Date and on each subsequent anniversary of the Commencement Date,

the Base Rent shall be adjusted by the change, if any, from the Base Month specified below, in the Consumer Price Index of the Bureau of Labor Statistics of the U.S. Department of Labor for (select one): ☐ CPI W (Urban Wage Earners and Clerical Workers) or ☐ CPI U (All Urban Consumers), for (Fill in Urban Area):

U.S. City average, all items less food and energy (1982-84=100) - Table attached for purposes of illustration. All Items (1982-1984 = 100), herein referred to as "CPI".

b. The monthly rent payable in accordance with paragraph A.l.a. of this Addendum shall be calculated as follows: the Base Rent set forth in paragraph 1.5 of the attached Lease, shall be multiplied by a fraction the numerator of which shall be the CPI of the calendar month 2 months prior to the month(s) specified in paragraph A.l.a. above during which the adjustment is to take effect, and the denominator of which shall be the CPI of the calendar month which is 2 months prior to (select one): ☑ the first month of the term of this Lease as set forth in paragraph 1.3 ("Base Month") or ☐ (Fill in Other "Base Month").

The sum so calculated shall constitute the new monthly rent hereunder, but in no event, shall any such new monthly rent be less than the rent payable for the month immediately preceding the rent adjustment.

c. In the event the compilation and/or publication of the CPI shall be transferred to any other governmental department or bureau or agency or shall be discontinued, then the index most nearly the same as the CPI shall be used to make such calculation. In the event that the Parties cannot agree on such alternative index, then the matter shall be submitted for decision to the American Arbitration Association in accordance with the then rules of said Association and the decision of the arbitrators shall be binding upon the parties. The cost of said Arbitration shall be paid equally by the Parties.
II. Market Rental Value Adjustment(s) (MRV)
a. On (Fill in MRV Adjustment Date(s)): N/A

The Base Rent shall be adjusted to the "Market Rental Value" of the property as follows:

1) Four months prior to each Market Rental Value Adjustment Date described above, the Parties shall attempt to agree upon what the new MRV will be on the adjustment date. If agreement cannot be reached within thirty days, then:

(a) Lessor and Lessee shall immediately appoint a mutually acceptable appraiser or broker to establish the new MRV within the next 30 days. Any associated costs will be split equally between the Parties, or

(b) Both Lessor and Lessee shall each immediately make a reasonable determination of the MRV and submit such determination, in writing, to arbitration in accordance with the following provisions:

(i) Within 15 days thereafter, Lessor and Lessee shall each select an appraiser or broker ("Consultant" - check one) of their choice to act as an arbitrator. The two arbitrators so appointed shall immediately select a third mutually acceptable Consultant to act as a third arbitrator.

(ii) The 3 arbitrators shall within 30 days of the appointment of the third arbitrator reach a decision as to what the actual MRV for the Premises is, and whether Lessor's or Lessee's submitted MRV is the closest thereto. The decision of a majority of the arbitrators shall be binding on the Parties. The submitted MRV which is determined to be the closest to the actual MRV shall thereafter be used by the Parties.

(iii) If either of the Parties fails to appoint an arbitrator within the specified 15 days, the arbitrator timely appointed by one of them shall reach a decision on his or her own, and said decision shall be binding on the Parties.

(iv) The entire cost of such arbitration shall be paid by the party whose submitted MRV is not selected, i.e., the one that is NOT the closest to the actual MRV.

2) Notwithstanding the foregoing, the new MRV shall not be less than the rent payable for the month immediately preceding the rent adjustment.

b. Upon the establishment of each New Market Rental Value:

1) the new MRV will become the new "Base Rent" for the purpose of calculating any further Adjustments, and

2) the first month of each Market Rental Value term shall become the new "Base Month" for the purpose of calculating any further Adjustments.

III. Fixed Rental Adjustment(s) (FRA)

The Base Rent shall be increased to the following amounts on the dates set forth below:

On (Fill in FRA Adjustment Date(s)): N/A

The New Base Rent shall be:

B. NOTICE:
Unless specified otherwise herein, notice of any such adjustments, other than Fixed Rental Adjustments, shall be made as specified in paragraph 23 of the Lease.

C. BROKER'S FEE:
The Brokers shall be paid a Brokerage Fee for each adjustment specified above in accordance with paragraph 15 of the Lease.

NOTICE: These forms are often modified to meet changing requirements of law and industry needs. Always write or call to make sure you are utilizing the most current form: AIR Commercial Real Estate Association, 800 W 6th Street, Suite 800, Los Angeles, CA 90017. Telephone No. (213) 687-8777. Fax No.: (213) 687-8616.
Dated __________________________, 2012

By and Between (Lessor) THE CITY OF INDIAN WELLS, a municipal corporation

(Lessee) WORLD AFFAIRS COUNCIL OF THE DESERT

Address of Premises: 45-200 Club Drive, Suite B-4

Paragraph 50

A. RENT ADJUSTMENTS:

The monthly rent for each month of the adjustment period(s) specified below shall be increased using the method(s) indicated below:

(You must check one method and fill in appropriately)

☐ I. Cost of Living Adjustment(s) (COLA)

a. On (Fill in COLA Dates): On the first anniversary of the Commencement Date and on each subsequent anniversary of the Commencement Date,

the Base Rent shall be adjusted by the change, if any, from the Base Month specified below, in the Consumer Price Index of the Bureau of Labor Statistics of the U.S. Department of Labor for (select one): ☐ CPI W (Urban Wage Earners and Clerical Workers) or ☐ CPI U (All Urban Consumers), for (Fill in Urban Area):

U.S. City average, all items less food and energy (1982-84=100) - Table attached for purposes of illustration

All items (1982-1984 = 100), herein referred to as "CPI".

b. The monthly rent payable in accordance with paragraph A.I.a. of this Addendum shall be calculated as follows: the Base Rent set forth in paragraph 1.5 of the attached Lease, shall be multiplied by a fraction the numerator of which shall be the CPI of the calendar month 2 months prior to the month(s) specified in paragraph A.I.a. above during which the adjustment is to take effect, and the denominator of which shall be the CPI of the calendar month which is 2 months prior to (select one): ☐ the first month of the term of this Lease as set forth in paragraph 1.3 ("Base Month") or ☐ (Fill in Other "Base Month"): . The sum so calculated shall constitute the new monthly rent hereunder, but in no event, shall any such new monthly rent be less than the rent payable for the month immediately preceding the rent adjustment.

The cost of said Arbitration shall be paid equally by the Parties.

In the event the compilation and/or publication of the CPI shall be transferred to any other governmental department or bureau or agency or shall be discontinued, then the index most nearly the same as the CPI shall be used to make such calculation. In the event that the Parties cannot agree on such alternative index, then the matter shall be submitted for decision to the American Arbitration Association in accordance with the then rules of said Association and the decision of the arbitrators shall be binding upon the parties. The cost of said Arbitration shall be paid equally by the Parties.
II. Market Rental Value Adjustment(s) (MRV)

a. On (Fill in MRV Adjustment Date(s)); N/A

the Base Rent shall be adjusted to the “Market Rental Value” of the property as follows:

1) Four months prior to each Market Rental Value Adjustment Date described above, the Parties shall attempt to agree upon what the new MRV will be on the adjustment date. If agreement cannot be reached within thirty days, then:

(a) Lessor and Lessee shall immediately appoint a mutually acceptable appraiser or broker to establish the new MRV within the next 30 days. Any associated costs will be split equally between the Parties, or

(b) Both Lessor and Lessee shall each immediately make a reasonable determination of the MRV and submit such determination, in writing, to arbitration in accordance with the following provisions:

(i) Within 15 days thereafter, Lessor and Lessee shall each select an appraiser or broker ("Consultant" - check one) of their choice to act as an arbitrator. The two arbitrators so appointed shall immediately select a third mutually acceptable Consultant to act as a third arbitrator.

(ii) The 3 arbitrators shall within 30 days of the appointment of the third arbitrator reach a decision as to what the actual MRV for the Premises is, and whether Lessor’s or Lessee’s submitted MRV is the closest thereto. The decision of a majority of the arbitrators shall be binding on the Parties. The submitted MRV which is determined to be the closest to the actual MRV shall thereafter be used by the Parties.

(iii) If either of the Parties fails to appoint an arbitrator within the specified 15 days, the arbitrator timely appointed by one of them shall reach a decision on his or her own, and said decision shall be binding on the Parties.

(iv) The entire cost of such arbitration shall be paid by the party whose submitted MRV is not selected, i.e., the one that is NOT the closest to the actual MRV.

2) Notwithstanding the foregoing, the new MRV shall not be less than the rent payable for the month immediately preceding the rent adjustment.

b. Upon the establishment of each New Market Rental Value:

1) the new MRV will become the new “Base Rent” for the purpose of calculating any further Adjustments, and

2) the first month of each Market Rental Value term shall become the new ‘Base Month’ for the purpose of calculating any further Adjustments.

III. Fixed Rental Adjustment(s) (FRA)

The Base Rent shall be increased to the following amounts on the dates set forth below:

On (Fill in FRA Adjustment Date(s)); N/A

The New Base Rent shall be:

N/A

B. NOTICE:

Unless specified otherwise herein, notice of any such adjustments, other than Fixed Rental Adjustments, shall be made as specified in paragraph 23 of the Lease.

C. BROKER’S FEE:

The Brokers shall be paid a Brokerage Fee for each adjustment specified above in accordance with paragraph 15 of the Lease.

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ADDENDUM

THIS ADDENDUM modifies and, to the extent of any inconsistency, supersedes the provisions of that certain Standard Industrial/Commercial Multi-Tenant Lease – Net between the undersigned Lessor and Lessee, dated ____________, 2012. Unless otherwise defined herein, all defined terms will have the same meaning as set forth in the Lease.

51. **Term.** Unless either Party notifies the other in writing not less than one hundred twenty (120) days prior to the Expiration Date or Extended Expiration Date (as defined below) of its election to terminate this Lease, the term of this Lease will be automatically extended for additional periods of one (1) year each (the expiration of each such additional one (1) year term being referred to as the “Extended Expiration Date”). Unless otherwise agreed in writing by the Parties, all the terms and provisions of this Lease will remain in effect and binding upon the Parties during any such extended term.

52. **Early Occupancy.** Upon execution of this Lease by both Parties, payment by Tenant of the Security Deposit and receipt by Lessor of proof of insurance, Lessee shall be entitled to early occupancy of the Premises in order to construct such improvements as have been approved by Lessor, including installation of telephone and other office systems.

53. **Utility Costs.** Lessor will pay the cost of water, sewer, electricity and natural gas used at the Premises, including any that may be separately metered to Suite B. Lessee will be solely responsible for any costs associated with its telephone/telecommunications systems.

54. **Signage.** Lessee shall have the right to install signage on the Building subject to Lessor’s signage program, approval by Lessor and compliance with sign requirements of the City of Indian Wells (independent of City’s status as Lessor).

55. **Parking.** Lessee, its employees and business visitors, may use public parking at the Project in common with other tenants, their employees and business visitors. No specific number of parking spaces or any reserved spaces will be allocated to Lessee or the Premises.

56. **HVAC Maintenance.** Lessor will be responsible for repair and maintenance of the heating, ventilation and air-conditioning systems in the Building; provided, however, that Lessee shall be responsible for maintenance of any portion of such system located within the Premises or for any maintenance or repair required as a result of damage caused by Lessee.

57. **Possessory Interest Taxes.** Lessor hereby discloses to Lessee that due to Lessor’s status as a public entity, the Building is not subject to real property taxes. However, Lessee will be liable for payment of possessory interest taxes with respect to its occupancy of the Premises. Possessory interest taxes will be billed directly to Lessee by Riverside County and are not included in Common Area Operating Expenses and Lessee’s allocation thereof.

58. **Common Area Operating Expenses and Adjustments.** Notwithstanding any other provision of this Lease, and notwithstanding Lessee’s Share as set forth in Section 1.6 of this Lease, the initial amount of Common Area Operating Expenses shall be fifty cents ($0.50) per square foot, which amount will be adjusted on the first anniversary of the Commencement Date.
and on each subsequent anniversary of the Commencement Date, based on adjustments in the CPI, all in accordance with the provisions of Section A.I of the “Rent Adjustment(s)” Addendum attached to this Lease.

LESSOR:

THE CITY OF INDIAN WELLS,
a municipal corporation

By: __________________________
Its: __________________________

LESSEE:

WORLD AFFAIRS COUNCIL OF THE DESERT

By: __________________________
Its: __________________________
### Consumer Price Index - Urban Wage Earners and Clerical Workers

**Series ID:** CPIU00000001

**Not Seasonally Adjusted**

**Areas:** U.S. city average

**Items:** All items less food and energy

**Base Period:** 1982-84 = 100

#### Downloads: .xls

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<th>Mar</th>
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- From: 2002
- To: 2013
- Include graphs

Data extracted on: March 5, 2012 (6:10:36 PM)
STAFF REPORT

DATE: April 5, 2012

TO: Honorable Mayor and Members of the City Council

FROM: Kevin McCarthy, Finance Director

SUBJECT: Approval of a Four Year Lease Agreement with Club Car and GPSI Leasing to Acquire a New Golf Car Fleet and GPS System at the Indian Wells Golf Resort

Summary

Approve a four year lease agreement with Club Car and GPSI Leasing to acquire a new golf car fleet and GPS system at the Indian Wells Golf Resort. The City Council should also consider several options regarding the disposal of the existing golf car fleet which are included in the staff report.

On March 27, 2012, the Indian Wells Golf Resort Golf Advisory Committee met to review and discuss the Club Car and GPSI Lease and options regarding the disposal of the existing golf car fleet. The Golf Advisory Committee recommend approval of both lease agreements and recommended the City Council consider providing Indian Wells residents the first option to purchase the existing golf car fleet at $1,025 per golf car with any remaining units sold to Club Car at the same discounted price.

Background

In October 2011, the City Council authorized the purchase the existing Club Car fleet for $195,923.46 to use for the remainder of the 2011/12 fiscal year. The purchase of the existing fleet was seen as an intermediary step to fully amortize the cost of the Uplink Inova GPS system which had one year of warranty service remaining.

Purchasing the golf cars allowed the City to recoup what amounts to a year’s normal operational costs of the fleet. It is anticipated the existing fleet will be sold at the time it is replaced. Proceeds from the sale could be used to offset lease costs associated with the acquisition of a new fleet.

Given the Indian Wells Golf Resort has become a true world class destination resort, the long term asset management of golf car and GPS systems will develop into “paired” four year lease agreements. This ideology supports the practice of delivering the best golf experience possible by consistently providing the newest golf car and GPS system technology available.
Fiscal Impact

As proposed, the City will replace its entire fleet with new 2012 Club Car Precedent golf cars and install a new state of the art Visage RT+ GPS system. The total of the four year lease is $1,328,784.

<table>
<thead>
<tr>
<th>Quantity</th>
<th>Description/Model</th>
<th>Monthly Lease</th>
<th>Annual Lease</th>
<th>Four Year Total</th>
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<td>Precedent Champion Fleet</td>
<td>17,053</td>
<td>204,636</td>
<td>818,544</td>
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<td>2</td>
<td>Utility Carryall 6</td>
<td>488</td>
<td>5,376</td>
<td>21,504</td>
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<tr>
<td>2</td>
<td>Villager 4 (4 passenger)</td>
<td>300</td>
<td>3,600</td>
<td>14,400</td>
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<tr>
<td>3</td>
<td>Villager 6 (6 passenger)</td>
<td>675</td>
<td>8,100</td>
<td>32,400</td>
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<tr>
<td>2</td>
<td>Café Express</td>
<td>741</td>
<td>8,892</td>
<td>35,568</td>
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<td>Utility Turf 2 (Range Picker)</td>
<td>175</td>
<td>2,100</td>
<td>8,400</td>
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<tr>
<td>4</td>
<td>Utility Turf 1 (Ranger Cars)</td>
<td>572</td>
<td>6,864</td>
<td>27,456</td>
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<td>174</td>
<td>Total Club Car Lease</td>
<td>19,964</td>
<td>239,568</td>
<td>958,272</td>
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<td>169</td>
<td>Visage RT+ GPS System</td>
<td>7,719</td>
<td>92,628</td>
<td>370,512</td>
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<td></td>
<td>Total Lease Cost</td>
<td>27,683</td>
<td>332,196</td>
<td>1,328,784</td>
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The Visage RT+ GPS system is a product of GPS Industries and is fully supported by Club Car as their recommended factory installed GPS product. The Visage RT+ GPS system features "iPad" style large flat screen technology. Familiar touch screen technology powers the Visage system, so there's zero learning curve for the customer. Golfers can navigate easily through menus to access the information and service features they want.

Much more than a yardage marker, Visage provides golfers with superior three dimensional full hole fly-over(s), color graphics, full course mapping, real time pace of play information, and real time food & beverage opportunities from an uploaded menu. The Visage RT+ GPS system also features real time asset management providing location of golf cars, restricted service areas, enhanced marshalling services, and "lock down" guardian services in case of theft or vandalism.

Support of Indian Wells Resort Staff

Representatives from both Club Car and GPS Industries met with Indian Wells Resort Staff to discuss fleet implementation of the new 2012 Club Car golf cars and Visage RT+ GPS system. Indian Wells Golf Resort Staff saw the products, deliberated on site specific performance, and fully supported implementation of the new golf cars and GPS system.

Recently both Silver Rock (La Quinta) and Desert Willow (Palm Desert) took delivery of replacement their fleets. Both chose the Club Car golf cars packaged with the Visage...
GPS system. Indian Wells Resort Staff conducted site visits and concluded the new Club Car golf cars packaged with the Visage GPS system proved to be an unbeatable combination enhancing the golfing experience.

**Preferred Pricing Implemented**

Troon Golf assisted the City to obtain preferred pricing through Troon’s National Fleet Services Division. The City received a 44% price break through Troon’s National Fleet Services Division.

Since any agreement considered today would be made directly with the City, Staff continued negotiations with both the golf car and GPS provider(s) in an effort to improve Troon’s preferred pricing. Through continued negotiations, Staff achieved a 4% price break over Troon’s preferred pricing on the golf cars and a 14% price break over Troon’s preferred pricing on the GPS system.

**Trade-in Value of Existing Fleet**

The City Council can consider several options regarding the sale of the existing golf car fleet. The City Council has the option to declare the golf cars surplus at a public meeting and sell the golf cars to the public. The City could sell the golf cars at public auction or direct sell to the public through a public noticing process.

The City Council retains the option to sell the golf cars directly to its residents as well. As proposed, residents could have the first option to purchase the discounted priced golf cars at $1,025 per car with any remaining units sold to Club Car at the same discounted price. City Staff has addressed most of the logistical issues regarding the sale of golf cars to residents and is prepared to move forward if directed by the City Council.

In brief, the golf cars will be advertised to residents beginning in May through the City’s monthly Newsletter and E-Blast distribution. Resident sales will commence in August and will be coordinated onsite at the Indian Golf Resort using Golf Resort Staff. Payment methods by credit card or check will be conveniently and seamlessly processed at the Golf Resort. Delivery services will not be included however the City could make available a list of local companies interested in golf car delivery. In consideration of the various disposal methods, City Staff has obtained a legal opinion from Best Best & Krieger supporting the options proposed.

Finally, Club Car has offered a trade-in value of $1,025 per vehicle for any or all of the current 174 car fleet for a total sales price of $178,350. Proceeds from the sale could be used to offset lease costs associated with the acquisition of a new fleet.
**Recommendation**

1. Approve a four year lease agreement with Club Car and GPSI Leasing to acquire a new golf car fleet and GPS system at the Indian Wells Golf Resort at a lease cost of $27,683 per month.

2. Discuss and take action to consider the City Council's preferred method of disposal of the City's current fleet of 174 golf cars and support vehicles.

City Manager
TABLE OF CONTENTS

Proposed Equipment

Purchase Quotation – Golf Car Fleet

Purchase Quotation – Guest Service Vehicles

Lease Proposal – Golf Car Fleet

Lease Proposal – Guest Service Vehicles

Lease Proposal – Beverage Vehicles

Lease Proposal – 4 Passenger Vehicles

Lease Proposal – 6 Passenger Vehicles

Lease Proposal – Carryall 6 Flat Bed Utility Vehicles

Lease Proposal – Turf 2 Driving Range Vehicle

Lease Proposal – Carryall 295 Driving Range Vehicle

Terms and Conditions for Returning Vehicles

Warranties
PROPOSED EQUIPMENT
(Precedent i2L Excel)

One Hundred Sixty (160) new 2012 Club Car® Precedent i2L Excel golf cars equipped as follows:

**Standard Equipment**
- Custom Color: Platinum (8002C)
- MonsoonTop™ Canopy: White
- Ergo Seats: White
- PowerShield™
- AlumiCore™ Chassis
- 360 Degree Bumper™
- SportDrive™ Steering & Suspension
- 48 Volt IQ System™
- Dupont™ Surlyn Reflections Body Panels
- PowerDrive™ 3 Chargers
- Integrated Rake Holders
- Canopy Storage Nets
- Aluminum Alloy Wheels

**Troon Golf Package (Included at No Charge)**
- Single Point Battery Watering System
- Winged Windshields (Hinged)
- Custom Numbers/Logos (1-160, 2 per car)
- Information Holders - 1 Per Car
- Custom Nameplates
- Ball and Club Cleaners (Driver Side)
- Coolers (Passenger Side)
- Sand Bottles (Strut mounted, 2 per car)
- Custom Club Logo – Arrowhead on Front
- Communication Display Module (1)*

* Communication Display Module (CDM) – *The CDM is a hand-held device to retrieve diagnostic information from the on-board computer to boost fleet efficiency and reduce maintenance costs.*

Delivery will be approximately August 1, 2012

Indian Wells Golf Resort

By: ________________________________

Title: _______________________________

Date: ______________________________

---

Club Car, LLC

By: Roger Taylor

Title: National Accounts Manager

Date: February 24, 2012
PURCHASE QUOTATION
(Precedent i2L Fleet)

We are pleased to submit the following quotation:

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<th>QUANTITY</th>
<th>DESCRIPTION</th>
<th>UNIT PRICE</th>
<th>EXTENDED PRICE</th>
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<td>160</td>
<td>New 2012 Precedent i2L Excel electric golf cars equipped as stated below:</td>
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<td>Single Point Watering Systems</td>
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<td>Winged Windshields (Hinged)</td>
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<td>Custom Numbers / Logos (1-160, 2 Per Car)</td>
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<td>160</td>
<td>Information Holders (1 Per Car)</td>
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<td>160</td>
<td>Custom Nameplates</td>
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<td>160</td>
<td>Ball and Club Cleaners (Driver Side)</td>
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<td>160</td>
<td>Coolers (Passenger Side)</td>
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<td>160</td>
<td>Sand Bottles (Strut-Mounted, 2 Per Car)</td>
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<td>160</td>
<td>Custom Club Logo – Arrowhead on Front</td>
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<td>160</td>
<td>Custom Color (Platinum PMS #8002C)</td>
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<td>Communication Display Module</td>
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<td>Freight and Installation</td>
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<td>$1,712,036.80</td>
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Troon Golf - Corporate Discount

No charge items are part of special Troon Golf Package (additional savings = $176,022.80)

NET TOTAL | $5,320.40 | $851,264.34

TERMS
Net 30 Days

FREIGHT
Included

DELIVERY DATE
August 1, 2012

SHIPPED VIA
Club Car Truck

Prices quoted are those in effect at the time of quotation and are guaranteed subject to acceptance within thirty days. Applicable state or local taxes and fees not included. Club Car, LLC must approve all credit terms prior to delivery. Customer to submit required credit information for credit approval.

Title and Risk of Loss:
Title to the Products shall not pass to the Purchaser until Club Car has been paid in full, but risk of loss shall pass to Purchaser when the Products are removed from Club Car’s property. When delivered by Club Car’s transports, risk of loss shall pass to Purchaser when the Products are delivered to it at the place designated by Purchaser for delivery.

Indian Wells Golf Resort

By: __________________________________________
Title: ______________________________________
Date: _______________________________________

Club Car, LLC

By: __________________________________________
Title: National Account Manager
Date: February 24, 2012
PURCHASE QUOTATION
(Guest Service Vehicles)

We are pleased to submit the following quotation:

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<th>EXTENDED PRICE</th>
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<td>New 2012 Turf 1 gasoline utility vehicles equipped with all standard equipment plus the following:</td>
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<td>California Emission Package</td>
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<td>Body Color: Beige</td>
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<td>Seat Color: Beige</td>
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<td>4</td>
<td>Canopy Tops: White</td>
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<td>Hinged Windshields</td>
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<td>Custom Logos (1 Per Car)</td>
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<td>Custom Nameplates</td>
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<td>Locking Glove Boxes</td>
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<td>Portable Refreshment Centers</td>
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<td>Freight and Installation</td>
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<td>Troon Golf – Corporate Discount</td>
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<td>($8,404.00)</td>
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<td></td>
<td>NET TOTAL</td>
<td>$7,084.40</td>
<td>$28,337.60</td>
</tr>
</tbody>
</table>

TERMS: Net 30 Days
FREIGHT: Included
DELIVERY DATE: August 1, 2012
SHIPPED VIA: Club Car Truck

Prices quoted are those in effect at the time of quotation and are guaranteed subject to acceptance within thirty days. Applicable state or local taxes and fees not included. Club Car, LLC must approve all credit terms prior to delivery. Customer to submit required credit information for credit approval.

Title and Risk of Loss:
Title to the Products shall not pass to the Purchaser until Club Car has been paid in full, but risk of loss shall pass to Purchaser when the Products are removed from Club Car’s property. When delivered by Club Car’s transports, risk of loss shall pass to Purchaser when the Products are delivered to it at the place designated by Purchaser for delivery.

Indian Wells Golf Resort
By: ____________________________
Title: __________________________
Date: __________________________

Club Car, LLC
By: ____________________________
Title: __________________________
Date: February 24, 2012
LEASE PROPOSAL
(Precedent i2L Fleet)

Club Car®'s primary funding source, Ingersoll-Rand Financial Services, Inc. (IRFS), proposes to lease to Indian Wells Golf Resort one hundred sixty (160) new 2012 Club Car Precedent i2L Excel electric golf cars equipped as stated on the proposed equipment page. The lease rate is based on first payment being made on delivery and is subject to IRFS' normal credit approval.

LEVEL PAYMENT OPERATING LEASE PROGRAM
(12 Payments Per Year)

<table>
<thead>
<tr>
<th>(160) 2012 Precedent i2L Excel Electric Golf Cars</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lease Term</td>
</tr>
<tr>
<td>------------</td>
</tr>
<tr>
<td>48 Months</td>
</tr>
</tbody>
</table>

Filing fees, stamps, or any other possible costs associated with the lease documents are the responsibility of the Club and are due upon delivery of the golf cars.

Upon Acceptance of the proposed agreement and delivery of the new equipment, Club Car will pick up the existing fleet of one hundred sixty (160) 2008 Precedent i2L electric golf cars, (2) 2008 Café Express beverage vehicles, (3) 2008 Villager 6 electric vehicles, (2) 2008 Villager 4 electric vehicles, (2) 2008 Carryall 6 electric vehicles, (1) 2008 Turf 2 gasoline driving range vehicle, and (4) 2008 Turf 1 gasoline utility vehicles. At that time, Club Car will pay off the current contract #035-0310422-001 between Indian Wells Golf Resort and CitiCapital. The above rate is based on the Club making all payments through its final November 2011 payment.

A special discount was applied to the above lease rate in recognition of the long term potential of the relationship between Club Car and Indian Wells Golf Resort. The discount produced an additional savings for Indian Wells Golf Resort in the amount of $13,824.00 over the term of the proposed lease.

Indian Wells Golf Resort does have the option to purchase the existing fleet of (160) used 2008 Precedent i2L electric golf cars from CitiCapital in the amount of $195,923.46. This option may only be exercised after the final November 2011 payment has been made.

The above quoted rates are subject to change due to possible interest rate fluctuation and are therefore valid for acceptance within 30 days.

Indian Wells Golf Resort
By: ____________________________
Title: _________________________
Date: _________________________

Club Car, LLC
By: ____________________________
Title: _________________________
Date: _________________________
LEASE PROPOSAL
(Guest Service Vehicles)

Club Car®'s primary funding source, Ingersoll-Rand Financial Services, Inc. (IRFS), proposes to lease to Indian Wells Golf Resort four (4) new 2012 Club Car Turf 1 gasoline utility vehicles equipped as stated on the purchase quotation page. The lease rate is based on first payment being made on delivery and is subject to IRFS' normal credit approval.

**LEVEL PAYMENT OPERATING LEASE PROGRAM**
(12 Payments Per Year)

<table>
<thead>
<tr>
<th>Lease Term</th>
<th>Rate Per Car Per Month</th>
<th>Total Monthly Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>48 Months</td>
<td>$143.08 plus tax</td>
<td>$572.32 plus tax</td>
</tr>
</tbody>
</table>

Filing fees, stamps, or any other possible costs associated with the lease documents are the responsibility of the Club and are due upon delivery of the utility vehicles.

The above quoted rates are subject to change due to possible interest rate fluctuation and are therefore valid for acceptance within 30 days.

Indian Wells Golf Resort
By: __________________________
Title: _________________________
Date: _________________________

Club Car, LLC
By: Roger Taylor
Title: National Accounts Manager
Date: February 24, 2012
LEASE PROPOSAL
(Beverage Vehicles)

Club Car®'s primary funding source, Ingersoll-Rand Financial Services, Inc. (IRFS), proposes to lease to Indian Wells Golf Resort two (2) new 2012 Club Car Café Express beverage vehicles equipped with all standard equipment plus, green body color, beige seats, green/white stripe canopy covers, wheel covers, hot food boxes, locking glove boxes, humidors, 3 bottle holders, custom logos, custom nameplates, air pots and windshields. The lease rate is based on first payment being made on delivery and is subject to IRFS' normal credit approval.

LEVEL PAYMENT OPERATING LEASE PROGRAM
(12 Payments Per Year)

<table>
<thead>
<tr>
<th>(2) 2012 Café Express Beverage Vehicles</th>
<th>Lease Term</th>
<th>Rate Per Car Per Month</th>
<th>Total Monthly Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>48 Months</td>
<td>$370.59 plus tax</td>
<td>$741.18 plus tax</td>
</tr>
</tbody>
</table>

Filing fees, stamps, or any other possible costs associated with the lease documents are the responsibility of the Club and are due upon delivery of the beverage vehicles.

The above quoted rates are subject to change due to possible interest rate fluctuation and are therefore valid for acceptance within 30 days.

Indian Wells Golf Resort
By: ________________________________________________
Title: ________________________________________________
Date: ________________________________________________

Club Car, LLC
By: ____________________________ Roger Taylor
Title: ____________________________ National Accounts Manager
Date: ____________________________ February 24, 2012
LEASE PROPOSAL
(4 Passenger Vehicles)

Club Car®'s primary funding source, Ingersoll-Rand Financial Services, Inc. (IRFS), proposes to lease to Indian Wells Golf Resort two (2) new 2012 Club Car Villager 4 electric transportation vehicles equipped with all standard equipment, plus green body color, beige seats, beige canopy tops, custom logos, custom nameplates, split windshields, standard lights and rear view mirrors. The lease rate is based on first payment being made on delivery and is subject to IRFS' normal credit approval.

LEVEL PAYMENT OPERATING LEASE PROGRAM
(12 Payments Per Year)

<table>
<thead>
<tr>
<th>(2) 2012 Villager 4 Electric Vehicles</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Lease Term</td>
<td>Rate Per Car Per Month</td>
<td>Total Monthly Payment</td>
</tr>
<tr>
<td>48 Months</td>
<td>$149.85 plus tax</td>
<td>$299.70 plus tax</td>
</tr>
</tbody>
</table>

Filing fees, stamps, or any other possible costs associated with the lease documents are the responsibility of the Club and are due upon delivery of the transportation vehicles.

The above quoted rates are subject to change due to possible interest rate fluctuation and are therefore valid for acceptance within 30 days.

Indian Wells Golf Resort
By: ________________________________
Title: ______________________________
Date: ______________________________

Club Car, LLC
By: ________________________________
Title: National Accounts Manager
Date: ______________________________

February 24, 2012
LEASE PROPOSAL  
(6 Passenger Vehicles)

Club Car®'s primary funding source, Ingersoll-Rand Financial Services, Inc. (IRFS), proposes to lease to Indian Wells Golf Resort three (3) new 2012 Club Car Villager 6 IQ Plus electric transportation vehicles equipped with all standard equipment, plus green body color, beige seats, beige canopy tops, custom logos, custom nameplates, fold-down rear seats, split windshields, standard lights, on-board chargers, standard lights, locking glove boxes and rear view mirrors. The lease rate is based on first payment being made on delivery and is subject to IRFS’ normal credit approval.

LEVEL PAYMENT OPERATING LEASE PROGRAM  
(12 Payments Per Year)

| (3) 2012 Villager 6 IQ Plus Electric Vehicles |  |
| Lease Term | Rate Per Car Per Month | Total Monthly Payment |
| 48 Months | $225.00 plus tax | $675.00 plus tax |

Filing fees, stamps, or any other possible costs associated with the lease documents are the responsibility of the Club and are due upon delivery of the transportation vehicles.

The above quoted rates are subject to change due to possible interest rate fluctuation and are therefore valid for acceptance within 30 days.

Indian Wells Golf Resort

By: ____________________________________________  
Title: ___________________________  
Date: ___________________________

Club Car, LLC

By: Roger Taylor  
Title: National Accounts Manager  
Date: February 24, 2012
LEASE PROPOSAL
(Carryall 6 Flat Bed Vehicles)

Club Car®'s primary funding source, Ingersoll-Rand Financial Services, Inc. (IRFS), proposes to lease to Indian Wells Golf Resort two (2) new 2012 Club Car Carryall 6 IQ Plus electric utility vehicles equipped with all standard equipment, plus green body color, beige seats, beige canopy tops, custom logos, custom nameplates, box beds with fold down sides, bed mats, wheel covers, trailer hitches, on-board chargers, rear view mirrors, and locking glove boxes. The lease rate is based on first payment being made on delivery and is subject to IRFS' normal credit approval.

LEVEL PAYMENT OPERATING LEASE PROGRAM
(12 Payments Per Year)

<table>
<thead>
<tr>
<th>(2) 2012 Carryall 6 IQ Plus Electric Vehicles</th>
<th>Lease Term</th>
<th>Rate Per Car Per Month</th>
<th>Total Monthly Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>48 Months</td>
<td>$223.99 plus tax</td>
<td>$447.98 plus tax</td>
</tr>
</tbody>
</table>

Filing fees, stamps, or any other possible costs associated with the lease documents are the responsibility of the Club and are due upon delivery of the utility vehicles.

The above quoted rates are subject to change due to possible interest rate fluctuation and are therefore valid for acceptance within 30 days.

Indian Wells Golf Resort
By: __________________________
Title: ________________________
Date: ________________________

Club Car, LLC
By: Roger Taylor
Title: National Accounts Manager
Date: February 24, 2012
LEASE PROPOSAL
(Turf 2 Driving Range Vehicle)

Club Car®'s primary funding source, Ingersoll-Rand Financial Services, Inc. (IRFS), proposes to lease to Indian Wells Golf Resort one (1) new 2012 Club Car Turf 2 gasoline utility vehicle equipped with all standard equipment, plus green body color, gray seats, driving range protective enclosure, range picker bumper mount, standard lights, custom logo, and custom nameplate. The lease rate is based on first payment being made on delivery and is subject to IRFS' normal credit approval.

LEVEL PAYMENT OPERATING LEASE PROGRAM
(12 Payments Per Year)

<table>
<thead>
<tr>
<th>Lease Term</th>
<th>Rate Per Car Per Month</th>
<th>Total Monthly Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>48 Months</td>
<td>$175.37 plus tax</td>
<td>$175.37 plus tax</td>
</tr>
</tbody>
</table>

Filing fees, stamps, or any other possible costs associated with the lease documents are the responsibility of the Club and are due upon delivery of the driving range vehicle.

The above quoted rates are subject to change due to possible interest rate fluctuation and are therefore valid for acceptance within 30 days.

Indian Wells Golf Resort
By: ____________________________
Title: __________________________
Date: __________________________

Club Car, LLC
By: Roger Taylor
Title: National Accounts Manager
Date: February 24, 2012
LEASE PROPOSAL
(Carryall 295 Driving Range Vehicle)

Club Car®’s primary funding source, Ingersoll-Rand Financial Services, Inc. (IRFS), proposes to lease to Indian Wells Golf Resort one (1) new 2012 Club Car Carryall 295 gasoline all wheel drive utility vehicle equipped with all standard equipment, plus green body color, gray seats, driving range protective enclosure, range picker bumper mount, custom logo, custom nameplate, all terrain tires, brush guard, skid plate belly pan, rear differential guard, standard lights, triple ball pintle hitch combo, bed mat, under-hood storage, and front receiver hitch kit. The lease rate is based on first payment being made on delivery and is subject to IRFS’ normal credit approval.

LEVEL PAYMENT OPERATING LEASE PROGRAM
(12 Payments Per Year)

<table>
<thead>
<tr>
<th>(1) 2012 Carryall 295 Gasoline Driving Range Vehicle</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lease Term</td>
</tr>
<tr>
<td>48 Months</td>
</tr>
</tbody>
</table>

Filing fees, stamps, or any other possible costs associated with the lease documents are the responsibility of the Club and are due upon delivery of the driving range vehicle.

The above quoted rates are subject to change due to possible interest rate fluctuation and are therefore valid for acceptance within 30 days.

Indian Wells Golf Resort
By: ________________________________
Title: ______________________________
Date: ______________________________

Club Car, LLC
By: Roger Taylor
Title: National Accounts Manager
Date: February 24, 2012
TERMS AND CONDITIONS FOR RETURNING VEHICLES

Indian Wells Golf Resort agrees to accept sole responsibility for any loss or damage to its returned cars beyond ordinary wear due to normal use. The returned cars must meet the following conditions:

1.) All cars must be free of all liens and encumbrances.
2.) All cars must be capable of running at least 9 holes of golf.
3.) All cars must be the same quantity and year model as originally evaluated.
4.) All cars must be clean, and free of trash, scorecards, pencils, tees, etc.
5.) All cars must have a working charger.
6.) All cars must have four serviceable tires that retain proper air pressure.
7.) All cars must steer properly in all directions.
8.) All batteries must be free of corrosion, and properly filled with water.

Furthermore, Indian Wells Golf Resort agrees to pay the following charges if the below conditions are found upon Club Car's inspection of the returned cars:

1.) Severely Damaged or Missing Chargers - $200.00 per charger
2.) Inoperable Cars - $200.00 per car
3.) Minor Damage (Damage to Bodies, Bumpers or Seats)- $350.00 per car
4.) Major Damage (Frame Damage, Wrecked Cars, Etc.) - $700.00 per car

Indian Wells Golf Resort

By: ____________________________
Title: __________________________
Date: __________________________

Club Car, LLC

By: ____________________________
Title: National Accounts Manager
Date: February 24, 2012
# LIMITED LIFETIME WARRANTY FOR PRECEDENT™ BY CLUB CAR®

**WARRANTY:**

CLUB CAR, LLC, (CLUB CAR) hereby warrants its new Precedent golf car purchased from CLUB CAR or an authorized distributor, dealer, or agent shall be free from defects in material and workmanship under normal use and service for the period as stated in years below, as terms are defined herein, and subject to the provisions, limitations and exclusions contained in this warranty.

### VEHICLE MAIN FRAME
- SUSPENSION defined as Steering Gearbox, Steering Column, Shocks, and Leaf Springs.
- MAJOR ELECTRONICS defined as Onboard Computer (OBC), Solid State Speed Controller, and Battery Charger.
- DEEP CYCLE BATTERY Four Years or 1000 Rounds or 20,000 Energy Units (EU’s) as recorded by the OBC, whichever first occurs.
- *PREMIUM DEEP CYCLE BATTERY Four Years or 25,000 Energy Units (EU’s) as recorded by the OBC, whichever first occurs.*
- PEDAL GROUP defined as Pedal Group Mechanical Assembly, Brake Cluster Assemblies, and Brake Cables.
- SEATS defined as Seat Bottom, Seat Back, and Armrests.
- CANOPY SYSTEM defined as Canopy, Rear Canopy Supports, Drainage System and Structural Accessory Module.
- POWERTRAIN defined as Gasoline Engine, Electric Motor, Gasoline and Electric Transaxle, Starter Generator, Air Intake, Exhaust System, and Torque Converter (Drive and Driven).
- BODY GROUP defined as Beauty Panels, and Front and Rear Underbody.
- ALL REMAINING COMPONENTS defined as Pedal Group Mechanical Assembly, Brake Cluster Assemblies, and Brake Cables. 4

### VEHICLE BODY
- CANOPY SYSTEM defined as Canopy, Rear Canopy Supports, Drainage System and Structural Accessory Module.
- POWERTRAIN defined as Gasoline Engine, Electric Motor, Gasoline and Electric Transaxle, Starter Generator, Air Intake, Exhaust System, and Torque Converter (Drive and Driven).
- BODY GROUP defined as Beauty Panels, and Front and Rear Underbody.
- ALL REMAINING COMPONENTS defined as Pedal Group Mechanical Assembly, Brake Cluster Assemblies, and Brake Cables. 4

**EXCLUSIONS:**

Excluded from any CLUB CAR warranty is damage to a golf car or component resulting from a cause other than a defect including poor maintenance, neglect, abuse, accident & collision, maintenance adjustments, unreasonable or unintended strain or use, improper installation of accessories, installation of parts or accessories that are not original equipment, non-approved alteration, and acts of God. Also excluded from any CLUB CAR warranty is all fuses, filters, decals (except safety decals), lubricants, routine wear items such as the charger plug and receptacle, brake shoes, belts, brushes, bushings, drive buttons, cosmetic deterioration, and items which deteriorate, fade or fail due to exposure or ordinary wear and tear.

Specific to the deep cycle battery, the provisions of this limited warranty shall not apply to failure due to:

1. Abuse such as overcharging, undercharging, improper fluid levels, loose wiring, or rusted or corroded hardware
2. Lack of proper maintenance as outlined in the vehicle owner's manual
3. Damages caused by improper installation of the battery
4. Neglect, breakage, freezing, fire, explosion, wreckage, the addition of any chemical, or the operation of the battery in an uncharged condition (below half charge 1.200 specific gravity); the installation of the batteries in reverse or recharging in reverse, breakage of containers, covers, or terminal post, or batteries used in applications for which they were not designed
5. A battery damaged by a defective charger

Transportation expenses for warranty services are also excluded from this warranty.

### VOIDING OF WARRANTY:

This and any other warranty shall be void if the golf car is abused or used in an unintended manner or shows indications that it has been altered in any way, including, but not limited to, modification of the speed governor, braking system, steering, transaxle, or other operating systems of the car to cause it to perform outside club car specifications. The warranty is likewise void if the car involved shows indications that reasonable or necessary maintenance as outlined in the owner's manual and maintenance and service manual was not performed at the time and in the manner specified in such manuals.

### SOLE REMEDY:

CLUB CAR's liability under this limited warranty, or in any action whether based upon warranty, contract, negligence, strict product liability or otherwise, shall be the repair or replacement, at CLUB CAR's option, of the golf car or component thereof that CLUB CAR deems to be defective. Replacement shall mean furnishing, during the applicable limited warranty period, a new golf car or factory-reconditioned vehicle or component thereof that is identical or reasonably equivalent to the warranted product or component at no cost to the purchaser. Repair shall mean remedying a defect in the golf car or component thereof at no cost to the purchaser during the applicable limited warranty period. If CLUB CAR elects to repair the golf car, it may provide factory-reconditioned parts or components. All parts and components replaced under warranty shall become the property of CLUB CAR.

### DISCLAIMER:

This limited warranty is exclusive. Club Car makes no other warranty of any kind, expressed or implied. Any implied warranties of merchantability or fitness for a particular purpose which exceed the obligations or time limits stated in this warranty are hereby disclaimed by Club Car and excluded from this warranty. The purchaser and Club Car expressly agree that the sole remedy of the replacement or repair of the defective golf car or component thereof is the sole remedy of the purchaser. Club Car makes no other representation or warranty of any kind, and no representative, employee, distributor or dealer of Club Car has the authority to make or imply any representation, promise or agreement, which in any way varies the terms of this warranty.

In the event that another pre-printed warranty document and/or certificate offered by or through Club Car at the time of sale of this vehicle (each an "Additional Warranty Document") is deemed to conflict with the limitations or exclusions contained herein, the limitations and exclusions contained herein shall continue to apply with respect to both this limited warranty statement and, to the maximum extent permitted by law, to each Additional Warranty Document.

**NO CONSEQUENTIAL DAMAGES:**

February 24, 2012

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<table>
<thead>
<tr>
<th>VEHICLE MAIN FRAME</th>
<th>I2L</th>
<th>I2</th>
<th>V4</th>
</tr>
</thead>
<tbody>
<tr>
<td>SUSPENSION</td>
<td>4</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>MAJOR ELECTRONICS</td>
<td>4</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>DEEP CYCLE BATTERY</td>
<td>4</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>PEDAL GROUP</td>
<td>4</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>SEATS</td>
<td>4</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>CANOPY SYSTEM</td>
<td>4</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>POWERTRAIN</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>BODY GROUP</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>ALL REMAINING COMPONENTS</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>
IN NO EVENT SHALL CLUB CAR BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES INCLUDING, BUT NOT LIMITED TO, LOSS RELATED TO PROPERTY OTHER THAN THE GOLF CAR, LOSS OF USE, LOSS OF TIME, INCONVENIENCE, OR ANY OTHER ECONOMIC LOSS. Some states allow neither limitation on the duration of an implied warranty nor exclusions or limitation of incidental or consequential damages. Therefore, the above limitations or exclusions may not apply to you. This warranty gives you specific legal rights, and you may also have other rights, which vary from state to state.

INFORMATION:
For further information contact WARRANTY SERVICES, CLUB CAR, LLC, P.O. Box 204658, Augusta, Georgia 30917-4658, U.S.A., 706-863-3000.

WARRANTY TRANSFER:
The original owner shall have the right to transfer any remaining warranty coverage to one subsequent purchaser only. In order for the original owner to transfer any remaining warranty coverage to a subsequent purchaser, the vehicle must be re-registered by an Authorized Club Car Distributor or Dealer with the Warranty Department at Club Car, LLC. Such transfer must take place within the first three years of the original in service date of the vehicle. *The Limited Lifetime section of the warranty coverage applies to the original purchaser or lessee only, and the subsequent purchaser will only have a four-year coverage period based on the original in service date. No transfers of any remaining warranty coverage shall be permitted by any subsequent purchasers.

WARNING:
Any modification or alteration of any golf car beyond factory specifications, including those that affect the weight distribution, stability, or speed of the golf car, can cause serious personal injury or death.
CLUB CAR® LIMITED TWO YEAR WARRANTY FOR 2012
TRANSPORTATION AND UTILITY VEHICLES

1. WARRANTY:
   CLUB CAR, INC., (“CLUB CAR”) hereby warrants to the Original Retail Purchaser that its new 2012 Model Transportation and Utility Vehicles purchased from CLUB CAR or an authorized dealer for use in the United States, Canada, Mexico, Puerto Rico and the Caribbean shall be free from defects in material and workmanship under normal use and service as a transportation or utility vehicle for the periods stated below, subject to the provisions, limitations and exclusions contained in this limited warranty.

LIMITED TWO YEAR / 2000 HOUR WARRANTY: The engine assembly, unilized transaxle assembly (gasoline vehicle), motor, transaxle assembly (electric vehicle), main frame assembly, hydraulic dump kit, Custom Cab assembly and doors, and Driving Range Protective Enclosure are warranted with respect to parts and labor against defects in material and workmanship for a period of two years or 2000 hours of operation, whichever first occurs, from the date of purchase.

LIMITED ONE YEAR / 1000 HOUR WARRANTY: All remaining components of the vehicle not specified otherwise, the Portable Refreshment Center, and all other original equipment options and accessories supplied by CLUB CAR are warranted with respect to parts and labor against defects in material and workmanship for a period of one year or 1000 hours of operation, whichever first occurs, from the date of purchase.

This limited warranty covers material, workmanship and repair labor cost as to those items specifically listed above for the periods specified. Such repair labor shall be performed only by CLUB CAR, its authorized dealers, or a service agency approved by CLUB CAR.

IF THE WARRANTY REGISTRATION FORM IS NOT COMPLETED AND RETURNED TO CLUB CAR AT THE TIME OF THE ORIGINAL RETAIL SALE, PURCHASER MUST PROVIDE PROOF OF DATE OF PURCHASE WITH ANY WARRANTY CLAIM.

2. EXCLUSIONS:
   Excluded from any CLUB CAR warranty are all fuses, filters, decals (except safety decals), spark plugs, light bulbs, lubricants, trim pieces, seats, routine wear items such as the charger plug and receptacle, brake shoes, belts, brushes, bushings, engine mounts, mats and pads, maintenance adjustments, cosmetic deterioration, and items which deteriorate or fail due to exposure or ordinary wear and tear. Batteries, battery charger, onboard computer, and solid state speed controller are covered under separate CLUB CAR warranties. Also excluded from any CLUB CAR warranty is damage to a vehicle or component resulting from a cause other than a defect including unreasonable or unintended strain or use, improper installation of accessories, installation of parts or accessories that are not original equipment, overloading, accident, alteration, abuse or neglect.

Transportation expenses for warranty services are also excluded from this warranty.

3. VOIDING OF WARRANTY:
   THIS AND ANY OTHER WARRANTY SHALL BE VOID IF THE VEHICLE IS ABUSED OR USED IN AN UNINTENDED MANNER OR SHOWS INDICATIONS THAT IT HAS BEEN ALTERED IN ANY WAY, INCLUDING, BUT NOT LIMITED TO, MODIFICATION OF THE SPEED GOVERNOR, BRAKING SYSTEM, STEERING, TRANAXLE, OR OTHER OPERATING SYSTEMS OF THE VEHICLE TO CAUSE IT TO PERFORM OUTSIDE CLUB CAR SPECIFICATIONS. THE WARRANTY IS LIKELY VOID IF THE VEHICLE INVOLVED SHOWS INDICATIONS THAT REASONABLE OR NECESSARY MAINTENANCE AS OUTLINED IN THE OWNER'S MANUAL AND MAINTENANCE AND SERVICE MANUAL WAS NOT PERFORMED AT THE TIME AND IN THE MANNER SPECIFIED IN SUCH MANUALS.

4. SOLE REMEDY:
   CLUB CAR's liability under this limited warranty, or in any action whether based upon warranty, contract, negligence, strict product liability or otherwise, shall be the repair or replacement, at CLUB CAR's option, of the vehicle or component thereof that CLUB CAR deems to be defective. Replacement shall mean furnishing, during the applicable limited warranty period, a new vehicle or factory-reconditioned vehicle or component thereof which is identical or reasonably equivalent to the warranted product or component at no cost to the purchaser. Repair shall mean remedying a defect in the vehicle or component thereof at no cost to the purchaser during the applicable limited warranty period. If CLUB CAR elects to repair the vehicle, it may provide factory-reconditioned parts or components. All parts and components replaced under warranty shall become the property of CLUB CAR.

5. HOW TO MAKE A WARRANTY CLAIM:
   To make a warranty claim under this limited warranty, you must present the vehicle or defective component to an authorized CLUB CAR dealer or send the defective component, freight prepaid, to WARRANTY SERVICES, CLUB CAR, INC., 4125 Washington Road, Evans, Georgia 30809, U.S.A., 706-863-3000.

6. DISCLAIMER:
   THIS LIMITED WARRANTY IS EXCLUSIVE. CLUB CAR MAKES NO OTHER WARRANTY OF ANY KIND, EXPRESSED OR IMPLIED, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WHICH EXCEED THE OBLIGATIONS OR TIME LIMITS STATED IN THIS WARRANTY ARE HEREBY DISCLAIMED BY CLUB CAR AND EXCLUDED FROM THIS WARRANTY. THE PURCHASER AND CLUB CAR EXPRESSLY AGREE THAT THE REMEDY OF THE REPLACEMENT OR REPAIR OF THE DEFECTIVE VEHICLE OR COMPONENT THEREOF IS THE SOLE REMEDY OF THE PURCHASER. CLUB CAR MAKES NO OTHER REPRESENTATION OR WARRANTY OF ANY KIND, AND NO REPRESENTATIVE, EMPLOYEE, OR DEALER OF CLUB CAR HAS THE AUTHORITY TO MAKE OR IMPLY ANY REPRESENTATION, PROMISE OR AGREEMENT WHICH IN ANY WAY VARIES THE TERMS OF THIS WARRANTY.

7. NO CONSEQUENTIAL DAMAGES:
   IN NO EVENT SHALL CLUB CAR BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES INCLUDING, BUT NOT LIMITED TO, LOSS RELATED TO PROPERTY OTHER THAN THE VEHICLE, LOSS OF USE, LOSS OF TIME, INCONVENIENCE, OR ANY OTHER ECONOMIC LOSS.

Some states allow neither limitation on the duration of an implied warranty nor exclusions or limitation of incidental or consequential damages. Therefore, the above limitations or exclusions may not apply to you.

This warranty gives you specific legal rights, and you may also have other rights which vary from state to state.

8. INFORMATION:
   For further information contact WARRANTY SERVICES, CLUB CAR, INC., P.O. Box 204658, Augusta, Georgia 30917-4658, U.S.A., 706-863-3000.

9. WARNING:
   Any modification or alteration of any vehicle beyond factory specifications, including those that affect the weight distribution, stability, or speed of the vehicle, can cause serious personal injury or death.
Dear Customer:

In executing the enclosed documents, it is essential that you carefully observe the following items:

1. Please ensure that your company’s legal name and billing address appears correctly on page 1 as well as company type (LLC, Corp, etc.), company jurisdiction (the state in which your company is legally organized).

2. Please provide your company’s Tax ID number. This number is required in order to ship equipment. In the US, provide the 9-digit EIN. For Canadian and Mexican Customers, provide the appropriate business number required for importing which is typically your GST or RFC number, respectively.

3. Please have all documents where indicated signed and dated by an authorized party (corporate officer, partner, owner). The name and title of the signer must be legibly printed beneath the signature.

4. Please consult with your GPSI representative prior to making any changes. Any authorized changes (line-outs, additions, etc.) must be initialed by both parties to the contract.

5. Payments. It is essential to review the payment terms to understand when Payments are due including any Security Deposit that is required with return of this agreement.

6. We have provided an automatic bank draft form to enroll in electronic funds transfer of the monthly payment amounts. Enrollment is required under the payment terms of the agreement. Please complete the EFT form and enclose a voided check.

7. Credit Application. Please complete and return the enclosed credit application along with the requested financial information outlined on the credit guidelines document.

8. The agreement stipulates that insurance coverage is required. Please contact your insurance agent to request that a Certificate of Insurance be prepared according to the enclosed instructions. The insurance agent should forward the certificate to GPSL as soon as possible.

9. If you are claiming a sales tax exemption, a valid certificate must be completed, signed and returned to GPSL. Enclosed with the documents is a blanket certificate of resale for your use. (Applicable to most US states & certain Canadian provinces).

We ask that you send us both the original signed documents as well as an advance electronic copy of all documents. Final acceptance of your order cannot take place until GPSL has received all of the original documents; however, the advance electronic copy will allow us to start processing your order as soon as possible.

Please send all original documentation to: GPSI Leasing, LLC
1074 N. Orange Ave.
Sarasota, Florida 34236
Attn: Contract Administrator

And send the electronic copy to our fax at (480) 383-6799, or via email to amy.hoellrich@gpsindustries.com.

Thank you, we appreciate your business!

GPSI Leasing, LLC
Equipment Rental Agreement

Customer Information

Full Legal Name (the "Customer")
City of Indian Wells
Billing Address/ City/ County/ State/ Zip
44950 Indian Wells Drive Indian Wells, CA 92210
Type of Organization
Municipality
Organization Jurisdiction
CA

Course Information

Course Name (DBA)
Indian Wells Golf Resort

Contact Name
Lon Grundy
Title
General Manager
Phone
760-834-3818
Email
lgrundy@iwgr.com
TAX IDENTIFICATION NUMBER
95-2489139

Equipment

# Holes
36
Golf Car Make/Model/Year/Power/Motor Controller
Club Car Precedent Excel / 2012 / Electric

Term and Payments

Term (Months)
48
Payment: plus tax (USD)
$7,719.00
# Security Deposit
2
Payment Months
J F M A M J J A S O N D

Pricing includes Troon discount

TERMS AND CONDITIONS

1. System. Customer shall rent a mobile golf information system comprised of the equipment listed above enabled with the selected feature set described on Exhibit A (the "System").

2. Term. The term of this Agreement (including any extensions hereeto, the "Term") shall commence on the Effective Date and run for a term of forty eight (48) months from the "Date of Completion" (as defined in Exhibit B attached hereto); provided, however, that Customer shall have a one-time option to terminate this Agreement effective as of the one-year anniversary of the Date of Completion by providing written notice not later than the nine-month anniversary of the Date of Completion. If Customer does not exercise its option pursuant to the foregoing, this Agreement will remain in full force and effect for the duration of the Term. The Term of this Agreement shall be extended at the conclusion of the initial Term for additional one-year Terms unless terminated by either party upon not less than 90 days written notice prior to the conclusion of the then current Term.

3. Payments. Customer shall make all Payments stated in this Agreement according to the payment terms beginning on the Date of Completion. GPSL requires one Payment as a security deposit in advance with return of this signed Agreement. The security deposit will be applied at the end of the initial or any extension term. Customer must enroll in the automatic payment plan to have all Payments made through electronic funds transfer ("EFT") for the Term. GPSL will draft the first month's Payment through EFT upon the Date of Completion. The second month's Payment will be due no less than 30 days after the Date of Completion. If the Date of Completion is between the 1st and 15th day of the month, all Payments will be due on the 5th day of each month. If the Date of Completion is between the 16th and the last day of the month, all Payments will be due on the 1st day of each month. All amounts payable under this Agreement are payable at GPSL's address below or at such other address as GPSL may specify in writing from time to time. Time is of the essence for all obligations arising hereunder.

4. Taxes and Insurance. Customer is required to provide and maintain insurance related to the System, and to pay any property, use and other taxes related to this Agreement or the System. (See sections 7 and 12.3 on the following pages). If Customer is tax-exempt, Customer agrees to provide satisfactory evidence of exemption.

5. Installation. GPSL shall deliver and install the System at Customer's location above based on the Installation Terms and Conditions, included in the monthly rental price, set forth in Exhibit B.

6. Maintenance Service. GPSL shall provide maintenance service based on the Service Terms and Conditions, included in the monthly rental price, set forth in Exhibit C, for a period beginning with the Date of Completion and ending at the conclusion of the Term.

SEE THE FOLLOWING PAGES FOR ADDITIONAL TERMS AND CONDITIONS

THIS AGREEMENT IS SUBJECT TO THE TERMS AND CONDITIONS PRINTED ON THIS AND THE FOLLOWING PAGES, WHICH PERTAIN TO THIS AGREEMENT AND WHICH CUSTOMER ACKNOWLEDGES HAVING READ. THIS AGREEMENT IS NON-BINDING UNTIL ACCEPTED BY GPSL. CUSTOMER CERTIFIES ALL ACTIONS REQUIRED TO AUTHORIZE THE EXECUTION OF THIS AGREEMENT. INCLUDING CUSTOMER'S AUTHORITY HAVE BEEN FULFILLED. ACCEPTANCE OF THIS AGREEMENT IS SUBJECT TO FINANCIAL QUALIFICATION AND CREDITWORTHINESS OF CUSTOMER. CUSTOMER SHALL PROVIDE A CREDIT APPLICATION AND FINANCIAL STATEMENTS AS REQUESTED BY GPSL. THIS AGREEMENT SHALL EXPIRE AND BE OF NO FORCE AND EFFECT IF NOT EXECUTED BY BOTH PARTIES WITHIN 30 DAYS AFTER THE ISSUED DATE ABOVE.

GPSI Leasing II - Accord, LLC ("GPSL")
1074 N. Orange Ave., Sarasota, Florida, 34236

Customer
City of Indian Wells

Authorized Signatory

Print Name and Title
Effective Date
Print Name and Title

Issued Date: 8-07-2012

1 (12)
7. Taxes. All Payments made under this Agreement shall be net to GPSL. Customer shall pay all taxes, tax pass along, assessments, and any sales, use, personal property privilege, value-added taxes, import duties, excise taxes, import brokerage fees incurred in connection with the System or otherwise with respect to this Agreement. If the System is subject to personal property tax, GPSL shall have the option to bill and collect these charges when assessed or to establish a personal property tax account ("PPTA"). If a PPTA is established, GPSL shall bill Customer and Customer shall pay GPSL a monthly assessment based on the average annual assessment charges in the State in which the System is located. GPSL shall have the right to change the monthly assessment based upon the actual annual assessment. At the expiration of this Agreement, Customer shall pay us for any deficiency in the PPTA. If, at the expiration of this Agreement, there are any excess funds in the PPTA, GPSL shall pay such amount to Customer.

8. Ownership. GPSL is the owner and has title to the System. The only right, title or interest Customer shall have in the System shall be under the terms of this Agreement. This is not a rental of personal property and Customer agrees to do everything necessary or reasonably requested by GPSL to ensure that the System shall be considered and remain personal property. Customer shall, at its own expense, keep the System free and clear of all liens, charges, claims, and other encumbrances. GPSL may encumber, sell, lease, or otherwise finance the System, although such actions will not relieve GPSL of its obligations under this Agreement. Customer agrees to execute and deliver from time to time as requested any document necessary or desirable to evidence GPSL's or its assigns ownership of and all rights to the System. GPSL or its assigns may, upon notice to Customer, enter upon Customer's property and remove the System following the termination of this Agreement or at any other time authorized by this Agreement or by law. Without limiting the generality of the foregoing, to secure Customer's payments under this Agreement, Customer agrees to give GPSL a security interest in the System and all additions, attachments, upgrades, accessories and substitutions to it. You also agree to any assignment of that security interest.

9. Software License. Customer understands that GPSL does not sell its software. For the Term, GPSL grants Customer a non-transferable, non-exclusive license to use the software only in conjunction with the System and only as expressly authorized in this Agreement. "System Software" means standard systems software included with the System provided to Customer. Customer shall (i) hold System Software in confidence and not disclose it to anyone other than its employees and consultants who require disclosure in connection with Customer's use of the System and who are subject to confidentiality obligations in substance at least as strict as these, (ii) not print, copy, modify, translate, alter, reverse compile, decompile or reverse engineer System Software, (iii) not remove any GPSL copyright, trademark or other proprietary notice from System Software and shall reproduce all such notices on copies made by Customer, and (iv) not transfer System Software or assign any license or rights regarding the System Software.

10. Force Majeure. GPSL shall not be liable for any interruption in service, delay in the delivery, or disruption of performance of the System resulting from any cause beyond its reasonable control or caused by acts of God, acts of Customer, acts of civil or military authorities, fires, strikes, floods, epidemics, governmental rules or regulations, war, riot, delays in transportation, or shortages.

11. Delinquency Charges. Payments not paid by 5 days after the Payment due date are subject to a late payment fee of ten percent (10%) of the Payment amount and subject to interest at the rate of two percent (2%) per month, or the maximum percentage allowed under applicable laws, whichever is less. Should any fee paid by Customer under this Agreement result in interest in excess of the maximum lawful rate, such excess shall be automatically credited to Customer.

12. Customer Responsibilities. Customer hereby agrees to the following responsibilities as a part of this Agreement:

12.1. Customer agrees to store safely and properly secure the System indoors or in a reasonably safe area protected from the weather when not in use. At all times, Customer shall use and operate the System in a careful manner, in compliance of all applicable laws and in compliance of any maintenance or operating manuals and instructions provided by GPSL. Customer shall not use or operate the System in a manner that may subject it to depreciation above the normal depreciation associated with its specified use. Customer acknowledges and agrees that it will not allow any repairs to the System or the replacement of System parts to be done by any person except GPSL or persons authorized by GPSL. Customer shall not make any additions, substitutions or alterations affecting the System without the written consent of GPSL. Customer shall use reasonable efforts not to permit any System to be abused by an employee, vandalized by any third party, permit the removal of any plate or markings put on the System by GPSL, or attach anything to or remove anything from the System.

12.2. Customer shall not install software unauthorized by GPSL on the System.

12.3. Customer assumes responsibility for all risk of loss to the System and all of its components from the time any of the components arrive at the Customer's premises. Customer shall procure "All Risk" property loss (personal business property & equipment) and general public liability insurance covering the system and its use and shall name GPSL Leasing and its assigns as additional named insured and loss payee. Customer shall provide GPSL with certificates or other evidence of insurance, acceptable to GPSL, before this Agreement Term begins. If Customer does not procure the insurance required, GPSL may obtain such insurance and pay the amounts due thereon. Customer will reimburse GPSL, upon demand, for the amount of such payment or cost of such performance. Even if the System is damaged, lost or stolen Customer shall fulfill all of its obligations hereunder.

12.4. If requested, Customer will reasonably cause third-parties to execute any leasehold or other waivers regarding the attachment of the System components to any car, maintenance vehicle, or other attachment to real or personal property on the premises.

12.5. At the termination of this Agreement, in case of default, if not extended, or otherwise modified, Customer agrees to provide GPSL with reasonable access to Customer's facility for the de-installation and removal of the System. Prior to GPSL's removal of the System, Customer shall be responsible for repair or replacement of any damaged or missing System components, if caused by Customer's misuse, abuse and/or negligence. GPSL will use normal care in the de-installation and removal of the system, which will be performed so as not to unduly disrupt the operations of the golf course.

13. General

13.1. Assignment. Customer acknowledges that GPSL may assign to a successor all or any part of its right, title and interest in this Agreement, and hereby consents to such assignments. In case of such assignment, Customer agrees to continue to perform all of its obligations under this Agreement.

13.2. Events of Default and Remedies.

13.2.1. In the event that the Customer violates any provision of this Agreement and GPSL believes the System or any property or rights of GPSL to be threatened, GPSL may immediately disable the System. In addition, in the event that Customer violates any provision of this Agreement and such violation continues for a period of at least twenty (20) days after notice in writing of such default from GPSL, Customer shall be deemed to be in default and GPSL may (at its sole election), in addition to any other legal or equitable remedy permitted by law:

a. remove or disable the System;
b. terminate this Agreement and Customer's rights herein and retain any and all prior payments paid to GPSL by Customer ("Termination"). Upon Termination, GPSL may, in its sole discretion, collect as liquidated damages (and not as a penalty) a sum equal to the lesser of (i) six (6) times the highest monthly payment referenced herein; or (ii) the number of months remaining on the Term of this Agreement times the highest monthly payment referenced herein.

The parties agree and acknowledge that the agreed upon liquidated damages for default is not a penalty or forfeiture, actual damages being difficult or impossible to measure, and the parties agree, acknowledge understand that the remedy of liquidated damages is a proper and mutually acceptable negotiated remedy for the parties due to the fact that the damages suffered by GPSL are not ascertainable at the time of execution of this Agreement and that such remedy takes into account the peculiar expenses and risks assumed by each party. Such liquidated damages shall be payable in immediately available funds not later than ten (10) days after the termination of this Agreement.

c. In the event of termination of this Agreement, whether due to an Event of Default or otherwise, if Customer does not allow GPSL onto the Golf Course to de-install the System, and does not otherwise make the System available to GPSL to de-install, in addition to any other rights or remedies available to GPSL, Customer shall pay to GPSL any and all costs incurred by GPSL in collecting its System and any other amounts due to GPSL in connection with the foregoing, including without limitation all legal fees and costs, whether or not suit is commenced, and further, in addition to the foregoing, Customer will pay the full monthly payment multiplied by 1.5 for each and every month after termination hereof that GPSL is without possession of the System.

d. This Section 13.2.1, without limitation, shall survive termination of this Agreement.

13.2.2. In the event that GPSL violates any provision of this Agreement and such violation continues for a period of at least twenty (20) days after notice in writing from Customer, GPSL shall be deemed to be in default and Customer may pursue such remedies as it may have in law or in equity; provided, however, that if GPSL cannot reasonably remedy the breach within twenty (20) days, the twenty (20) day period shall be extended for as long as GPSL diligently pursues such corrective action in a prompt and reasonable manner, not to exceed ninety (90) days.

13.2.3. In addition to the other events of default under this Agreement, either party shall be in default if (i) a petition in bankruptcy is filed by either party or (ii) if a petition in bankruptcy is filed against either party and is not dismissed within 30 days of the date it is filed.

13.3. Notice. All notices required, permitted or given in accordance with the provisions of this Agreement shall be in writing, and either hand-delivered or delivered by recognized overnight courier to the offices listed in the first paragraph of this Agreement or such other address as either party may designate by notice as specified in this section.

13.4. Provided that the System is maintained properly pursuant to Customer's obligations under this Agreement, GPSL warrants that the installed System will provide distance measurements within established performance parameters pertaining to System components when the System is operated under conditions that are typically encountered on a golf course, specifically but without limitation: clear access to satellites and reasonably clear weather with temperatures between 32°F and 120°F. Customer acknowledges that GPS-produced distances are subject to a margin of error. Customer further acknowledges that terrain and topography affect the margin of error on a particular GPS receiver and that the margin of error may be increased under certain topographical conditions.

13.5. General. This Agreement, together with the exhibits and schedules referred to in it, constitutes the entire agreement between the parties pertaining to the within subject matter and supersedes any prior understandings or oral or written. This Agreement may not be varied, modified, or amended except in writing signed by the parties. Waiver by either party of any breach or violation or default of any provision of this Agreement will not operate as a waiver of such provision or of any subsequent breach or violation or any default. The failure or refusal of any party to exercise any right or remedy shall not be deemed to be a waiver or abandonment of any right or remedy. If any term of this Agreement for any reason invalid or unenforceable, the rest of the Agreement remains fully valid and enforceable. The headings in the Agreement are for convenience of reference only and do not constitute a part of it. The headings do not affect its interpretation. This Agreement shall be governed by and construed in accordance with the procedural and substantive laws of the State of Delaware. This Agreement may be executed by facsimile and/or electronic signature. The parties agree that this Agreement was fully negotiated by the parties; therefore, no provision of this Agreement shall be interpreted against any party because such party or its legal representative drafted such provision. All work performed by GPSL in connection with the services to be performed under this Agreement shall be performed by GPSL as an independent contractor and not as the agent of Customer. GPSL may subcontract any or all of the work to be performed under this Agreement but shall retain full responsibility for the work so subcontracted.

13.6. Arbitration. The parties each hereby irrevocably consent to arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("AAA"). For the resolution of all disputes arising under this Agreement. Any such arbitration shall be conducted by one arbitrator selected by the AAA. The parties waive any all rights to discovery, including without limitation the taking of depositions. The arbitrator shall not have subpoena power. The arbitrator shall use their best efforts to conclude such arbitration and issue a decision within 30 days after the selection of the arbitrator. The decision of the arbitrator shall be final and binding upon the parties, and judgment in accordance with the decision may be entered in any court having jurisdiction thereof.

13.7. Supplemental or Replacement Provisions. Notwithstanding any provision to the contrary in this Agreement, supplement or replacement provisions, if any, shall be set forth on Exhibit E attached hereto.

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**Initial:**

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II-01012012
GPSL Rental Agreement

3 (12)
EXHIBIT A

Visage System Description

<table>
<thead>
<tr>
<th>Equipment</th>
<th>Description</th>
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<tbody>
<tr>
<td>Quantity</td>
<td>Equipment Description</td>
</tr>
<tr>
<td>160</td>
<td>Visage Display Installed on Golf Car</td>
</tr>
<tr>
<td>4</td>
<td>Visage Display Installed on Marshal Car</td>
</tr>
<tr>
<td>2</td>
<td>Visage Display Installed on Beverage Car</td>
</tr>
<tr>
<td>3</td>
<td>Spare Visage Units</td>
</tr>
</tbody>
</table>

The System will be enabled with the selected Features as described below:

<table>
<thead>
<tr>
<th>Product</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Visage</td>
<td>- Mapping, Full Course Graphics,</td>
</tr>
<tr>
<td></td>
<td>- Graphical Hole Overview for all holes with associated distance information,</td>
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<tr>
<td></td>
<td>- Food &amp; Beverage Ordering,</td>
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<tr>
<td></td>
<td>- Guardian SVC*,</td>
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<tr>
<td></td>
<td>- Action Zone with Messaging,</td>
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<td></td>
<td>- Two-way Messaging,</td>
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<td></td>
<td>- On-car Scorecard,</td>
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<td></td>
<td>- Car Positioning,</td>
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<td>- Pace of Play,</td>
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<td></td>
<td>- Blind Shot Warning,</td>
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<td></td>
<td>- Tee Shot Distances,</td>
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<tr>
<td></td>
<td>- Pin Placement Manager,</td>
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<tr>
<td></td>
<td>- Marshall Car Features,</td>
</tr>
<tr>
<td></td>
<td>- Club House Computer,</td>
</tr>
<tr>
<td></td>
<td>- Wi-Fi Coverage of Cart-barn &amp; Staging Area.</td>
</tr>
</tbody>
</table>

* Only Available on Club Car Precedent Excel model vehicles

Selected Options:

- --
- ---
EXHIBIT B
Installation Terms and Conditions

1. To facilitate installation, Customer agrees to provide the following:
   a. Access to all areas of the site where System is to be installed.
   b. Facility information that Customer can provide such as GPS data, mapping data, facility design, graphics, photographs or aerial photos.
   c. Physical, mechanical, and electrical modifications reasonably requested for System installation.
   d. An unrestricted broadband internet connection for the duration of this Agreement for System installation, monitoring and maintenance service. The internet connection must provide the following minimum speeds as measured by online testing tools found at sites such as www.speakeasy.net:

<table>
<thead>
<tr>
<th></th>
<th>Minimum</th>
<th>120 carts or more</th>
<th>160 carts or more</th>
</tr>
</thead>
<tbody>
<tr>
<td>Download speed</td>
<td>1.5</td>
<td>2.25</td>
<td>3.0</td>
</tr>
<tr>
<td>(Mbit/sec)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Upload speed</td>
<td>0.5</td>
<td>0.75</td>
<td>1.0</td>
</tr>
<tr>
<td>(Mbit/sec)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

   e. Battery power to the Golf Car-mounted units at all times, and Customer agrees to allow power to be drawn from the Golf Course irrigation system (or other power sources) to supply radio repeater stations as needed. GPSL requires Customer must use deep-cycle batteries for all gas powered vehicles on which display units will be installed.
   f. The golf car fleet on-site and ready for installation.
   g. Not less than two Customer staff members full time for three days (per 18 holes) for the installation of the System display units. Customer’s personnel will be trained on the installation, maintenance and replacement of the display units.

2. Training. GPSL shall provide System training at the time of installation. Customer shall make available, as requested by GPSL, all pertinent staff members for training. In the event Customer requires additional training after installation of the System, such training shall be quoted and billed as on-site non-warranty Service.

3. Customer Representative. Customer shall designate one employee to act as the liaison between GPSL and Customer (“Customer Rep”). Customer Rep is responsible for facilitating all Customer obligations as required under this Agreement.

4. Completion. When GPSL has completed installation of the items required by this Agreement, GPSL will notify Customer and the date of that notice shall be the “Date of Completion” for purposes of this Agreement. Upon the Date of Completion, Customer agrees to promptly execute and deliver to GPSL the System delivery and acceptance certificate, which shall be provided by GPSL. Customer shall not withhold such execution and delivery documentation provided the System is performing in a commercially reasonable manner. Without limiting the foregoing, and without providing a defense to Customer if Customer unreasonably withholds acceptance of the System, if Customer intends to withhold acceptance of the System, Customer shall provide GPSL written notice of Customer’s intention to withhold acceptance and the specific reasons for such withholding of acceptance and further the specific actions Customer requests that GPSL take in order for Customer to accept installation of the System. In the event that Customer does not provide GPSL with a written notice of intent to withhold the System delivery and acceptance documentation and the reasons therefore within three (3) days of the Date of Completion, the System shall be deemed to be accepted in all regards; provided however, this shall not relieve Customer of its obligation to provide written delivery and acceptance documentation to GPSL as provided herein and failure to provide written acceptance shall be a material and substantial breach of this Agreement.

5. Post Installation Modifications. This Agreement provides for installation of the System based on the golf course and facilities as configured on the date of this Agreement. Customer acknowledges that modifications required after the original installation will be provided for an additional charge unless specifically included in this Agreement. Examples of such modifications are those that may be required due to environmental changes (vegetation growth or new construction) or re-configuration, renovation or changes to the golf facilities.
EXHIBIT C

Service Terms and Conditions

1. Scope of Service.

1.1. **Defective Components.** GPSL shall provide maintenance service as provided for in paragraph 2.3 and 2.4, at its expense, to repair, modify or replace System components, as necessary that are defective in workmanship ("Service"). GPSL does not warrant that the operation of the System shall be uninterrupted or completely error-free.

1.2. **Exclusions.** Service shall not include: (1) maintenance, repair or replacement of parts damaged or failing to operate due to acts of God, including without limit storms, atmospheric disturbances, lightning, fire, hail, and flood; acts of government, including war; catastrophes, accident, neglect, misuse, failure of satellites, failure of electrical power, fault or negligence of Customer, causes external to the System or from any other cause beyond the control of GPSL; (2) service and repair of accessories, attachments, or any other devices not specifically listed herein; (3) changes, modifications or alterations in or to the System required due to new construction or changes to the golf course or facilities; (4) graphical changes after acceptance of the System, (5) software damage caused by unauthorized use.

2. Customer Responsibilities

2.1. **Problem Notification.** Customer agrees to promptly notify Customer Support in the event of any System or component failure and provide diagnostic assistance to support GPSL's service efforts.

2.2. **To Contact Customer Support.** Customer shall have reasonable access to Customer Support during business hours. Customer Support provides user support, troubleshooting, and diagnostic assistance and is Customer's point of contact for reporting system problems or requesting service.

   a. For all routine requests and status inquiries, contact Customer Support via email to support@gpsindustries.com.
   b. To report emergency or critical system issues, contact Customer Support by calling the toll free Customer Support line at 888-575-2901.

2.3. **Component Replacement.** Customer agrees to perform the task of changing out replacement components provided by GPSL. Customer will be billed for repair or replacement of returned components that have been damaged due to causes not covered by Service as described in paragraph 1.2.

2.4. **RMA request for defective components.** A Return Materials Authorization number (RMA) is required for the return of any defective component. To obtain an RMA, Customer must contact the Customer Support center at 888-575-2901. If Customer Support determines that the component must be returned for repair, Customer Support will issue an RMA. Customer is then responsible for properly following procedures for returning components as instructed by Customer Support. Any request for special handling such as expedited repair, overnight return delivery, or non-business day delivery may be subject to additional charges billable to Customer. Customer agrees to pay for shipment of components returned to GPSL. GPSL agrees to pay for return shipment to Customer.

3. Definition of Service Elements

3.1. **Remote Diagnostics.** GPSL accesses the course System via the Internet to perform system diagnostics, remote health monitoring or specific troubleshooting procedures to detect, identify or correct failures.

3.2. **Software Upgrades and Enhancements.** GPSL shall provide software maintenance for the System Software. Software maintenance provides for bug fixes, patches, corrections, upgrades and enhancements as available. Software upgrades do not include new software features or hardware product offerings that are sold separately.

3.3. **On-site Service.** If a problem cannot be resolved through telephone support or by shipping a replacement component, GPSL may dispatch a technician to Customer's site to address the problem. On-site services including labor, materials, and reasonable travel expenses are chargeable for site visits that result from out-of-scope problems.

3.4. **Fleet Replacement.** A golf car fleet replacement may require on-site assistance by a GPSL representative or additional cart mounting hardware or both. On-site services for fleet replacements are chargeable according to the rates listed on Exhibit D. GPSL REQUIRES 90 DAYS PRIOR NOTICE FOR ANY FLEET REPLACEMENT SERVICES.
EXHIBIT D

Pricing of Additional Services

Services not covered under Service Terms and Conditions (Exhibit C) or that may be requested from time to time are available according to the prices and terms below. All prices and terms for additional services are subject to change.

<table>
<thead>
<tr>
<th>Description</th>
<th>Prices</th>
</tr>
</thead>
<tbody>
<tr>
<td>Graphical Changes</td>
<td>US$60 / half hour</td>
</tr>
<tr>
<td>Mapping Changes</td>
<td>US$60 / half hour plus travel and expenses at reasonable cost</td>
</tr>
<tr>
<td>On-site service for items not covered under Service (due to external causes or at customer’s request for additional services)</td>
<td>US$400 per half day on site plus $40 per hour travel time to and from site plus travel and expenses at reasonable cost; plus any applicable material charges.</td>
</tr>
<tr>
<td>Repair of GPS unit for damage not covered under Service</td>
<td>$395 per unit plus shipping back to Customer</td>
</tr>
</tbody>
</table>

Fleet Replacement - Like-to-Like car changeover; (i.e. Club Car Precedent electric to Club Car Precedent electric which requires no additional or replacement mounting hardware), Customer may chose alternatives a or b (90 days advance notice required):

- a- By Customer (2-3 people) + 1 GPSL employee US $20/unit plus travel and expenses at reasonable cost
- b- By GPSL (2-3 people) on-site US $42/unit plus travel and expenses at reasonable cost

Fleet Replacement (different type cars) (90 days advance notice required): Quoted on case by case basis

Payment Terms for Additional Services: For orders up to US$1,500, GPSL will provide services upon receipt and confirmation of the order. Payment will be due upon delivery of services. For orders of US$1,500 or more, GPSL requires a signed purchase order or a deposit payment equal to 50% of the order price with the final payment due upon delivery of services. GPSL at its sole discretion reserves the right to hold orders for accounts that have outstanding payables beyond terms. Scheduling of services depends on material lead-times and the backlog of service orders at the time of order confirmation.
ADVERTISING AND MARKETING AGREEMENT

This Advertising and Marketing Agreement is attached to and incorporated into the terms of that certain Equipment Rental Agreement ("Agreement") between GPSI Leasing, LLC ("GPSI") and City of Indian Wells ("Customer"). Capitalized terms appearing herein shall have the same meaning ascribed to them herein as in the Agreement unless otherwise noted.

1. Advertising Rights and Proceeds. GPSI hereby grants Customer 36 graphical exposure opportunities on the System that shall consist of "Green to Tee" full screen graphics to be used for local advertising and promotions or for tournament sponsorships but not for national advertising campaigns which are administered by GPSI exclusively. "Green to Tee" is defined as the area just after a green and prior to the next tee. If Green to Tee sponsorships are not applicable due to golf course configuration, GPSI agrees to make commercially reasonable best efforts to provide other spaces and opportunities to reasonably approximate the 36 Green to Tee exposures. GPSI retains exclusive rights to all other advertising space on the System and ancillary System services and features and may sell ads for placement on and in connection with the System. Customer retains right of approval for such GPSI sold ads and where approved will receive revenues, if any, on a campaign-by-campaign basis. Any information and data arising out of or in connection with Customer's use of the System shall be owned jointly by GPSI and Customer. Customer agrees that it will allow no third party to place advertising on the System.

2. Marketing. Customer shall allow GPSI to reference Customer in various marketing material or corporate literature, and to the use of approved photos of the Customer's facility for various marketing materials or media. Customer further agrees to allow GPSI to reference it in a press release or other media announcing it as a new location for its System.

GPSI Leasing, LLC

Authorized Signatory

Name

Title

City of Indian Wells

Authorized Signatory

Name

Title

Date

01/12/2012
Early Fleet Roll Option Rider

This Early Fleet Roll Option Rider ("Rider") is attached to and incorporated into the terms of that certain Equipment Rental Agreement ("Agreement") between GPSI Leasing, LLC ("GPSL") and City of Indian Wells ("Customer"). Capitalized terms appearing herein shall have the same meaning ascribed to them herein as in the Agreement unless otherwise noted.

Whereas, Customer has elected to enter a 48-month Term agreement for the System, and;

Whereas, Customer may roll its golf car fleet prior to the 48th month and desires the option to extend use of the System on a new fleet;

NOW THEREFORE, the parties hereby amend the Agreement as follows:

1. Early Fleet Roll Option. In the event Customer replaces the Golf Cars prior to the expiration of the Term, Customer shall have the option to replace this Agreement with a new 48-month term agreement, on substantially the same terms and conditions hereof, at the then current pricing for a new System; provided however, if such fleet replacement is limited to replacing Club Car Precedent Golf Cars with new Club Car Precedent golf cars, GPSL agrees that this extension option includes such fleet replacement for no charge. For any other golf car model change, applicable fleet replacement charges will apply as defined on Exhibit D, Fleet Replacement.

2. All of the other terms and conditions of the Agreement shall remain in full force and effect. The Effective Date of this Addendum shall be the date when the last of either GPSL or Customer executes this Agreement, as set forth herein.

GPSI Leasing, LLC

City of Indian Wells

Signature

Signature

Print Name

Print Name

Title

Effective Date

Title

Date
AUTOMATIC PAYMENT PLAN
Electronic Funds Transfer (EFT) Enrollment

EFT enrollment is required according to the payment terms of the Equipment Rental Agreement. Please complete the information below and return this form along with a voided check.

**Authorization:**
Customer hereby authorizes GPSI Leasing and its assigns to deduct all payments when due under this Agreement, according to the terms and conditions of the Agreement from the account listed below by electronic funds transfer for the Term of the Agreement.

<table>
<thead>
<tr>
<th>Authorized Signer's Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name on Bank Account</td>
</tr>
<tr>
<td>Transaction Date</td>
</tr>
<tr>
<td>Amount of Rent</td>
</tr>
<tr>
<td>Bank Account Number</td>
</tr>
<tr>
<td>Routing Number</td>
</tr>
<tr>
<td>Complete Name of Bank</td>
</tr>
<tr>
<td>Mailing Address of Bank</td>
</tr>
<tr>
<td>Date and Signature</td>
</tr>
<tr>
<td>Date</td>
</tr>
<tr>
<td>Bank Signature of Depositor</td>
</tr>
</tbody>
</table>

(Required for banks located outside the US)

SWIFT CODE

If you wish to have this completed form returned to you as confirmation of this enrollment, please provide the following:

Name: __________________________

Fax Number: ______________________

EFT payments will begin with the payment due on ________________.
Insurance Instructions

City of Indian Wells ("Customer") has rented or will be renting equipment from GPSI Leasing.

The Customer is required to provide GPSI Leasing with the following insurance coverage:

A. "All Risk" personal business property and equipment insurance covering the complete System including stationary equipment and mobile GPS displays mounted on vehicles (as listed in the Rental Agreement) owned by or in which GPSI Leasing and its assigns has a security interest, in an amount not less than the full replacement value of the equipment, with "GPSI Leasing and its assigns" named as loss payee. Replacement values:
   - Stationary equipment: Club House Computer, Wireless Equipment – $10,000;
   - Mobile equipment: GPS displays mounted on vehicles – $850/unit.

B. Public Liability Insurance naming "GPSI Leasing and its assigns" as an additional insured with the proceeds to be payable first on the behalf of "GPSI Leasing and its assigns" to the extent of its liability, if any. The amount of the Public Liability Insurance shall not be less than $1,000,000.00, combined single limit.

C. Each policy shall provide that: (i) GPSI Leasing and its assigns will be given not less than thirty (30) days prior written notice of cancellation or non-renewal, (ii) it is primary insurance and any other insurance covering GPSL shall be secondary or excess of the policy and (iii) in no event shall the policy be invalidated as against GPSI Leasing or its assigns for any violation of any term of the policy of the Customer’s application therefore.

A certificate evidencing such coverage should faxed and mailed to GPSI Leasing at the following address:

(480) 383-6799 (Fax)

GPS Industries
PO Box 171
Portland, OR 97207-1719
Attn: Betty Temple

Proof of insurance is required before GPSI Leasing can release shipment of equipment to the site.
BLANKET CERTIFICATE OF RESALE

Company Name: City of Indian Wells

Address: 44950 Eldorado Drive Indian Wells, CA 92210

State of Sales Tax Registration:

This is to certify that all, material, merchandise, or goods leased or rented by the undersigned from:

GPSI Leasing
1074 N. Orange Ave.
Sarasota, Florida, 34236

After ____________________________ (Date) is rented for the following purpose:

_______ Resale as tangible personal property
_______ Rental as tangible personal property
_______ To be incorporated as a material part of other tangible personal property to be produced for sale by manufacturing, assembly, processing or refining.
_______ To be exported for sale, use or consumption outside the continental limits of the United States.
_______ Exemption under Federal, State, or local Governmental Laws.
_______ Other:

This certificate shall be considered a part of each order, which we shall give unless otherwise stated. This certificate is to continue enforce until evoked.

Certificate Number: ____________________________

By: ____________________________

Title: ____________________________

Instructions: (Please print or Type)

1. State of Registration: The State with which your certificate number is filed. Please complete one form for each State of registration.
2. Date: Fill in approximate date of first lease or rental with GPSI Leasing, LLC.
3. Check the most appropriate intended purpose of the leased equipment.
4. Certificate Number: Indicate your certificate number issued by the state in which you are registered.
5. By: Signature of person authorized by your Company.
In general, the following financial information is required for all applications:

A. If you have been in business for 3 or more years:
   1. Completed and signed credit application.
   2. • Last 2 year-end financial statements on the business, and
      • Most recent year-to-date financial statement on the business.
      Financial statements referred to above should include at a minimum a balance sheet, income statement.
   3. Be sure to indicate the total number of annualized 18 hole round equivalents on the credit application form. If there have been a decline or softness in number of rounds, please include a short note regarding what occurred and what has been done to remedy the situation.

B. If you have been in business for less than 3 years:
   1. Completed and signed credit application.
   2. Information regarding Golf Industry Experience of Majority Owners.
   3. If this is a new course, provide Opening Balance Sheet and Pro Forma statements and feasibility study.
   4. If the course is open, provide complete year-end (all years available) and interim (within last 90 days) Balance Sheet, Income Statements.
   5. Be sure to indicate the total number of annualized 18 hole round equivalents on the credit application form. If there have been a decline or softness in number of rounds, please include a short note regarding what occurred and what has been done to remedy the situation.
<table>
<thead>
<tr>
<th>CHECK #</th>
<th>DATE</th>
<th>VENDOR NAME/DESCRIPTION</th>
<th>INVOICE AMOUNT</th>
<th>CHECK TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>40425</td>
<td>4/5/2012</td>
<td>BEST, BEST &amp; KRIEGER, L.L.P. 2/12 LEGAL SERVICES-RDA SUCCESSOR AGENCY</td>
<td>1,980.80</td>
<td>1,980.80</td>
</tr>
</tbody>
</table>

1 checks in this report

SUCCESSOR AGENCY WARRANTS: 40425: 1,980.80

CC/M/A ACTION: MTG. DATE: 4-5-12

(Mullany)
STAFF REPORT

DATE: April 5, 2012

TO: Honorable Mayor and Members of the City Council, Serving as the Successor Agency to the Dissolved Indian Wells Redevelopment Agency

FROM: Kevin McCarthy, Finance Director

SUBJECT: Consideration of Resolution Bill No. 2012-05 approving and adopting a draft of the Recognized Obligation Payment Schedule pursuant to Health and Safety Code section 34177(1)

SUMMARY

The City of Indian Wells became the successor agency to the Indian Wells Redevelopment Agency effective February 1, 2012. Pursuant to AB 1X 26, one of the responsibilities of the successor agency is to prepare a draft of the Recognized Obligation Payment Schedule ("ROPS") and submit it first to an external auditor for review and certification as to the ROPS' accuracy, then to the oversight board for its approval, then finally to the County Auditor-Controller, the State Controller, and the State Department of Finance. The ROPS approved by the oversight board is also to be posted on the City's website.

ANALYSIS

On June 28, 2011, as part of the 2011-2012 State of California budget bill, companion bills Assembly Bill 1X 26 ("AB 26") and Assembly Bill 1X 27 ("AB 27") were enacted, dissolving the Indian Wells Redevelopment Agency ("Agency"), unless the City of Indian Wells ("City") elected to participate in the "Alternative Voluntary Redevelopment Program" established by AB 27 and paid an annual "community remittance" payment to the County of Riverside. On July 18, 2011, a Petition for Writ of Mandate was filed in the Supreme Court of the State of California in the matter of California Redevelopment Association, et al. v. Ana Matosantos, et al., Case No. S194861 ("Legal Action"), challenging the constitutionality of AB 26 and AB 27 on behalf of cities, counties and redevelopment agencies. On December 29, 2011, the Supreme Court issued its opinion in the Legal Action, upholding AB 26, invalidating AB 27, and dissolving all redevelopment agencies throughout the State, effective February 1, 2012.

The City elected to become the successor agency to the Agency by Resolution Bill No. 2012-03, dated January 12, 2012. One of the responsibilities of the City, as successor agency, is to prepare a Recognized Obligation Payment Schedule ("ROPS"), which sets forth the nature, amount, and source(s) of payment of all "enforceable obligations" of the Agency (as defined by law) to be paid by the successor agency after the Agency's...
dissolution, covering the forward-looking six month fiscal period. Only payments required pursuant to the ROPS may be made by the successor agency.

Pursuant to Health and Safety Code section 34177(I)(2), the City, as successor agency, is required to prepare a draft of the ROPS covering the period from July 1, 2012, through December 31, 2012. This draft is submitted to an external auditor (pursuant to Health and Safety Code section 34182, either the county auditor-controller or its designee), for review and certification as to its accuracy ("Certified ROPS"). The Certified ROPS is submitted to and duly approved by the oversight board ("Approved ROPS"). The Approved ROPS is finally submitted to the county auditor-controller, the State Controller’s office and the State Department of Finance, and posted on the City’s website.

The City, as successor agency, has prepared the draft of the ROPS covering the period from July 1, 2012, through December 31, 2012. It needs to be submitted to an external auditor for review and certification.

CONCLUSION

Staff has prepared Resolution Bill No. 2012-05 approving and adopting the draft of the ROPS for City Council’s consideration. If the City Council approves the draft of the ROPS, Resolution Bill No. 2012-05 should be adopted.

RECOMMENDATION

It is recommended that the City, as successor agency, adopt Resolution Bill No. 2012-05 approving and adopting the draft of the Recognized Obligation Payment Schedule pursuant to Health and Safety Code section 34177(I).

Roderick J. Wood, Interim City Manager

Attachment:
1. Resolution Bill No. 2012-05
RESOLUTION BILL NO. 2012-05

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF INDIAN WELLS, CALIFORNIA, SERVING AS THE SUCCESSOR AGENCY TO THE DISSOLVED INDIAN WELLS REDEVELOPMENT AGENCY, APPROVING AND ADOPTING A DRAFT OF THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(l)

WHEREAS, pursuant to Health and Safety Code section 34173(d), the City of Indian Wells ("Successor Agency") elected to become the successor agency to the Indian Wells Redevelopment Agency by Resolution Bill No. 2012-03 on January 12, 2012; and

WHEREAS, Health and Safety Code section 34177(l)(2) requires the Successor Agency to prepare a draft of the recognized obligation payment schedule ("ROPS") covering the six month period from July 1, 2012, through December 30, 2012; and

WHEREAS, Health and Safety Code section 34177(l)(2) requires the Successor Agency to submit the draft of the ROPS to an external auditor, either the Riverside County Auditor-Controller or its designee, for the auditor's review and certification as to its accuracy; and

WHEREAS, Health and Safety Code section 34177(l)(2) requires the Successor Agency to submit the ROPS certified by the external auditor ("Certified ROPS") to the Successor Agency's oversight board for its approval, and upon such approval, the Successor Agency is required to submit a copy of the approved ROPS ("Approved ROPS") to the Riverside County Auditor-Controller, the California State Controller, and the State of California Department of Finance, and post the Approved ROPS on the Successor Agency's website; and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, the City Council of the City of Indian Wells, serving as the successor agency to the dissolved Indian Wells Redevelopment Agency, RESOLVES as follows:

SECTION 1. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

SECTION 2. The approval of the draft of the ROPS through this Resolution does not commit the Successor Agency to any action that may have a significant effect on the environment. As a result, such action does not constitute a project subject to the requirements of the California Environmental Quality Act. The City Clerk, acting on
behalf of the Successor Agency, is authorized and directed to file a Notice of Exemption with the appropriate official of the County of Riverside, California, within five (5) days following the date of adoption of this Resolution.

SECTION 3. The Successor Agency APPROVES and ADOPTS the draft of the ROPS, in substantially the form attached to this Resolution as Exhibit A, as required by Health and Safety Code Section 34177.

SECTION 4. The City Manager, acting on behalf of the Successor Agency, is hereby authorized and directed to take any action necessary to carry out the purposes of this Resolution and comply with applicable law regarding the draft of the ROPS, including submitting the draft of the ROPS to the Riverside County Auditor-Controller, or its designee, the submission of the Certified ROPS to the Successor Agency's oversight board, upon the oversight board's formation, the submission of the Approved ROPS to the Riverside County Auditor-Controller, the California State Controller, and the State of California Department of Finance, and posting the Approved ROPS on the Successor Agency's website.

SECTION 5. This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Indian Wells, California, serving as the successor agency to the dissolved Indian Wells Redevelopment Agency, at a regular meeting held on the 5th day of April, 2012.

DOUGLAS H. HANSON
MAYOR
EXHIBIT A

DRAFT OF THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE

[Attached behind this page]
CERTIFICATION FOR RESOLUTION BILL NO. 2012-05

I, Roderick J. Wood, City Clerk of the City of Indian Wells, California, DO HEREBY CERTIFY that the whole number of the members of the City Council is five (5); that the above and foregoing Resolution was duly and regularly passed and adopted at a regular meeting of the City Council of the City of Indian Wells on the 5th day of April, 2012, by the following vote:

AYES:
NOES:

ATTEST:                      APPROVED AS TO FORM:

__________________________  __________________________
RODERICK J. WOOD            STEPHEN P. DEITSCH
INTERIM CITY MANAGER/CITY CLERK   CITY ATTORNEY
### Project Area\(s\)
- The City of Indian Wells
- Whitewater Project Area

### Time Period
- July 1, 2012 through December 31, 2012

## RECOGNIZED OBLIGATION PAYMENT SCHEDULE

### Per AB 26 - Section 34167 and 34169 (*

<table>
<thead>
<tr>
<th>Project Name / Debt Obligation</th>
<th>Payee</th>
<th>Description</th>
<th>Total Outstanding Debt (Principal &amp; Interest or Obligation)</th>
<th>Total Due During Fiscal Year</th>
<th>Funding Source</th>
<th>Year that Funding Requirement Expires</th>
<th>Payments by month</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 2003 A Tax Allocation Bonds</td>
<td>Union Bank of California</td>
<td>Bonds issued to fund non-housing projects</td>
<td>$11,881,900</td>
<td>$996,650</td>
<td>RPTTF</td>
<td>2025</td>
<td>$795,825</td>
</tr>
<tr>
<td>3 2005 Refunding Tax Allocation Bonds</td>
<td>Union Bank of California</td>
<td>Bonds issued to fund non-housing projects</td>
<td>$14,293,908</td>
<td>$1,195,579</td>
<td>RPTTF</td>
<td>2025</td>
<td>$965,907</td>
</tr>
<tr>
<td>5 2008 A Tax Allocation Bonds</td>
<td>Union Bank of California</td>
<td>Bonds issued to fund non-housing projects</td>
<td>$16,370,112</td>
<td>$771,349</td>
<td>RPTTF</td>
<td>2025</td>
<td>$525,674</td>
</tr>
<tr>
<td>6 SARRF Housing Refunding</td>
<td>Agency's Housing Fund</td>
<td>Loan to Agency for SARRF Payment(s)</td>
<td>$11,514,773</td>
<td></td>
<td>RPTTF</td>
<td>2025</td>
<td></td>
</tr>
<tr>
<td>7 Administrative Costs</td>
<td>Successor Agency</td>
<td>Administrative Costs</td>
<td>$9,442,788</td>
<td>$410,568</td>
<td>RPTTF</td>
<td>2025</td>
<td></td>
</tr>
<tr>
<td>8 Whitewater project area</td>
<td>Coachella Valley Economic</td>
<td>Economic Development &amp; Job Growth</td>
<td>$500,000</td>
<td>$100,000</td>
<td>RPTTF</td>
<td>2014</td>
<td></td>
</tr>
<tr>
<td>9 Pass Thorough Agreement</td>
<td>Riverside City Super of School</td>
<td>Potential Litigation on Statutory Payment</td>
<td>$2,518,786</td>
<td></td>
<td>RPTTF</td>
<td>2013</td>
<td></td>
</tr>
<tr>
<td>10 Miles Crossing Street Improvements</td>
<td>Miles Lodge LLC</td>
<td>Roadway Improvements Highway 111 &amp; Miles Avenue</td>
<td>$1,076,250</td>
<td></td>
<td>RPTTF</td>
<td>2013</td>
<td></td>
</tr>
<tr>
<td>11 Pass Thorough Agreement</td>
<td>Coachella Valley Water District</td>
<td>Payments per former CRL 33401</td>
<td>$1,015,045</td>
<td>$1,015,045</td>
<td>RPTTF</td>
<td>2013</td>
<td>$1,015,045</td>
</tr>
<tr>
<td>12 Pass Thorough Agreement</td>
<td>Desert Sands Unified School Dist</td>
<td>Payments per former CRL 33401</td>
<td>$1,409,160</td>
<td>$1,409,160</td>
<td>RPTTF</td>
<td>2013</td>
<td>$1,409,160</td>
</tr>
<tr>
<td>13 Pass Thorough Agreement</td>
<td>Riverside City Super of Schools</td>
<td>Payments per former CRL 33401</td>
<td>$159,308</td>
<td>$159,308</td>
<td>RPTTF</td>
<td>2013</td>
<td>$159,308</td>
</tr>
<tr>
<td>14 Pass Thorough Agreement</td>
<td>College of the Desert</td>
<td>Payments per former CRL 33401</td>
<td>$292,818</td>
<td>$292,818</td>
<td>RPTTF</td>
<td>2013</td>
<td>$292,818</td>
</tr>
<tr>
<td>15 Pass Thorough Agreement</td>
<td>Coachella Valley Park &amp; Rec</td>
<td>Payments per former CRL 33401</td>
<td>$235,789</td>
<td>$235,789</td>
<td>RPTTF</td>
<td>2013</td>
<td>$235,789</td>
</tr>
<tr>
<td>16 Pass Thorough Agreement</td>
<td>Mosquito Abatement</td>
<td>Payments per former CRL 33401</td>
<td>$155,897</td>
<td>$155,897</td>
<td>RPTTF</td>
<td>2013</td>
<td>$155,897</td>
</tr>
<tr>
<td>17 Pass Thorough Agreement</td>
<td>Riverside City Park &amp; Open Space</td>
<td>Statutory payments</td>
<td>$2,691</td>
<td>$2,691</td>
<td>RPTTF</td>
<td>2013</td>
<td>$2,691</td>
</tr>
<tr>
<td>18 Pass Thorough Agreement</td>
<td>Coachella Valley Public Cemetery</td>
<td>Statutory payments</td>
<td>$2,191</td>
<td>$2,191</td>
<td>RPTTF</td>
<td>2013</td>
<td>$2,191</td>
</tr>
<tr>
<td>19 Pass Thorough Agreement</td>
<td>Desert Regional Medical Center</td>
<td>Statutory payments</td>
<td>$2,987</td>
<td>$2,987</td>
<td>RPTTF</td>
<td>2013</td>
<td>$2,987</td>
</tr>
<tr>
<td>20 Pass Thorough Agreement</td>
<td>Coachella Valley Recourse</td>
<td>Statutory payments</td>
<td>$174</td>
<td>$174</td>
<td>RPTTF</td>
<td>2013</td>
<td>$174</td>
</tr>
</tbody>
</table>

**Totals - This Page**
- $229,118,862 |
- $7,611,284 |
- $34,213 |
- $34,213 |
- $11,058,409 |

**Totals - Other Obligations**
- $229,118,862 |
- $7,611,284 |
- $34,213 |
- $34,213 |
- $11,058,409 |

**Grand total - All Pages**
- $229,118,862 |
- $7,611,284 |
- $34,213 |
- $34,213 |
- $11,058,409 |

*The Successor Agency has removed the $37,220,356 (principal and interest) City Loan entered into on 2/16/2012 from the ROPS schedule under protest and reserve the right to pursue inclusion of this loan.
Administrative Costs Allowance Exhibit
Based on Budgeted Expenditures for FY 2012/13

To Allocate Citywide Support Services to Successor Agency Administrative Budget
Methodology based on Federal Circular OMB A-87 - Citywide Single Step-down Indirect Cost Allocation Plan
Allocation to departments is based on Relative Budget Size and allocated in a fair and equitable method

<table>
<thead>
<tr>
<th>Citywide Support Service Departments</th>
<th>City Budget Fiscal Year 2012/13</th>
<th>Indirect Cost allocation to Successor Agency (%)</th>
<th>Indirect Cost allocation to Successor Agency ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Council</td>
<td>324,983</td>
<td>9.382%</td>
<td>30,489</td>
</tr>
<tr>
<td>City Manager</td>
<td>618,191</td>
<td>9.382%</td>
<td>57,997</td>
</tr>
<tr>
<td>Personnel</td>
<td>70,265</td>
<td>9.382%</td>
<td>6,592</td>
</tr>
<tr>
<td>Risk Management</td>
<td>641,665</td>
<td>9.382%</td>
<td>60,199</td>
</tr>
<tr>
<td>City Clerk</td>
<td>285,622</td>
<td>9.382%</td>
<td>26,796</td>
</tr>
<tr>
<td>Attorney</td>
<td>420,120</td>
<td>9.382%</td>
<td>39,414</td>
</tr>
<tr>
<td>Finance</td>
<td>767,981</td>
<td>9.382%</td>
<td>72,050</td>
</tr>
<tr>
<td>Central Service</td>
<td>199,150</td>
<td>9.382%</td>
<td>18,684</td>
</tr>
<tr>
<td>Tech Services</td>
<td>547,098</td>
<td>9.382%</td>
<td>51,327</td>
</tr>
<tr>
<td>PW Director</td>
<td>501,068</td>
<td>9.382%</td>
<td>47,009</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,376,143</strong></td>
<td><strong>9.382%</strong></td>
<td><strong>410,556</strong></td>
</tr>
</tbody>
</table>

Costs allocated above include the following:

1. Citywide Administrative Salaries and benefits to conduct business on behalf of the Successor Agency
2. Annual Consultant Services (housing, appraisals, arbitrage)
3. Bond Council Services
4. Disclosure Council
5. General Legal Services
6. Annual Bond Disclosure Reporting
7. Annual Audit Services (Both RDA & Successor Agency)
8. Meeting Costs (includes public notices)
9. Photocopy
10. Postage
11. Technology Services (Firewall, email storage, Eden Financial Fees, Maint)
12. Office Equipment
13. Office Supplies
14. Telephone
15. Office Space
### Supporting Detail to calculate the Successor Agency Budgeted Cost:

<table>
<thead>
<tr>
<th>Description</th>
<th>Budgeted cost for FY 2012/13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per the latest version of the Recognized Obligation Payment Schedule</td>
<td>$13,685,199</td>
</tr>
<tr>
<td>Less previously included Administrative cost</td>
<td>$ -</td>
</tr>
<tr>
<td>Successor Agency Relative Budget Size for Cost Allocation Plan</td>
<td>$13,685,199</td>
</tr>
<tr>
<td>Maximum Allocation Allowable @ 3% of $13,685,199</td>
<td>$410,556 Per Tab</td>
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<td>Revised Rops Schedule for Budget including Administrative Cost</td>
<td>$14,095,755 ROPS 2012/13</td>
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Citywide Single Step-down Cost Allocation Based on Relative Budget Size

Allocating Citywide Administrative Costs to Successor Agency in a fair and equitable method
(Ref: Federal Circular OMB A-87)

### Allocation Worksheet

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<tr>
<th>Allocation Basis</th>
<th>324,983</th>
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<th>285,622</th>
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<th>767,981</th>
<th>199,150</th>
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<tr>
<td>Service Providers</td>
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<td>5,561</td>
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### Adjustments (Reduction) to Successor Agency

| Service Providers | 23,113 |

### Revised Budget Size for Allocation

| Service Providers | 8,824 |

### Maximum Allocation Allowable @ 3% of $13,685,199

| Service Providers | 7,505 |

### City Council

<table>
<thead>
<tr>
<th>City Council</th>
<th>324,983</th>
<th>618,191</th>
<th>70,265</th>
<th>641,665</th>
<th>285,622</th>
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<th>199,150</th>
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</tbody>
</table>

### Allocated to budget

| Service Providers | 23,113 |

### Unallocated

| Service Providers | 7,505 |
City of Indian Wells
44-950 Eldorado Drive
Indian Wells, CA 92210-7497
(760) 346-2489

Meeting Agenda (Long)
Thursday, April 5, 2012
1:30 PM

City Hall Council Chambers
Indian Wells Housing Authority

Welcome to a regularly scheduled meeting of the Indian Wells Housing Authority. All persons wishing to address the Housing Authority should fill out a blue public comment request form before the meeting begins and hand it to the Authority Secretary. When the Chairman has recognized you, please come forward to the podium and state your name for the record. A 3-minute time limit is requested. Please note that you may address the Housing Authority on an agenda item listed on the meeting agenda at the time it is discussed, but only after being recognized by the Chairman. Any public record, relating to an open session agenda item, that is distributed within 72 hours prior to the meeting is available for public inspection at City Hall Reception Area 44-950 Eldorado Drive, Indian Wells, CA during normal business hours.

Please turn off cell phones and pagers
1. CONVENE THE INDIAN WELLS HOUSING AUTHORITY, AND ROLL CALL

CHAIRMAN DOUGLAS HANSON
VICE CHAIRMAN WILLIAM POWERS
COMMISSIONER LARRY SPICER
COMMISSIONER MARY T. ROCHE
COMMISSIONER PATRICK MULLANY

2. APPROVAL OF THE FINAL AGENDA

3. APPROVAL OF MEETING MINUTES


4. PUBLIC COMMENTS

All persons wishing to address the Housing Authority should fill out a Blue Public Comment Request form in advance and hand it to the Authority Secretary. At the appropriate time, please come forward to the podium and state your name for the record. A three-minute limit is customary. Please note that you may address the Authority on an agenda item at the time it is discussed, but only after being recognized by the Chairman.

Under the Brown Act, the Authority should not take action on or discuss matters raised during public comment portion of the agenda which are not listed on the agenda. Commissioners may refer such matters to staff for factual information or to be placed on a subsequent agenda for consideration. Notwithstanding the foregoing, Commissioners and staff may briefly respond to statements made or questions posed during public comment, as long as such responses do not constitute any deliberation of the item.

5. CONSENT CALENDAR

All matters listed on the Consent Calendar are considered to be routine and will be enacted by one vote. There will be no separate discussion of these items unless members of the Authority or audience request that specific items be removed from the Consent Calendar for separate discussion and action. If you wish to address the Authority, please fill out a Public Comment Request form in advance and hand it to the Authority Secretary. Please state your name for the public record. Financial matters will be indicated as budgeted or non-budgeted below.

A. Approve Housing Authority Warrants and Demands. Page 300.

6. EXECUTIVE DIRECTOR'S COMMENTS AND MATTERS FROM STAFF

7. COMMISSIONERS' COMMENTS

A. Commissioner Patrick Mullany
B. Commissioner Mary T. Roche
C. Commissioner Larry Spicer
D. Vice Chairman William Powers
E. Chairman Douglas Hanson
8. ADJOURNMENT

To a regularly scheduled meeting of the Indian Wells Housing Authority to be held at 1:30 p.m. on April 19, 2012 in the City Hall Council Chambers.
IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT THE SENIOR BUILDING INSPECTOR OR THE RISK MANAGER AT (760) 346-2489. NOTIFICATION 48 HOURS PRIOR TO THE MEETING WILL ENABLE THE CITY TO MAKE REASONABLE ARRANGEMENTS TO ENSURE ACCESSIBILITY TO THIS MEETING. 128 CFR 35.102.35.104 ADA TITLE III

AFFIDAVIT OF POSTING

I, Anna Grandys, certify that on March 30, 2012, I caused to be posted a notice of an Indian Wells Housing Authority Meeting to be held on Thursday, April 5, 2012 at 1:30 p.m. in the City Hall Council Chambers.

Notices were posted at Indian Wells Civic Center, Village 1 [Ralph's], and Indian Wells Plaza [across from Hopson's].

Anna Grandys, Chief Deputy Authority Secretary
Meeting Minutes (Long)

Thursday, February 16, 2012
1:30 PM

City Hall Council Chambers

Indian Wells Housing Authority

WELCOME TO A REGULARLY SCHEDULED MEETING OF THE INDIAN WELLS HOUSING AUTHORITY. ALL PERSONS WISHING TO ADDRESS THE HOUSING AUTHORITY SHOULD FILL OUT A BLUE PUBLIC COMMENT REQUEST FORM BEFORE THE MEETING BEGINS AND HAND IT TO THE AUTHORITY SECRETARY. WHEN THE CHAIRMAN HAS RECOGNIZED YOU, PLEASE COME FORWARD TO THE PODIUM AND STATE YOUR NAME FOR THE RECORD. A 3-MINUTE TIME LIMIT IS REQUESTED. PLEASE NOTE THAT YOU MAY ADDRESS THE HOUSING AUTHORITY ON AN AGENDA ITEM LISTED ON THE MEETING AGENDA AT THE TIME IT IS DISCUSSED, BUT ONLY AFTER BEING RECOGNIZED BY THE CHAIRMAN. ANY PUBLIC RECORD, RELATING TO AN OPEN SESSION AGENDA ITEM, THAT IS DISTRIBUTED WITHIN 72 HOURS PRIOR TO THE MEETING IS AVAILABLE FOR PUBLIC INSPECTION AT CITY HALL RECEPTION AREA 44-950 ELDORADO DRIVE, INDIAN WELLS, CA DURING NORMAL BUSINESS HOURS.

PLEASE TURN OFF CELL PHONES AND PAGERS
1. CONVENE THE INDIAN WELLS HOUSING AUTHORITY, AND ROLL CALL

[3:21:49] Chairman Hanson called to order a regular meeting of the Housing Authority of the City of Indian Wells at 3:21 p.m. on February 16, 2012.

Commissioner Mullany was excused from today's meetings.

PRESENT: 4 - Chairman Douglas Hanson, Vice Chairman William Powers, Commissioner Larry Spicer and Commissioner Mary Roche
EXCUSED: 1 - Commissioner Patrick Mullany

2. APPROVAL OF THE FINAL AGENDA

[3:22:03]
A motion was made to Approve the Agenda as Submitted. The motion carried by the following vote:

Votes: AYES: 4 - Chairman Douglas Hanson, Vice Chairman William Powers, Commissioner Larry Spicer and Commissioner Mary Roche
NOES: 0
EXCUSED: 1 - Commissioner Patrick Mullany

3. APPROVAL OF MEETING MINUTES

[3:22:06]
A motion was made by Commissioner Roche, seconded by Vice Chairman Powers, to Approve the Minutes as Submitted. The motion carried by the following vote:

Votes: AYES: 4 - Chairman Douglas Hanson, Vice Chairman William Powers, Commissioner Larry Spicer and Commissioner Mary Roche
NOES: 0
EXCUSED: 1 - Commissioner Patrick Mullany

4. PUBLIC COMMENTS


5. CONSENT CALENDAR

[3:22:22]
A. Approve Housing Authority Warrants and Demands. Page 201.

This Matter was Approved on the Consent Agenda.
Passed The Consent Agenda

A motion was made by Commissioner Roche, seconded by Vice Chairman Powers, including all the preceding items marked as having been adopted on the Consent Agenda. The motion carried by the following vote:

Votes:  
AYES: 4 - Chairman Douglas Hanson, Vice Chairman William Powers, Commissioner Larry Spicer and Commissioner Mary Roche  
NOES: 0  
EXCUSED: 1 - Commissioner Patrick Mullany

6. EXECUTIVE DIRECTOR'S COMMENTS AND MATTERS FROM STAFF


7. COMMISSIONERS' COMMENTS


8. ADJOURNMENT

At 3:23 p.m. Chairman Hanson ADJOURNED the Indian Wells Housing Authority meeting to a regularly scheduled meeting of the City Council/Housing Authority to be held at 1:30 p.m. on March 1, 2012 in the City Hall Council Chambers.

Respectfully submitted,

Roderick J. Wood, Interim Executive Director/Authority Secretary
<table>
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<th>CHECK #</th>
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1 checks in this report

HOUSING AUTHORITY WARRANTS: 40416: 2,263.04

CO/HA ACTION  MTG. DATE: 4-5-12
APPROVED ☒ DENIED   REG/FILE CONT.   OTHER
VOTE: YES ☒ NO ☐ ABSTAIN ☐

Excused -
(Mullany)