CITY COUNCIL AGENDA  
PORTERVILLE, CALIFORNIA  
JULY 20, 2004 6:00 P.M.

Call to Order  
Roll Call

CLOSED SESSION - CITY COUNCIL/REDEVELOPMENT AGENCY:

CITY COUNCIL:
A. Closed Session Pursuant to:
   3 - Government Code § 54957 - Public Employee Performance Evaluation - In Progress Review - Title: City Manager.

REDEVELOPMENT:
A. Closed Session Pursuant to:
   4 - Government Code Section 54956.8 – Conference with Real Property Negotiators/Property: Casas Buena Vista Subdivision on Date Ave. west of Plano St. (62 Lots). Agency Negotiator: Brad Dunlap. Negotiating Parties: City of Porterville and Casas Buena Vista Housing Group, LLC. Under Negotiation: Terms.

7:00 P.M. RECONVENE OPEN SESSION AND REPORT ON ANY ACTION TAKEN IN CLOSED SESSION

Pledge of Allegiance Led by Council Member Richard Stadtherr  
Invocation by Pastor Warren Taylor, First Congregational Church

PRESENTATIONS
• Elyse Marchant - Girls State - Governor
• Presentation on Kings/Tulare Continuum of Care by Nanette Villarreal, Director of Central CA Family Crisis Center
• City Manager’s Featured Projects

ORAL COMMUNICATIONS
This is the opportunity to address the Council on any matter of interest, whether on the agenda or not. Please address all items not scheduled for public hearing at this time.

CONSENT CALENDAR
All Consent Calendar Items are considered routine and will be enacted in one motion. There will be no separate discussion of these matters unless a request is made, in which event the item will be removed from the Consent Calendar.

1. This item was removed

2. Claim - Jeanette Nodal
   Re: Rejection of a claim for property damage to a vehicle which occurred on May 13, 2004, in the intersection of Kanai and Cottage Street.

3. Authorization to Advertise for Bids - Milo Street Reconstruction Project
   Re: Approving the plans and project manual for the project along Milo Street from Charles Lane to Pioneer Avenue, and 150 feet along the south side of Pioneer Avenue, west of Milo Street.

4. Reject Bid for Well No. 28
   Re: Rejecting the sole bid for this project and adopting a resolution authorizing the City to negotiate a contract in the open market; and authorizing staff to negotiate with the sole bidder, Zim Industries, Inc.

5. Acceptance of Wastewater Treatment Facility Bore Project
   Re: Acceptance of the project by Pacific Boring, Inc., filing the Notice of Completion, and authorizing the release of the contingency funds 35 days after recordation.

6. Acceptance of Enterprise Fund Installment Sale Agreement from California Infrastructure and Economic Development Bank (CIEDB) with Execution of Various Resolutions and Certifications
   Re: Authorization for the Mayor and various staff to execute the documents needed to fund the various capital projects needed to comply with the Regional Water Quality Control Board’s Cease and Desist Order and Water Discharge Requirements.

7. Update to Local California Environmental Quality Act (CEQA) Guidelines
   Re: Updating CEQA Guidelines to reflect technical amendments, the elimination of the Environmental Review Committee, and changes to the contracting procedures for hiring consultants for non-City funded projects.

8. Amendment to Exhibit “A” of City & County Property Tax Sharing Agreements for Annexations
   Re: Approving revised Exhibit “A”s, and adoption of the resolutions approving methodology for property tax sharing for County Island Annexations and Contiguous Area Annexations between the City and the County of Tulare.
9. **Set the Time and Place of the Public Hearing on the Intent to Levy the Annual Assessment in the Business Improvement Area**  
Re: Setting August 3, 2004 for the public hearing.

10. **Business Recognition Program**  
Re: Authorization for staff to proceed with the implementation of this program which will continue to recognize local businesses.

11. **Amendment to Traffic Resolution No. 10-2001 - Designation of Belleview Avenue and Cottage Street as a Stop Intersection**  
Re: Adoption of a resolution approving the proposed amendment.

12. **Engineer’s Report and Resolution for the 2004-2005 Fiscal Year, City of Porterville Lighting and Landscape Maintenance Districts and Notice of Intention to Levy and Collect Assessments for Fiscal Year 2004-2005**  
Re: Ordering and approving the Engineer’s Report, with proposed assessments, and setting August 3, 2004 for the public hearing.

13. **Approval for Community Civic Event - City of Porterville Parks and Leisure Services Department “Kids’ Day in the Park,” August 7, 2004**  
Re: Approving the event at Murry Park on Saturday, August 7, 2004, from 9:00 a.m. to 12 noon.

14. **Approval for Community Civic Event - Tulare River Indian Tribal Council California Indian Day Powwow, September 24-26, 2004**  
Re: Approving the event at the Porterville Fairgrounds on Sept. 24 & 25, 8 a.m. to 11 p.m., and Sept. 26, 8 a.m. to 8 p.m.

15. **Caltrans Grant Resolution Modification**  
Re: Approving a grant for the State to provide all the local match for FAA Grant No. 3-06-0190-06.

16. **Change in Trustee for Debt Issues**  
Re: Changing trustee from U.S. Bank to Union Bank of California for the City’s debt issuances for the current and any future issues.

*A Council Meeting Recess Will Occur at 8:30 p.m., or as Close to That Time as Possible*

**PUBLIC HEARINGS**

17. **Modification or Revocation of Conditional Use Permit 6-1982 (Colonial Mobile Home Park)**  
Re: Response to a violation of the Conditional Use Permit in regard to the concrete wall and landscaping along Westwood Street and Morton Avenue.

18. **Proposed Fee for the Assumption of a Lease Agreement at the Porterville Municipal Airport**
Re: Setting a $150 fee for the assumption of a valid lease agreement between the City of Porterville and a leaseholder.

19. Public Health Goal Report
   Re: Accepting public comments on the City of Porterville Water Quality Report.

20. Consideration to Remain in Phase II of the Water Conservation Plan and Continuation of Public Hearing

SECOND READINGS
21. Ordinance 1653, Zone Change 2-2004 (City of Porterville)
    Re: Approving the change of zone from City C-2 (Central Commercial) to City OA (Open Area) for a site located on the east side of Main Street, between Cleveland and Thurman Avenues.

22. Ordinance 1656, Amending Chapter 18, Offenses - Miscellaneous
    Re: Approving an ordinance adding Article III, Sale and Use of Tobacco Products, for Regulating the Sale, Acquisition, or Possession of Tobacco Products Facilitated by Self-service Displays, to Chapter 18 of the City Code.

SCHEDULED MATTERS
23. An Ordinance Amending the Method of Regulating Businesses Selling Alcohol
    Re: Amending Article 21 of the Zoning Ordinance to no longer require a Conditional Use Permit for a bona fide restaurant, which does not have a separate bar or live entertainment, with additional restrictions and automatic regulations.

24. Hiring of Contract Engineer
    Re: Consideration of hiring a Contract Engineer for six months, and approving the process to hire an Assistant Engineer with five years minimum experience in municipal engineering or related private engineering experience.

25. Consideration of Options Regarding Mosquito Abatement in the Porterville Area
    Re: Consideration of various options to address the issue of mosquito abatement.

26. Presentation of Options Regarding Healthcare Coverage
    Re: Consideration of changing from the current self-insured healthcare program to the RMA Healthcare Program with an October enrollment as the target, including the meet and confer process.

27. Quarterly Portfolio Summary
    Re: Investment summary stating that all current holdings are in compliance with the current Investment Policy and that all City cash needs are being met.

28. Interim Financial Status Report
Adjourn to a Meeting of the Porterville Redevelopment Agency.

PORTERVILLE REDEVELOPMENT AGENCY AGENDA

Roll Call: Redevelopment Agency

WRITTEN COMMUNICATIONS
ORAL COMMUNICATIONS

SCHEDULED MATTER
PRA-1. Change in Trustee for Debt Issues
   Re: Changing trustee from U.S. Bank to Union Bank of California for the City’s debt
   issuances for the current and any future issues.

Adjourn to a Meeting of the Porterville City Council.

ORAL COMMUNICATIONS

OTHER MATTERS

CLOSED SESSION
   Any Closed Session Items not completed prior to 7:00 p.m. will be considered at this time.

ADJOURNMENT - to the meeting of August 3, 2004

In compliance with the Americans with Disabilities Act and the California Ralph M. Brown Act, if you need special assistance to participate in this meeting, or to be able to access this agenda and documents in the agenda packet, please contact the Deputy City Clerk at (559) 782-7442. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting and/or provision of an appropriate alternative format of the agenda and documents in the agenda packet.
CITY MANAGER’S FEATURED PROJECTS FOR
JULY, 2004

1. Municipal Pools Complex Renovation Project - Murry Park
2. Rails to Trails–F.T.I.P. Adopted
3. Orange Avenue Reconstruction Contract Award
4. Completion of the Casas Buena Vista Landscape and Maintenance District #25 Project
5. Adoption of Budget for FY 2004/2005
SUBJECT: CLAIM - JEANETTE NODAL

SOURCE: Administrative Services Department/City Clerk Division

COMMENT: Jeanette Nodal has filed a claim against the City for property damage. Ms. Nodal is alleging that her vehicle was damaged on May 13, 2004, when she drove through a dip in the intersection of Kanai and Cottage Street. She stated that there was not a warning sign for the dip, or stop signs in either direction of the intersection.

The amount being claimed as of the date of this claim is $546.63, based on repair costs for the vehicle.

RECOMMENDATION: That the Council reject said claim, and refer the matter to the City's insurance adjustor, and direct the City Clerk to give the claimant proper notification.

Attachment: Claim Form

Item No. 2
**Central Auto Service**
847 W. Olive Ave.
Porterville, CA 93257
(559) 781-8033

**Bar # AG217741**
Service Guarantee: MILES AND/OR MONTHS, WHICHSOEVER OCCURS FIRST

<table>
<thead>
<tr>
<th>PART NO. OR DESCRIPTION</th>
<th>SALE AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fuel Filter</td>
<td>$73.00</td>
</tr>
<tr>
<td>Oil Pan</td>
<td>$45.00</td>
</tr>
<tr>
<td>Trans. Pan</td>
<td>$45.00</td>
</tr>
<tr>
<td>Oil Pan</td>
<td>$45.00</td>
</tr>
</tbody>
</table>

**Name:** Craig Henderson
**Address:** 1435 College
**Phone:** (559) 781-8033

**Vehicle:**
- **Make:** Mercury
- **Model:** Villager
- **Year:** 1989
- **License No.:** 3172713
- **Mileage:** 141,375

**Repair Order—Labor Instructions**
1. Replace oil pan gasket.
2. Replace trans. pan.
3. Replace engine mount.

**Prime Concern:**
- $60.00
- 1980
- 13.90
- 5.00

**Total Parts:** $222.80

**QTY.**
<table>
<thead>
<tr>
<th>TOTAL SUBLET REPAIRS</th>
</tr>
</thead>
<tbody>
<tr>
<td>QTS. Oil @</td>
</tr>
<tr>
<td>QTS. Auto Trans Fluid @</td>
</tr>
<tr>
<td>Pints Gear Oil @</td>
</tr>
</tbody>
</table>

**TOTAL OIL & FLUIDS**
- **Freon**
  - Pounds Used: 165
  - Pounds Recovered: 45

**Service and Parts Sales**

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By law, you may choose another Licensed Shop Check facility to perform any unsat.

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**DATE:** 11/20/97
**Time Requested:**
**Written By:**
**Lubrication:**
**Change Oil:**
**Change Oil Filter:**
**Repairs:**
**Pam Belts:**
**Servile:**
**Transmission:**
**Oarservice:**
**Dif Fuse:**
**Replace:**
**Hoses:**
**Replace:**
**Wheels:**
**Replace:**
**Bearing:**
**Rear Axle:**
**Shock:**
**Brakes:**

---

**Cust. B. C.**

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**FREON**

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**Additional Cost**

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**Extra Charge Notice and Oral Approval of Extra Charge by Customer Attached**

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**Signature:**

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SUBJECT: AUTHORIZATION TO ADVERTISE FOR BIDS - MILO STREET RECONSTRUCTION PROJECT

SOURCE: Public Works Department - Engineering Division

COMMENT: The Plans and Project Manual have been prepared for the Milo Street Reconstruction Project. This project consists of the construction of curb, gutter, sidewalk, curb return with disabled ramp, cross gutter and paveout along the west side of Milo Street from Charles Lane to Pioneer Avenue and 150 feet along the south side of Pioneer Avenue, west of Milo Street. This project will create a full 40 foot wide street where a half street now exists and will alleviate a severe drainage problem for the residents along the west side of Milo Street.

The Plans and Project Manual are available for review in the Public Works Department - Engineering Division.

The estimated probable cost for the base project is $67,000. With contingencies and staff time, the estimated probable cost is $90,000. Funding is provided by Local Transportation Funds (LTF) and the project was approved in the 04/05 Annual Budget. The Engineer's Estimate is attached for reference.

Recommendation: That City Council:

1. Approve the Plans and Project Manual; and
2. Authorize staff to advertise for bids on the project.

Attachment: Engineer's Estimate
Locator Map
## Milo Street Reconstruction & Concrete Improvements Project
### Engineers Estimate

<table>
<thead>
<tr>
<th>ITEM</th>
<th>QTY.</th>
<th>UNIT</th>
<th>DESCRIPTION</th>
<th>UNIT PRICE</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>L.S.</td>
<td>L.S.</td>
<td>Clearing &amp; Grubbing</td>
<td>$5,000</td>
<td>$5,000</td>
</tr>
<tr>
<td>2.</td>
<td>315</td>
<td>C.Y.</td>
<td>Excavation (Includes removal of AC)</td>
<td>$30</td>
<td>$9,450</td>
</tr>
<tr>
<td>3.</td>
<td>L.S.</td>
<td>L.S.</td>
<td>Miscellaneous Concrete Removal including but not limited to lawn curbing, sidewalk and concrete driveway.</td>
<td>$2,500</td>
<td>$2,500</td>
</tr>
<tr>
<td>4.</td>
<td>L.S.</td>
<td>L.S.</td>
<td>Concrete Removal of Existing Curb, Gutter &amp; Sidewalk (STA. 9+50 to 10+00 on Milo St.)</td>
<td>$1,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>5.</td>
<td>605</td>
<td>L.F.</td>
<td>Curb &amp; Gutter</td>
<td>$15</td>
<td>$9,075</td>
</tr>
<tr>
<td>6.</td>
<td>675</td>
<td>S.F.</td>
<td>Drive Approach</td>
<td>$4</td>
<td>$2,700</td>
</tr>
<tr>
<td>7.</td>
<td>2050</td>
<td>S.F.</td>
<td>Sidewalk</td>
<td>$3</td>
<td>$6,150</td>
</tr>
<tr>
<td>8.</td>
<td>20</td>
<td>L.F.</td>
<td>Cross-Gutter (½ street)</td>
<td>$20</td>
<td>$400</td>
</tr>
<tr>
<td>9.</td>
<td>1</td>
<td>EA.</td>
<td>Curb Return with Ramp &amp; Spandrel</td>
<td>$2,500</td>
<td>$2,500</td>
</tr>
<tr>
<td>10.</td>
<td>L.S.</td>
<td>L.S.</td>
<td>Traffic Control</td>
<td>$2,000</td>
<td>$2,000</td>
</tr>
<tr>
<td>11.</td>
<td>211</td>
<td>TONS</td>
<td>Asphalt Concrete</td>
<td>$50</td>
<td>$10,550</td>
</tr>
<tr>
<td>12.</td>
<td>210</td>
<td>C.Y.</td>
<td>Class 2 Aggregate Base</td>
<td>$40</td>
<td>$8,400</td>
</tr>
<tr>
<td>13.</td>
<td>50</td>
<td>L.F.</td>
<td>Remove &amp; Replace 4' Field Fence</td>
<td>$20</td>
<td>$1,000</td>
</tr>
<tr>
<td>14.</td>
<td>1</td>
<td>EA.</td>
<td>Relocate 20' Flagpole</td>
<td>$1,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>15.</td>
<td>60</td>
<td>L.F.</td>
<td>Relocate 4' Chain Link Fence</td>
<td>$15</td>
<td>$900</td>
</tr>
</tbody>
</table>
## Milo Street Reconstruction & Concrete Improvements Project

### Engineers Estimate

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>Description</th>
<th>Quantity</th>
<th>Unit Cost</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>16.</td>
<td>2</td>
<td>EA. Relocate Hose Bib</td>
<td></td>
<td>$500</td>
<td>$1,000</td>
</tr>
<tr>
<td>17.</td>
<td>6</td>
<td>EA. Relocate Mailbox</td>
<td></td>
<td>$150</td>
<td>$900</td>
</tr>
<tr>
<td>18.</td>
<td>1</td>
<td>LS Adjust manhole to grade by rebuilding</td>
<td></td>
<td>$1000</td>
<td>$1000</td>
</tr>
<tr>
<td>19.</td>
<td>4</td>
<td>EA. Adjust Meter Box to Grade</td>
<td></td>
<td>$250</td>
<td>$1000</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td><strong>$66,525</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>10% Contingency</td>
<td></td>
<td></td>
<td><strong>$6,652.50</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>*Staff Time</td>
<td></td>
<td></td>
<td><strong>$12,000</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>**Remaining R/W</td>
<td></td>
<td></td>
<td><strong>$4,500</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>$89,677.50</strong></td>
</tr>
</tbody>
</table>

*Staff time including construction management, inspection, quality control testing and field services relocation of four existing water services.

**Have received right of entry through attorney’s office, will still have to pay for R/W.

### Certification:

- **Project Manager:** [Signature] 7/13/04
- **Date:** 7/13/04
- **Public Works Director:** [Signature] 7/14/04
- **Date:** 7/14/04
- **City Engineer:** [Signature] 7/13/04
- **Date:** 7/13/04
- **City Manager:** [Signature] 7/13/04
- **Date:** 7/13/04
SUBJECT: REJECT BID FOR WELL NO. 28

SOURCE: Public Works Department - Engineering Division

COMMENT: On June 24, 2004, staff received one (1) bid for the construction of a new municipal water well on a 1.29 acre parcel of land located adjacent to and south of the Wal-Mart Distribution Center on the west side of “F” Street.

Funding is provided by Developer Impact Fees and the project was approved in the 04/05 Annual Budget. The City’s Consultant, Dee Jaspar & Associates, provided an Estimate of Probable Cost in the amount of $267,086. The estimate is attached for review.

The sole bid is as follows:

<table>
<thead>
<tr>
<th>Contractor</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zim Industries, Inc.</td>
<td>$299,490.00</td>
</tr>
<tr>
<td>Fresno, CA</td>
<td></td>
</tr>
</tbody>
</table>

The bid exceeds the Engineer’s Estimate of Probable Cost by 12%. The City Charter allows Council, by Resolution, to negotiate in the open market if bids exceed the funding amount or in this case, a sole bid exceeding the Engineer’s Estimate of Probable Cost by an unreasonable amount. The sole bidder has shown an interest in negotiating a contract if some of the work specified in the Project Manual can be amended. Staff is reluctant to utilize a negotiation approach because it is contrary to the competitive bidding process. However, due to the urgency of bringing additional water wells online, lack of interested bidders in this particular project and the fact that the City received only one bid, staff believes it is reasonable to pursue negotiations.

RECOMMENDATION: That City Council:

1. Reject the sole bid for Well No. 28;

Dir Appropriated/Funded CM Item No. 4
2. Authorize the Mayor to execute a Resolution Authorizing the City to Negotiate a Contract in the Open Market; and

3. Authorize staff to negotiate with the sole bidder, Zim Industries, Inc., to bring the contract amount within ten (10) percent of the Engineer's Estimate of Probable Cost.

ATTACHMENTS: Locator Map
Estimate of Probable Cost
Resolution to Negotiate
City of Porterville
Well No. 28 Project
Project No.: 89-9763-38

Engineer's Cost Estimate for Drilling Municipal Well No. 28

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Item Description</th>
<th>Estimated Quantity</th>
<th>Unit of Measure</th>
<th>Unit Price</th>
<th>Estimated Extension Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mobilization, Demobilization, Clean-up</td>
<td>1</td>
<td>LS</td>
<td>$15,000</td>
<td>$15,000</td>
</tr>
<tr>
<td>2</td>
<td>48' Dia. Bore Hole w/ 36&quot; O.D. x 3/8&quot; Conductor Pipe</td>
<td>50</td>
<td>LF</td>
<td>$350</td>
<td>$17,500</td>
</tr>
<tr>
<td>3</td>
<td>Drill 15' Dia. Pilot Hole</td>
<td>650</td>
<td>LF</td>
<td>$45</td>
<td>$29,250</td>
</tr>
<tr>
<td>4</td>
<td>Formation Sampling by air-lifting and pumping</td>
<td>6</td>
<td>EA</td>
<td>$6,500</td>
<td>$33,000</td>
</tr>
<tr>
<td>5</td>
<td>Ream Pilot Hole to 28' Dia.</td>
<td>650</td>
<td>LF</td>
<td>$32</td>
<td>$17,800</td>
</tr>
<tr>
<td>6</td>
<td>16-5/8&quot; O.D. x 5/16&quot; &quot;Cor Ten&quot; Blank Casing</td>
<td>315</td>
<td>LF</td>
<td>$75</td>
<td>$23,325</td>
</tr>
<tr>
<td>7</td>
<td>10-5/8&quot; O.D. x 5/16&quot; &quot;Cor Ten&quot; Perforated Casing</td>
<td>265</td>
<td>LF</td>
<td>$130</td>
<td>$34,450</td>
</tr>
<tr>
<td>8</td>
<td>4&quot; Gravel Feed Tube</td>
<td>110</td>
<td>LF</td>
<td>$8</td>
<td>$880</td>
</tr>
<tr>
<td>9</td>
<td>2&quot; &quot;Cor Ten&quot; Sounding Tube</td>
<td>420</td>
<td>LF</td>
<td>$5</td>
<td>$2,100</td>
</tr>
<tr>
<td>10</td>
<td>Colorado Silica Gravel Envelope</td>
<td>500</td>
<td>LF</td>
<td>$42</td>
<td>$21,000</td>
</tr>
<tr>
<td>11</td>
<td>Cement Seal</td>
<td>100</td>
<td>LF</td>
<td>$20</td>
<td>$2,000</td>
</tr>
<tr>
<td>12</td>
<td>Swabbing and Airlifting</td>
<td>24</td>
<td>HRS</td>
<td>$250</td>
<td>$6,000</td>
</tr>
<tr>
<td>13</td>
<td>Pumping and Surging</td>
<td>48</td>
<td>HRS</td>
<td>$200</td>
<td>$9,600</td>
</tr>
<tr>
<td>14</td>
<td>Production Testing</td>
<td>24</td>
<td>HRS</td>
<td>$200</td>
<td>$4,800</td>
</tr>
<tr>
<td>15</td>
<td>Well Video</td>
<td>1</td>
<td>LS</td>
<td>$2,000</td>
<td>$2,000</td>
</tr>
<tr>
<td>16</td>
<td>12-3/4&quot; O.D. x 1¼&quot; &quot;Cor Ten&quot; Steel Lining</td>
<td>400</td>
<td>LF</td>
<td>$60</td>
<td>$24,000</td>
</tr>
</tbody>
</table>

Subtotal: $242,805
Total Estimate: $287,086

Prepared By: Curtis M. Skaggs, Project Engineer
Reviewed By: Michael K. Reed, City Engineer
Reviewed By: Baldermo S. Rodriguez, Public Works Director
Reviewed By: John Congley, City Manager

Date: 5/11/04

RESOLUTION NO. _______ -2004

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE AUTHORIZING CITY TO NEGOTIATE IN THE OPEN MARKET FOR THE CONSTRUCTION OF WATER WELL NUMBER 28 PURSUANT TO CITY OF PORTERVILLE CHARTER SECTION 61

WHEREAS, the City of Porterville intends to construct a new municipal water well on a 1.29 acre site ("Well No. 28"), at the location shown on Attachment "A" to this Resolution;

WHEREAS, the City’s Consultant, Dee Jaspar & Associates, provided an estimate of probable cost for the project in the amount of $267, 086;

WHEREAS, the City duly advertised for bids for this project, and on the bid opening date of June 24, 2004, received only bid for the project in the amount of $299,490.00 from Zim Industries, Inc. of Fresno, California, exceeding the estimate of probable cost by twelve percent (12%);

WHEREAS, the City has rejected the sole bid received;

WHEREAS, the City is informed and believes that given the timing and specific circumstances, readvertising for bids is unlikely to produce additional bidders or lower bids with regard to this project; however the City may be able to negotiate in the open market, including negotiations with the current apparent low bidder, for the labor and materials at a lower cost and may also be able to modify the work requirements for the project as part of this negotiation process;

WHEREAS, the City has an urgent need to bring an additional water well online as soon as possible; and
WHEREAS, the City of Porterville’s Charter, Section 61, provides that the City Council may, after rejecting bids, determine and declare that the work in question may be more economically or satisfactorily performed by purchasing labor and materials in the open market, and the City may do so after adopting this Resolution without further observance of the competitive bidding requirements set forth in this section;

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF PORTERVILLE DOES RESOLVE AS FOLLOWS:

1. The City Council determines that pursuant to the information provided above and Section 61 of the City’s Charter, the Water Well. No. 28 construction project may be more economically performed by negotiating a contract in the open market.

2. The City Council hereby authorizes City staff to negotiate a contract in the open market for this project, including negotiations with the current apparent low bidder, Zim Industries, Inc.

This Resolution was passed by the City Council members of the City of Porterville at a regularly scheduled meeting thereof on the 20th day of July, 2004, by the following vote:

AYES:
NOES:
ABSENT:

__________________________________________
Pedro R. Martinez
Mayor

ATTEST:

John Longley, City Clerk

__________________________________________
Georgia Hawley, Deputy
SUBJECT: ACCEPTANCE OF THE WASTEWATER TREATMENT FACILITY BORE PROJECT

SOURCE: Public Works Department - Engineering Division

COMMENT: Pacific Boring, Inc., has completed the bore under the Wastewater Treatment Facility Office Building per plans and specifications.

City Council authorized expenditure of $8,910. Final construction cost is $8,100.

Pacific Boring requests that the City accept the project as complete. Staff reviewed the work and found it acceptable.

RECOMMENDATION: That City Council:

1. Accept the project as complete;

2. Authorize the filing of the Notice of Completion; and

3. Authorize the release of the 10% retention thirty-five (35) days after recordation, provided no stop notices have been filed.

ATTACHMENT: Locator Map

Y:\Engineering\Council Items\Acceptance of WWTF Bore Project.wpd
SUBJECT: ACCEPTANCE OF ENTERPRISE FUND INSTALLMENT SALE AGREEMENT FROM CALIFORNIA INFRASTRUCTURE and ECONOMIC DEVELOPMENT BANK (CIEDB) WITH EXECUTION OF VARIOUS RESOLUTIONS and CERTIFICATIONS

SOURCE: Public Works Department - Engineering Division

COMMENT: The CIEDB presents for Council's action, the full financing agreement (CIEDB-B04-053) to fund the various capital projects needed to comply with Regional Water Quality Control Board's (RWQCB) Cease & Desist Order (CDO) 5-01-104 and Waster Discharge Requirements (WDR) 5-01-103.

Key elements of the "Agreement" are as follows:

- $5,356,000 Thirty (30) year loan at 2.98% interest.

- Loan agreement to take effect September 1, 2004 and is the first date that reimbursement request will be honored.

- Annual fee payments to begin March 16, 2005, and shall be made on or before every March 16.

- City shall provide the CIEDB with an annual audited financial statement of the City relating to the Enterprise, Gross Revenues, Net Revenues and the Enterprise fund for the preceding fiscal year.

- Capital projects shall be paid at prevailing wage.

- Use only "pre-qualified" contractors.

The above does not represent all that is included in the "Sale Agreement" but rather, represents a "snapshot" of key elements of the loan.

The following "Exhibits" require Council's authorization to execute or are provided as procedural documents:

- Exhibit A - A resolution requiring the Mayor's signature authorizing the City Manager to execute the Enterprise Fund Installment Sale Agreement.
Certificate of Resolution stating that the City Manager is the duly qualified and acting City Clerk.

Exhibit B - Certificate of the Chief Financial Officer stating that Susan Slayton is the duly qualified and acting Chief Financial Officer.

Exhibit C - Conditions Precedent To Disbursement. No signatures required.

Exhibit D - Description of projects and related funding. No signatures required.

Exhibit E - Amortization schedule. No signatures required.

Exhibit F - State contract requirements - No signatures required.

Exhibit G - Tax certificate requiring the signature of the Chief Financial Officer, Susan Slayton.

Exhibit H - Form of legal opinion to be signed by the City’s legal counsel after the loan agreement has been executed.

RECOMMENDATION: That the City Council:

1. Authorize the Mayor to execute Exhibit A, a resolution authorizing the City Manager to execute the “Enterprise Fund Installment Sale Agreement” in the amount of $5,356,000;

2. Authorize the named Department Heads or individuals to execute the various exhibits described in this staff report; and

3. Authorize the Public Works Director to deliver by certified mail said “Sale Agreement” to the CIEDB principals for proper counter signatures and full execution.

ATTACHMENTS: Enterprise Fund Installment Sale Agreement
Exhibit “A”
Certificate of Resolution
Exhibits “B” - “H” as noted above
ENTERPRISE FUND INSTALLMENT SALE AGREEMENT

by and between the

CITY OF PORTERVILLE,

as Purchaser

and the

CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK,

as Seller

Dated as of September 1, 2004
Agreement No. CIEDB-B04-053
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ENTERPRISE FUND INSTALLMENT SALE AGREEMENT

THIS ENTERPRISE FUND INSTALLMENT SALE AGREEMENT, is made and entered into as of September 1, 2004 (the “Agreement”), by and between the CITY OF PORTERVILLE, a charter city and municipal corporation duly organized and existing under the laws of the State of California, as purchaser (the “Purchaser”), and the CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK (the “CIEDB”), duly organized and validly existing pursuant to the Bergeson-Peace Infrastructure and Economic Development Bank Act, constituting Division 1 of Title 6.7 of the California Government Code (commencing at section 63000 thereof) as now in effect and as it may from time to time hereafter be amended (the “Act”), as seller.

WITNESSETH:

WHEREAS, the Purchaser adopted a resolution authorizing the purchase from the CIEDB of a Project, as defined herein, evidenced by this Enterprise Fund Installment Sale Agreement (the “Agreement”);

WHEREAS, the Purchaser hereby finds and determines that there will be significant public benefits accruing from such purchase;

WHEREAS, the CIEDB has issued tax-exempt bonds (“Proceeds Bonds” as defined in Section 1.01), the proceeds of which will be used to fund the Project;

WHEREAS, the CIEDB may pledge its rights under this Agreement to secure bonds (“Secured Bonds” as defined in Section 1.01), and Purchaser acknowledges that the issuance of both the Proceeds Bonds and the Secured Bonds impacts its rights and obligations as described herein, and Purchaser hereby agrees to adhere to the requirements contained in this Agreement necessary in order to maintain the tax-exempt status of the Proceeds Bonds;

WHEREAS, the Purchaser has the following obligations outstanding: the Installment Sale Agreement dated as of September 1, 1997 by and between the Porterville Public Financing Authority, as Seller and the City of Porterville, as Purchaser (as related to the 1997 Sewer System Refinancing Project) (the “1997 Agreement” as defined in Section 1.01 herein) and the Installment Sale Agreement dated as of September 1, 2002 by and between the Porterville Public Financing Authority, as Seller and the City of Porterville, as Purchaser (as related to the 2002 Sewer System Refinancing Project) (the “2002 Agreement” as defined in Section 1.01 herein.

WHEREAS, this Agreement will be subordinate to the 1997 Agreement and the 2002 Agreement; and

WHEREAS, all acts and proceedings required by law necessary to make this Agreement, when executed by the Purchaser and the CIEDB, the valid, legal and binding obligation of the Purchaser and the CIEDB, and to constitute this Agreement a legal, valid, and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done and taken, and the execution of this Agreement has been in all respects duly authorized;
NOW, THEREFORE, in consideration of the premises and the mutual agreements herein contained, the parties hereto do hereby agree as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01. Definitions. Unless the context clearly otherwise requires, the capitalized terms in this Agreement shall have the respective meanings set forth below.

"1997 Agreement" means the Installment Sale Agreement dated as of September 1, 1997 by and between the Porterville Public Financing Authority, as Seller and the City of Porterville, as Purchaser (as related to the 1997 Sewer System Refinancing Project).

"2002 Agreement" means the Installment Sale Agreement dated as of September 1, 2002 by and between the Porterville Public Financing Authority, as Seller and the City of Porterville, as Purchaser (as related to the 2002 Sewer System Refinancing Project).

"Act" means the Bergeson-Peace Infrastructure and Economic Development Bank Act, constituting Division 1 of Title 6.7 of the California Government Code (commencing at section 63000 thereof) as now in effect and as it may from time to time hereafter be amended.

"Additional Payments" means the payments made pursuant to Section 2.04(f).

"Agreement" means this Enterprise Fund Installment Sale Agreement, between the CIEDB and the Purchaser, as originally entered into and as amended pursuant to the provisions hereof.

"Business Day" means any day, Monday through Friday, which is not a legal holiday of the State or the trustee.

"Certificate of the Purchaser" means a request or certificate, in writing, signed by a duly authorized representative of the Purchaser.

"CIEDB" means the California Infrastructure and Economic Development Bank.

"CIEDB Annual Fee" means the fee payable to CIEDB pursuant to Section 2.04(f)(1).

"Code" means the Internal Revenue Code of 1986, as amended, or any successor statute thereto, and any regulations promulgated thereunder.

"Debt Service" means, for any Fiscal Year, the sum of: (1) the interest due and payable during such Fiscal Year under this Agreement, and all outstanding Parity Debt, assuming that principal thereof is paid as scheduled and that any mandatory sinking fund payments are made as scheduled; (2) that portion of the principal amount due thereunder maturing during such Fiscal Year; (3) that portion of the principal amount of all such debt required to be redeemed or paid (together with the redemption premiums, if any, thereof) during such Fiscal Year; (4) CIEDB
Annual Fee and any fees similar to the CIEDB Annual Fee payable during such Fiscal Year with respect to outstanding Parity Debt on a parity with such Parity Debt; and (5) Senior Debt Service.

Debt Service shall not include: (1) interest which is to be paid from amounts constituting capitalized interest; or (2) interest on or principal payable from the proceeds of any obligation required to remain unexpended and to be held in escrow, provided that (i) projected interest earnings on such proceeds, plus such amounts, if any, deposited by the Purchaser in an account created for that purpose, are sufficient to pay the interest due on such portion of the obligation so long as it is required to be held in escrow and (ii) the conditions for the release of such proceeds from escrow are substantially similar to those for the issuance of obligation.

“Effective Date” means September 1, 2004, the date on which this Agreement becomes fully executed, effective and binding on the Purchaser and the CIEDB.

“Enterprise” means any and all facilities of the Purchaser for the disposal or reuse of wastewater, including sewage treatment plants, intercepting and collecting sewers, outfall sewers, force mains, pumping stations, ejector stations, pipes, valves, machinery and all other appurtenances necessary, useful or convenient for the collection, treatment, purification or disposal of sewage, and any necessary lands, rights of way and other real or personal property useful in connection therewith.

“Enterprise Fund” means the sub-account of the Purchaser’s Sewer Fund established by the Purchaser and in which all Net Revenues are deposited after payment of Senior Debt and maintained by the Purchaser pursuant to Section 3.02 and in which the CIEDB has a security interest pursuant to the terms of this Agreement. The Purchaser’s Sewer Fund is an enterprise fund that is comprised of the following sub-funds: Sewer Operating Fund, Sewer Revolving Fund and Wastewater Treatment Plant Capital Reserve Fund.

“Event of Default” means any of the events described in Section 7.01.

“Fiscal Year” means any twelve month period extending from July 1 in one calendar year to June 30 of the succeeding calendar year, both dates inclusive, or any other twelve month period selected and designated by the Purchaser as its official fiscal year period.

“Gross Revenues” means all gross income and revenue by the Purchaser from the ownership and operation of the Enterprise, including, without limiting the generality of the foregoing (a) all income, rents, rates, fees, charges or other moneys derived from the services, facilities and commodities sold, furnished or supplied through the facilities of the Enterprise, (b) the earning on and income derived from the investment of such income, rents, rates, fees, charges or other moneys to the extent that the use of such earnings and income is limited by or pursuant to the law to the Enterprise, and (c) the proceeds derived by the Purchaser directly or indirectly from the sale, lease or other disposition of a part of the Enterprise as permitted in the Senior Debt Instruments provided, that the term “Gross Revenues” shall not include customers’ deposits or any other deposits subject to refund until such deposits have become the property of the Purchaser.
“Independent Accountant” means any certified public accountant or firm of certified public accountants duly licensed or registered or entitled to practice and practicing as such under the laws of the State, appointed by the Purchaser who, or each of whom:

(a) Is in fact independent and not under the control of the Purchaser or the CIEDB;

(b) Does not have any substantial interest, direct or indirect, in the Purchaser the CIEDB or the Project; and

(c) Is not connected with the Purchaser or the CIEDB as an officer or employee of the Purchaser or the CIEDB, but who may be regularly retained to make reports to the Purchaser or the CIEDB.

“Independent Consultant” means any consultant or firm of such consultants judged by the Purchaser to have experience in matters relating to the collection of Gross Revenues or other experience with respect to the financing of Enterprise projects, as appropriate, appointed and paid by the Purchaser who, or each of whom:

(a) Is in fact independent and not under the control of the Purchaser or the CIEDB;

(b) Does not have any substantial interest, direct or indirect, in the Purchaser or the CIEDB; and

(c) Is not connected with the Purchaser or the CIEDB as a member, officer or employee of the Purchaser, but who may be regularly retained to make reports to the Purchaser or the CIEDB.

“Installment Payments” means the principal and interest payments to be made by the Purchaser to the CIEDB in payment of the Purchase Price hereunder.

“Interest Payment Date” means March 16 of every year in which the Purchase Price remains unpaid.

“Maximum Annual Debt Service” means as of the date of calculation, the greatest total Debt Service payable in any Fiscal Year during which this Agreement is in effect.

“Net Revenues” means Gross Revenues less Operation and Maintenance Expenses.

“Operations and Maintenance Expenses” means all expenses and costs of management, operation, maintenance and repair of the Enterprise and all incidental costs, fees and expenses properly chargeable to the Enterprise (but excluding debt service or other similar payments on Senior Debt and Parity Debt or other obligations and depreciation and obsolescence charges or reserves therefore and amortization of intangibles and inter-fund transfers or other bookkeeping entries of a similar nature).
“Parity Debt” means any loan, bond, note, advance, installment sale agreement, capital lease or other evidence of indebtedness payable from and secured by a lien on the Net Revenues subordinate to the Senior Debt on a parity with the Installment Payments and Additional Payments, issued or incurred pursuant to and in accordance with the provisions of Section 2.08.

“Parity Debt Instrument” means any additional loan, bond, note, advance, installment sale agreement, or other indebtedness or capital lease of the Purchaser payable from and secured by a lien on the Net Revenues which is on parity to this Agreement and issued or incurred pursuant to and in accordance with the provisions of Section 2.08 and Section 6.01.

“Parity Debt Service” means, for any Fiscal Year, the sum of: (1) the interest due and payable during such Fiscal Year for all outstanding Parity Debt, assuming that principal thereof is paid as scheduled and that any mandatory sinking fund payments on any Parity Debt are made as scheduled; (2) that portion of the principal amount due on all outstanding Parity Debt maturing during such Fiscal Year; (3) that portion of the principal amount of all such outstanding Parity Debt required to be redeemed or paid (together with the redemption premiums, if any, thereof) during such Fiscal Year; and (4) annual fees, if any, under Parity Debt.

Parity Debt Service shall not include: (1) interest on Parity Debt which is to be paid from amounts constituting capitalized interest; or (2) interest on or principal of Parity Debt payable from the proceeds of any Parity Debt required to remain unexpended and to be held in escrow pursuant to the terms of a Parity Debt Instrument, provided that (i) projected interest earnings on such proceeds, plus such amounts, if any, deposited by the Purchaser in an account created for that purpose, are sufficient to pay the interest due on such portion of the Parity Debt so long as it is required to be held in escrow and (ii) the conditions for the release of such proceeds from escrow are substantially similar to those for the issuance of Parity Debt.

“Project” means the public development facility to be sold by the CIEDB to the Purchaser pursuant to this Agreement, authorized by Government Code section 63010(q) and the Act and described in Exhibit D.

“Project Funds” mean the moneys provided by the CIEDB to the Purchaser, as agent for the CIEDB, pursuant to this Agreement to purchase and/or construct the Project for the CIEDB for sale to the Purchaser as set forth in Section 2.06.

“Proceeds Bonds” means bonds issued by the CIEDB the proceeds of which will be used, in whole or part, to fund the Project.

“Purchase Price” means the principal amount plus the interest thereon owed by the Purchaser to the CIEDB under the conditions and terms hereof for the payment of the costs of the Project and the incidental costs and expenses related thereto paid by the CIEDB.

“Purchaser” means the City of Porterville.

“Report” means a document in writing signed by an Independent Consultant or an Independent Accountant, and including:
(a) A statement that the person or firm making or giving such Report has read
the pertinent provisions of this Agreement to which such Report relates;

(b) A brief statement as to the nature and scope of the examination or
investigation upon which the Report is based; and

(c) A statement that, in the opinion of such person or firm, sufficient
examination or investigation was made as is necessary to enable said consultant to express an
informed opinion with respect to the subject matter referred to in the Report.

"Secured Bonds" means bonds of one or more series issued by the CIE DB to which
certain rights of the CIE DB under this Agreement may be from time to time pledged directly or
indirectly.

"Senior Debt" means the obligations evidenced by the Senior Debt Instruments and any
additional loan, bond, note, advance, installment sale agreement, or other indebtedness or capital
lease of the Purchaser payable from and secured by a first lien on the Net Revenues which is
senior to this Agreement and issued or incurred pursuant to and in accordance with the
provisions of Section 2.07 and Section 6.01.

"Senior Debt Instruments" mean, collectively, the 1997 Agreement, the 2002 Agreement
and any additional loan, bond, note, advance, installment sale agreement, or other indebtedness
or capital lease of the Purchaser payable from and secured by a lien on the Net Revenues which
are senior to this Agreement and issued or incurred pursuant to and in accordance with the
provisions of Section 2.07 and Section 6.01.

"Senior Debt Service" means, for any Fiscal Year, the amounts required to be paid
pursuant to any Senior Debt Instrument prior to the amounts required to be paid under this
Agreement.

"State" means the State of California.

"Subordinate Debt" means any loan, bond, note, advance, installment sale agreement, or
other indebtedness or capital lease of the Purchaser payable from and secured by a lien on Net
Revenues which is subordinate to the Agreement.

"Subordinate Debt Instruments" means any additional loan, bond, note, advance,
installment sale agreement, or other indebtedness or capital lease of the Purchaser payable from
and secured by a lien on the Net Revenues which are subordinate to this Agreement.

"Tax Certificate" means the tax certificate in the form set forth in Exhibit G executed and
delivered by the Purchaser as of the Effective Date and setting forth certain conditions,
covenants, expectations and elections of the Purchaser with respect to the purchase in accordance
with the Code.

SECTION 1.02. Rules of Construction. Except where the context otherwise requires,
words imparting the singular number shall include the plural number and vice versa, and
pronouns inferring the masculine gender shall include the feminine gender and vice versa. All references herein to particular articles or sections are references to articles or sections of this Agreement. The headings and Table of Contents herein are solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meanings, construction or effect.

ARTICLE II

TERMS OF SALE

SECTION 2.01. Authorization. The CIEDB, pursuant to its resolution previously adopted, hereby agrees to sell to the Purchaser and the Purchaser, pursuant to resolution previously adopted in form substantially similar to Exhibit A, hereby agrees to purchase from the CIEDB the Project under and subject to the terms of this Agreement. This Agreement constitutes a continuing agreement between the Purchaser and the CIEDB to secure the full and final payment of the Purchase Price, subject to the covenants, agreements, provisions and conditions herein contained.

SECTION 2.02. Design, Acquisition, Construction and Sale of the Project. The CIEDB hereby agrees to design, acquire and construct the Project for, and to sell the Project to, the Purchaser. In order to implement this provision, the CIEDB hereby appoints the Purchaser as its agent for the purpose of such design, acquisition and construction; and the Purchaser hereby agrees to enter into such engineering, design and construction contracts and purchase orders as may be necessary, as agent for the CIEDB, to provide the complete design, acquisition and construction of the Project. The Purchaser hereby agrees that as such agent it will cause the acquisition and construction of the Project to be diligently completed. The CIEDB hereby agrees to sell, and hereby sells, the Project to the Purchaser. The Purchaser hereby agrees to purchase, and hereby purchases, the Project from the CIEDB. Notwithstanding the foregoing, it is hereby expressly understood and agreed that the CIEDB shall be, except as expressly provided herein, under no liability of any kind or character whatsoever for the payment of any costs or expenses incurred by the Purchaser (whether as agent for the CIEDB or otherwise) for the engineering, design, acquisition or construction of the Project and that all such costs and expenses shall be paid by the Purchaser, regardless of whether Project Funds are sufficient to cover all such costs.

SECTION 2.03. Payment of Purchase Price; Term; Interest Rates.

(a) The Purchase Price to be paid by the Purchaser to the CIEDB hereunder is the sum of the principal amount of the Purchaser's obligation hereunder plus the interest from the Effective Date over the term hereof, subject to prepayment as provided in Section 2.05. Interest shall accrue on the entire principal balance, whether or not disbursed, from the Effective Date.

(b) For purposes of this Agreement:

(1) The principal amount of the Purchase Price to be paid by the Purchaser to the CIEDB hereunder is five million three hundred fifty-six thousand dollars ($5,356,000).
(2) The term of this Agreement is thirty (30) years from the Effective Date.

(3) The interest rate is two and ninety-eight hundredths percent (2.98%) per annum.

(c) Installment Payments of principal and interest shall be as set forth in the amortization schedule of Exhibit E hereto.

(1) The interest only period shall be in effect through March 15 2007. The first principal payment shall be due March 16, 2007.

(2) Interest only payments will be based upon the total principal component of the Purchase Price, including the amounts not disbursed, using an interest rate of two and ninety-eight hundredths percent (2.98%) per annum.

(3) Purchaser shall receive a credit against interest owed based upon the actual interest earned by the CIEDB at a rate of up to two and ninety-eight hundredths percent (2.98%) per annum on the undisbursed Project Funds.

(d) Commencing on the day following the end of the interest only period, the principal component of the Purchase Price shall be fully amortized over the remaining term of this Agreement. If any portion of the principal of the Purchase Price is prepaid in part pursuant to Section 2.05 hereof, the schedule of the principal payments shall be modified to reflect such partial prepayment.

(e) The obligation of the Purchaser to pay the Purchase Price by paying the Installment Payments and Additional Payments is, subject to Section 4.07, absolute and unconditional; and until such time as the Purchase Price shall have been paid in full (or provision for the payment thereof shall have been made as provided in Section 8.05), the Purchaser shall not discontinue or suspend any Installment Payments or Additional Payments required to be paid by it under this Agreement when due, whether or not the Project or any part thereof is operating or operable, or its use is suspended, interfered with, reduced, curtailed or terminated in whole or in part; and such payments shall not be subject to reduction whether by offset or otherwise and shall not be conditional upon the performance or nonperformance by any party to any agreement for any cause whatsoever.

SECTION 2.04. Disbursement of Project Funds: Additional Payments.

(a) Project Funds shall be disbursed solely upon receipt by the CIEDB of invoices documenting, to the satisfaction of the CIEDB, that the Purchaser has incurred costs that constitute both reasonable and necessary components of the Project and which are consistent with the cost categories, amounts and requirements described in Exhibit D hereto; provided, however, that no disbursements shall be approved until and unless the Purchaser has complied
with the conditions precedent to disbursement set forth in Exhibit C hereto. Except for preliminary costs, no cost shall be reimbursed if incurred prior to March 29, 2004. "Preliminary Costs," as used in this paragraph, means architectural, engineering, surveying, soil and environmental testing and reports, studies (including environmental impact, rate and feasibility studies), CEQA reports, and similar costs incurred prior to commencement of acquisition or construction of the Project in an aggregate amount not exceeding twenty percent (20%) of the Project Funds. Preliminary costs shall be reimbursed if incurred in connection with the Project without regard to when incurred or paid. Preliminary costs do not include land acquisition, site preparation or similar costs incident to the commencement of construction.

(b) The total cumulative amount of such disbursements shall not exceed the total principal amount of the Purchase Price.

(c) Purchaser must both: (1) begin Project construction no later than twelve months after March 29, 2004; and (2) submit invoices to the CIEDB for the entire amount of the Project Funds no later than February 17, 2007. If the Purchaser fails to meet either of these conditions, the CIEDB may withhold any and all undisbursed Project Funds pursuant to Section 2.14 herein.

(d) Notwithstanding any contrary provisions of this Agreement or any related documents, under no circumstances will the CIEDB be obligated to make disbursements in excess of the lesser of (i) actual Project costs incurred in connection with the completion of the Project or (ii) five million three hundred fifty-six thousand dollars ($5,356,000).

(e) Interest shall be calculated on the basis of a 360-day year of twelve 30-day months. Any installment of principal or interest that is not paid when due shall continue to accrue interest at the lesser of twelve percent (12%) per annum or the maximum rate permitted by law from and including the Interest Payment Date with respect to which such principal or interest is payable to but not including the date of actual payment.

(f) The Purchaser shall pay Additional Payments to the CIEDB as follows:

(1) A payment of the CIEDB Annual Fee on March 16 of each year during the term of this Agreement in an amount equal to three tenths of one percent (.3%) of the outstanding principal component of the remaining Installment Payments as set forth in Exhibit E; and

(2) Amounts in each year as shall be required by the CIEDB for the payment of extraordinary expenses of the CIEDB in connection with an Event of Default, the enforcement of this Agreement or any amendments hereto requested by the Purchaser, including all expenses, fees of accountants, trustees, attorneys, litigation costs, insurance premiums and all other extraordinary costs of the CIEDB. Extraordinary expenses and extraordinary costs are those expenses and costs related to this Agreement in excess of ordinary and customary expenses and costs incurred as part of the CIEDB Annual Fee pursuant to Section 2.04(f)(1). Such Additional Payments shall be billed by the CIEDB from time to time, together with a statement certifying that the amount so billed has been paid by, or will be paid by, the CIEDB for one or
more of the items above described, or that such amount is then payable by the CIEDB for such items; and

(3) Purchaser shall deposit the CIEDB Annual Fee with the CIEDB not later than March 16 of each year and Purchaser shall pay to the CIEDB the amount billed pursuant to subsection (2) within thirty (30) days after mailing of the bill by the CIEDB. Any amounts not promptly paid shall accrue interest at the lesser of twelve percent (12%) per annum or the maximum rate permitted by law.

(g) A one-time sale origination fee in an amount equal to forty-five thousand five hundred twenty-six dollars ($45,526) shall be due and payable by the Purchaser on or before the first disbursement, and shall be payable from, Project Funds.

(h) All payments hereunder shall be payable by the Purchaser in immediately available funds which constitute lawful money of the United States of America. Such payments shall be secured, and amounts for the payment thereof shall be deposited with the CIEDB as set forth in Article III.

(i) Upon receipt of a written request for disbursement, the CIEDB will disburse Project Funds to the Purchaser no more than once a month and only after specific compliance with Exhibit C conditions precedent and only after the Purchaser presents evidence that a Project cost has been incurred. All requests for payment shall be accompanied by information and documentation as may be required by the CIEDB to determine the amount of Project Funds to be disbursed. In addition, all requests for payment shall be accompanied by a certification by the Purchaser that the Project Funds requested are for eligible Project costs, as defined in the Act, CIEDB guidelines and this Agreement, incurred in the amounts and for the purposes represented, and that the work or materials for which payment has been requested are satisfactory. The CIEDB will provide the Purchaser with a description of the documentation required for payment. Further, not more than ninety percent (90%) of each invoice payable from Project Funds designated for construction shall be disbursed until the CIEDB receives a recorded notice of completion for the Project or other evidence of completion satisfactory to the CIEDB and the Purchaser has met all conditions precedent to final disbursement set out in Exhibit C; provided however, if the Purchaser demonstrates to the satisfaction of the CIEDB that the Purchaser is obliged by law to make payments to certain construction contractors of one hundred percent (100%) of invoiced amounts or to establish a retention fund for final payment for certain contractors, the CIEDB shall disburse Project Funds in the amount required by law.

(j) The disbursement request shall specify one or more of the following for costs included in the disbursement request:

(1) Purchaser previously paid the costs and is requesting reimbursement;

(2) Purchaser will pay the costs directly upon receipt of funds from the CIEDB; or
(3) CIEDB is requested to pay the disbursement directly to the party owed the funds instead of Purchaser.

SECTION 2.05. Prepayment and Reduction in Project Funds.

(a) Purchaser may at any time request CIEDB's approval for Purchaser to prepay all or a portion of the principal component of the Purchase Price. A request for reduction in the Project Funds is a request for a prepayment. The CIEDB shall promptly respond to any such request, and shall make every effort to accommodate the request, subject to the prepayment restrictions of the Secured Bonds.

(b) Notwithstanding subsection (a), Purchaser shall be authorized to prepay all or a portion of the principal amount of Purchase Price, as follows: (i) If the prepayment date is on or after ten years after the Effective Date but prior to eleven years after the Effective Date, the prepayment amount shall be one hundred two percent (102%) of the outstanding principal amount; (ii) if the prepayment date is on or after eleven years after the Effective Date but prior to twelve years after the Effective Date, the prepayment amount shall be one hundred one percent (101%) of the outstanding principal amount; and (iii) if the prepayment date is on or after twelve years after the Effective Date, the prepayment amount shall be one hundred percent (100%) of the outstanding principal amount, without premium. Purchaser shall notify the CIEDB at least sixty (60) days prior to the date fixed for any prepayment made pursuant to this subsection.

(c) Notwithstanding the prepayment provisions of this section, the Purchaser may, on any date, provide for the legal defeasance of the amount outstanding hereunder by providing amounts sufficient to pay, in full, the Purchase Price and Additional Payments when due, until the dates set forth in subsection (b).

(d) The Purchaser hereby covenants to notify the CIEDB at least forty-five (45) days before making any repayment or prepayment of this Agreement from the proceeds of any tax-exempt debt incurred by the Purchaser.

SECTION 2.06. Encumbrance of Project Funds. The CIEDB hereby encumbers the amount of five million three hundred fifty-six thousand dollars ($5,356,000) as Project Funds.

SECTION 2.07. Senior Debt. (a) The Purchaser may after the Effective Date issue or incur additional Senior Debt in such principal amount as shall be determined by the Purchaser subject to the requirements for additional obligations as set forth in all Senior Debt Instruments and the following specific conditions, which are hereby made conditions precedent to the issuance and delivery of such Senior Debt issued under this section, provided that to the extent that a Senior Debt Instrument conflicts with any of the requirements set forth in this Section 2.07, the more restrictive provision shall prevail:

(1) No Event of Default hereunder, under any Senior Debt Instrument, Parity Debt Instrument, Subordinate Debt Instrument or under any other instrument secured by Gross Revenues shall have occurred and be continuing, and the Purchaser shall otherwise be in compliance with all covenants set forth in this Agreement. and
(2) Net Revenues calculated on generally accepted accounting principles, and excluding any balances in any fund (other than the rate stabilization fund) at the beginning of the period of the computation, as shown by the books of the Purchaser for the latest Fiscal Year, or any more recent twelve month period selected by the Purchaser ending not more than sixty (60) days prior to the adoption of the resolution pursuant to which instrument such Senior Debt is issued or incurred, as shown by the books of the Purchaser, plus, at the option of the Purchaser, either or both of the items below designated in subsections (b)(1) and (b)(2), shall have amounted to at least one hundred twenty-five percent (125%) times the maximum annual debt service on existing and proposed Senior Debt and one hundred ten percent (110%) of Maximum Annual Debt Service, including the maximum annual debt service payable in any Fiscal Year on the proposed Senior Debt, as set forth in the Report of an Independent Accountant or Independent Consultant delivered to the CIEDB.

(b) Either or both of the following items may be added to Net Revenues for the purpose of applying the restriction contained in subsection (a)(2) above:

(1) An allowance for increased Gross Revenues from any additions to or improvements or extensions of the Enterprise to be made with the proceeds of such Senior Debt, and also for Gross Revenues from any such additions, improvements, or extensions which have been made from moneys from any source but which, during all or any part of such Fiscal Year or any more recent twelve month period, were not in service, all in an amount equal to ninety percent (90%) of the estimated additional average annual Gross Revenues to be derived from such additions, improvements, and extensions for the first thirty-six (36) month period following closing of the proposed Senior Debt, all as shown in the Report of an Independent Accountant or Independent Consultant delivered to the CIEDB; and/or

(2) An allowance for increased Gross Revenues arising from any increase in the charges made for service from the Enterprise which has become effective prior to the incurring of such Senior Debt but which, during all or any part of such Fiscal Year or any more recent twelve month period, was not in effect in an amount equal to one hundred percent (100%) of the amount by which Gross Revenues would have been increased if such increase to charges had been in effect during the whole of such time period and any period prior to the incurring of such Senior Debt, as shown in the Report of an Independent Accountant or Independent Consultant delivered to the CIEDB.

(c) For purposes of making the calculations set forth in subsection (a)(2):

(1) If any Senior Debt includes capital appreciation bonds, then the accreted value payment thereof shall be deemed a principal payment and interest that is compounded and paid as accreted value shall be deemed due on the scheduled redemption or payment date of such capital appreciation bond;

(2) If any Senior Debt includes interest payable pursuant to a variable interest rate formula, the variable interest rate portion of such Senior Debt for periods when the actual interest rate cannot yet be determined, shall be assumed to be the maximum interest rate under the Senior Debt.
(d) Any payment made from Net Revenues to initially fund any reserve fund required by Senior Debt incurred after the Effective Date can be made from Net Revenues only after payments are made pursuant to Section 3.03 herein.

(e) Payments on Senior Debt in any Fiscal Year must be scheduled prior to March 15th of each Fiscal Year.

SECTION 2.08. Parity Debt.

(a) The Purchaser may after the Effective Date issue or incur Parity Debt in such principal amount as shall be determined by the Purchaser subject to the requirements for additional obligations as set forth in all Parity Debt Instruments and the following specific conditions, which are hereby made conditions precedent to the issuance and delivery of such Parity Debt issued under this section, provided that to the extent that a Parity Debt Instrument conflicts with any of the requirements set forth in this Section 2.08, the more restrictive provision shall prevail:

(1) No Event of Default hereunder, under any Senior Debt Instrument, Parity Debt Instrument, Subordinate Debt Instrument or under any other instrument secured by Gross Revenues shall have occurred and be continuing, and the Purchaser shall otherwise be in compliance with all covenants set forth in this Agreement; and

(2) Net Revenues calculated on generally accepted accounting principles, and excluding any balances in any fund (other than the rate stabilization fund) at the beginning of the period of the computation, as shown by the books of the Purchaser for the latest Fiscal Year, or any more recent twelve month period selected by the Purchaser ending not more than sixty (60) days prior to the adoption of the resolution pursuant to which instrument such Parity Debt is issued or incurred, as shown by the books of the Purchaser, plus, at the option of the Purchaser, either or both of the items below designated in subsections (b)(1) and (b)(2), shall have amounted to at least 1.10 times the Maximum Annual Debt Service taking into consideration the maximum annual debt service payable in any Fiscal Year on the proposed Parity Debt, as set forth in the Report of an Independent Accountant or Independent Consultant delivered to the CIEDB.

(3) Principal and interest payments on all Parity Debt shall be due on or after March 16th of each Fiscal Year.

(b) Either or both of the following items may be added to Net Revenues for the purpose of applying the restriction contained in subsection (a)(2) above:

(1) An allowance for increased Gross Revenues from any additions to or improvements or extensions of the Enterprise to be made with the proceeds of such Parity Debt, and also for Gross Revenues from any such additions, improvements, or extensions which have been made from moneys from any source but which, during all or any part of such Fiscal Year or any more recent twelve month period, were not in service, all in an amount equal to ninety percent (90%) of the estimated additional average annual Gross Revenues to be derived
from such additions, improvements, and extensions for the first thirty-six (36) month period following closing of the proposed Parity Debt, all as shown in the Report of an Independent Accountant or Independent Consultant delivered to the CIEDB; and/or

(2) An allowance for increased Gross Revenues arising from any increase in the charges made for service from the Enterprise which has become effective prior to the incurring of such Parity Debt but which, during all or any part of such Fiscal Year or any more recent twelve month period, was not in effect in an amount equal to one hundred percent (100%) of the amount by which Gross Revenues would have been increased if such increase to charges had been in effect during the whole of such time period and any period prior to the incurring of such Parity Debt, as shown in the Report of an Independent Accountant or Independent Consultant delivered to the CIEDB.

(c) For purposes of making the calculations set forth in subsection (a)(2):

(1) If any Parity Debt includes capital appreciation bonds, then the accreted value payment thereof shall be deemed a principal payment and interest that is compounded and paid as accreted value shall be deemed due on the scheduled redemption or payment date of such capital appreciation bond;

(2) If any Parity Debt includes interest payable pursuant to a variable interest rate formula, the variable interest rate portion of such Parity Debt for periods when the actual interest rate cannot yet be determined, shall be assumed to be the maximum interest rate under the Parity Debt.

SECTION 2.09. Reserved.

SECTION 2.10. Purchaser's Payment of Project Costs. The Purchaser agrees to pay any and all costs connected with the Project, including, without limitation, any and all Project costs as defined in the Act exceeding the CIEDB approved amount, and the Purchaser shall not be relieved of its obligation even if the CIEDB reduces the Purchase Price pursuant to any provision hereunder.

SECTION 2.11. Validity of Agreement. The validity of this Agreement shall not be dependent upon the completion of the Project or upon the performance by any person of his or her obligation with respect to the Project.

SECTION 2.12. Project Description. The Project shall be known as the Wastewater Treatment Facility Upgrade and Sludge Disposal Project. The Project is more particularly described in Exhibit D hereto.

SECTION 2.13. Reasonable Cost of Eligible Project. The reasonable cost of the eligible Project is estimated to be six million six hundred seventeen thousand five hundred seven dollars ($6,617,507.00), of which a portion valued at five million three hundred fifty-six thousand dollars ($5,356,000) shall be purchased hereunder, and the remainder shall be financed as set forth in Exhibit D hereto.
SECTION 2.14. **Withholding of Project Funds.**

(a) The CIEDB may withhold all or any portion of the Project Funds in the event that:

(1) The Purchaser has substantially violated any of the terms, provisions, conditions or commitments of this Agreement, or if an Event of Default has occurred; or

(2) The Purchaser is unable to demonstrate, to the satisfaction of the CIEDB, the ability to complete the Project or to maintain adequate progress toward completion thereof.

(b) In the event that Project Funds are withheld from the Purchaser, the CIEDB shall notify the Purchaser of the reasons and advise the Purchaser that the Purchaser has thirty (30) days in which to remedy the failure or violation.

(c) If Project Funds are withheld pursuant to this section, the Purchaser remains obligated to repay the entire amount of the Purchase Price but to the extent applicable, the Purchaser may request that the withheld amount be applied as a prepayment pursuant to Section 2.05.

**ARTICLE III**

**PLEDGE OF REVENUES; APPLICATION OF FUNDS**

SECTION 3.01. **Pledge of Net Revenues and Enterprise Fund.** The Installment Payments and Additional Payments and all Parity Debt shall be equally secured by a pledge of and subordinate lien on all of the Net Revenues, without preference or priority for series, issue, number, dated date, sale date, date of execution or date of delivery, subject and subordinate solely to the Senior Debt, and a senior lien on all amounts in the Enterprise Fund. The Net Revenues and all amounts in the Enterprise Fund shall be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Purchaser.

Neither the Installment Payments, the Additional Payments nor this Agreement is a debt of the CIEDB, the State or any of its political subdivisions (other than the Purchaser) and neither the CIEDB, the State nor any of its political subdivisions (other than the Purchaser) is liable thereon, nor in any event shall the Installment Payments or the Additional Payments be payable out of any funds or properties other than Net Revenues of the Purchaser and amounts in the Enterprise Fund as provided herein.

SECTION 3.02. **Enterprise Fund; Payments.** In order to carry out its obligation to pay the Installment Payments and Additional Payments, the Purchaser agrees and covenants that it shall maintain the Enterprise Fund. Net Revenues remaining after the payment of Senior Debt Service and payments, if any, to replenish the reserve fund required pursuant to any Senior Debt
Instrument shall be placed into the Enterprise Fund upon receipt and held in the Enterprise Fund until the amount in the Enterprise Fund is equal to the amounts needed for the payments described in Section 3.03. Any Net Revenue in excess of the Section 3.03 amounts shall be released from the lien of this Installment Sale Agreement and shall be available for any lawful purpose of the Purchaser. The Purchaser agrees and covenants to maintain the Enterprise Fund so long as any portion of the Purchase Price remains unpaid.

SECTION 3.03. Amounts Payable from the Enterprise Fund. The Purchaser shall promptly pay to the CIEDB the following amounts from the Enterprise Fund at the following times:

(a) CIEDB Payments.

(1) The principal and interest portion of the Installment Payments is due at the CIEDB by March 16 of each year, as set forth on the Exhibit E amortization schedule.

(2) Additional Payments. The Purchaser shall promptly pay to the CIEDB Additional Payments due pursuant to Section 2.04 (f).

(b) Parity Debt. The Purchaser shall promptly pay to the holder of any Parity Debt the amount of Parity Debt Service as that amount becomes due and payable, pursuant to Section 2.08(a)(3), on the Parity Debt.

SECTION 3.04. Commingling of Accounts. The CIEDB may commingle any amounts in any of the funds and accounts held hereunder with any other amounts held by the CIEDB for purposes of making any deposit or investment, provided that the CIEDB shall maintain separate accounting procedures for the investment of all funds held hereunder. The value of investments credited to such fund shall be calculated at the cost thereof (excluding accrued interest).

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

SECTION 4.01. Organization; Authority. The Purchaser is duly organized and existing as a municipal corporation under the laws of the State and has all necessary power and authority to enter into and perform its duties (including the authority to set rents, rates and charges and to pledge the Net Revenues) under this Agreement.

SECTION 4.02. Agreement Valid and Binding. This Agreement has been duly authorized, executed and delivered by the Purchaser and constitutes the legal, valid and binding obligation of the Purchaser, enforceable in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors’ rights generally.

SECTION 4.03. No Conflict in Execution of Agreement. The execution and delivery by the Purchaser of this Agreement and compliance with the provisions hereof will not conflict
with or constitute a breach of or default under any law, administrative regulation, court decree, resolution, charter, by-law or any agreement to which the Purchaser is subject or by which it is bound or by which its properties may be affected.

SECTION 4.04. No Litigation. There is no action, suit, proceeding or investigation at law or in equity before or by any court or governmental agency or body pending or threatened against the Purchaser to restrain or enjoin the execution or delivery of this Agreement, or in any way contesting or affecting the validity of this Agreement, or contesting the powers of the Purchaser to enter into or perform its obligations under this Agreement, including the pledge of Net Revenues.

SECTION 4.05. No Breach or Default. The Purchaser is not in breach of or in default under any applicable law or administrative regulation of the State or the United States, the Constitution of the State (including article XVI, section 18 thereof), any applicable judgment or decree, any agreement, indenture, bond, note, resolution, agreement or other instrument to which the Purchaser is a party or is otherwise subject which would have a material adverse impact on the Purchaser’s ability to perform its obligations under this Agreement and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument.

SECTION 4.06. No Consent, Approval or Permission Necessary. No consent or approval of any trustee or holder of any indebtedness of the Purchaser, and no consent, permission, authorization, order or licenses of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery of this Agreement or the consummation of any transaction contemplated herein, except as have been obtained or made and as are in full force and effect.

SECTION 4.07. Pledged Funds; Limited Obligation. The Purchaser expects that in each Fiscal Year Net Revenues after the payment of Senior Debt Service will equal or exceed the current Fiscal Year’s payments due under this Agreement, and such payments will be treated as paid from current Net Revenues. The Purchaser shall have no obligation to use any funds other than the Net Revenues and amounts in the Enterprise Fund, directly or indirectly, to pay principal of or interest on the Purchase Price and Additional Payments; nor are any funds other than the Net Revenues and amounts in the Enterprise Fund so pledged as security for the payment of the Installment Payments and Additional Payments.

SECTION 4.08. Pledge and Subordinate Lien. The pledge of the Net Revenues constitutes a valid pledge of and a subordinate lien on all of the Net Revenues subject only to the prior lien of the Senior Debt and constitutes a first lien on all amounts in the Enterprise Fund.

SECTION 4.09. Information Submitted to the CIEDB. The information relating to the Purchaser and its Enterprise submitted by the Purchaser to the CIEDB, including, but not limited to, all information in the application for Project Funds was true at the time submitted to CIEDB and as of the Effective Date, remains true and correct in all material respects; and such information did not and does not contain any untrue or misleading statement of a material fact or
omit to state any material fact necessary to make the statements therein not misleading in light of the circumstances under which they were made.

SECTION 4.10.  Financial Statements of the Purchaser. The Purchaser's financial statements furnished to the CIEDB have been prepared in conformity with generally accepted accounting principles and fairly present in all material respects the financial condition of the Purchaser as of the date thereof and the results of its operations for the period covered thereby. There has been no material adverse change in the business, condition (financial or otherwise) or operations of the Purchaser since the date of such financial statements.

SECTION 4.11.  Notification to the CIEDB. The Purchaser agrees to notify the CIEDB, immediately, by telephone promptly confirmed in writing, if any representation made herein shall at any time so long as the Agreement is outstanding prove untrue or incorrect in any manner.

SECTION 4.12.  Licenses, Permits and Approvals for Operation of Enterprise. The Purchaser has obtained or will obtain all licenses, permits and approvals from any governmental agency or authority having jurisdiction over the Purchaser now required for the operation of the Enterprise and will obtain all licenses, permits and approvals as required in the future.

SECTION 4.13.  Project Completion.

(a) The Project consists and will consist of the facilities described in Exhibit D and the Purchaser shall make no changes thereto or to the operation thereof which would affect the qualification of the Project as a "public development facility" within the meaning of the Act or the qualifications of the Project for tax-exempt financing under the Code.

(b) The Purchaser, upon completion of the Project, will have good and valid title to the Project sufficient to carry out the purposes of this Agreement.

(c) The Purchaser intends to utilize the Project or cause the Project to be utilized as a "public development facility" within the meaning of the Act.

(d) To the best of the Purchaser's knowledge no officer or official of the CIEDB has any material interest whatsoever in the Project or in the transactions contemplated by this Agreement.

(e) All applicable local governmental agency, State and federal government certificates, approvals, permits and authorizations with respect to the construction of the Project have been obtained or will be obtained as soon as practicable.

SECTION 4.14.  Existing Senior and Parity Obligations. As of the Effective Date, the only obligations senior to this Agreement are the 1997 Agreement and the 2002 Agreement; there is no obligation secured by the Purchaser's Net Revenues on parity with this Agreement.
ARTICLE V

AFFIRMATIVE COVENANTS OF THE PURCHASER

SECTION 5.01. **Punctual Payment.** The Purchaser will punctually pay, or cause to be paid, all payments required hereunder in strict conformity with the terms of this Agreement, and it will faithfully observe and perform all of the conditions, covenants and requirements of this Agreement.

SECTION 5.02. **Payment of Claims.** The Purchaser from time to time will pay and discharge, or cause to be paid and discharged, any and all lawful claims for labor, materials or supplies, which, if unpaid, might become liens or charges upon the properties owned by the Purchaser, including the Enterprise, or upon the Gross Revenues or any part thereof, or upon any funds in the hands of the CIEDB, or which might impair the security for the payment of the Installment Payments or Additional Payments. Nothing herein contained shall require the Purchaser to make any such payment so long as the Purchaser in good faith shall contest the validity of said claims.

SECTION 5.03. **Books and Accounts; Financial Statements.**

(a) The Purchaser will keep proper books of record and accounts in which complete and correct entries shall be made of all transactions relating to the Gross Revenues and Net Revenues. Such books of record and accounts shall at all times during business hours be subject to the inspection of the CIEDB or its designee.

To the extent that any continuing disclosure certificates provide the information required in subsections (b) through (e), the Purchaser may submit a copy of the continuing disclosure certificate instead of providing separate statements setting forth the required information.

(b) The Purchaser will prepare and file with the CIEDB annually as soon as practicable, but in any event not later than two hundred ten (210) days after the close of each Fiscal Year, so long as this Agreement has not been discharged by the CIEDB, an audited financial statement of the Purchaser relating to the Enterprise, Gross Revenues, Net Revenues and the Enterprise Fund for the preceding Fiscal Year, prepared by an Independent Accountant. The Purchaser will furnish to the CIEDB such reasonable number of copies of such audited financial statements as may be required by the CIEDB for distribution (at the expense of the Purchaser).

(c) Simultaneously with the delivery of the annual audited financial statements, the Purchaser will deliver to the CIEDB a Certificate of the Purchaser stating the following:

1. The number of Enterprise users as of the end of the Fiscal Year;

2. Calculation of the coverage ratios described in Section 5.06 and a certification that adopted rates and charges comply with the requirements of that section;
(3) Notification of the withdrawal of any Enterprise user generating four percent (4%) or more of Gross Revenues since the last reporting date;

(4) Any significant Enterprise facility retirements or expansions planned or undertaken since the last reporting date;

(5) Notification of any Senior Debt, Parity Debt or Subordinate Debt incurred since the last reporting date and certification that there has been no default or noncompliance under any obligation secured by Net Revenues;

(6) Certification that no Event of Default has occurred and no event has occurred which, with the passing of time or the giving of notice or of both, would constitute an Event of Default;

(7) Certification that the Purchaser is in compliance with the Tax Certificate, as set forth in Exhibit G;

(8) Certification that the Agricultural Management Agreement dated as of December 20, 2002, by and between the Purchaser and Robert Nuckols, either (i) has not been amended; or (ii) if amended, remains a qualified management contract acceptable to CIEDB; or (iii) has been terminated because a replacement property has been found pursuant to Section 5.25 herein; or (iv) has been terminated for other reasons acceptable to the CIEDB.

(9) Notification of any other event or circumstance that would materially affect completion of the Project and/or payment of the Purchase Price; and

(10) Such other information as may be reasonably required.

(d) The Purchaser shall, upon request, furnish to the CIEDB, in a format provided by the CIEDB, information concerning employment and other public benefits connected to the Project.

(e) The Purchaser shall notify the CIEDB forthwith upon the filing of a stop notice, litigation or any other legal proceeding which may impact the completion of the Project.

SECTION 5.04. Protection of Security and Rights.

(a) The Purchaser will preserve and protect the security for payment of the Installment Payments, Additional Payments and the rights of the CIEDB. From and after the Effective Date, the Agreement shall be incontestable by the Purchaser.

(b) Notwithstanding subsection (a) of Section 5.04, the Purchaser may contest the CIEDB's interpretation of a particular section of this Agreement.

SECTION 5.05. Payments of Taxes and Other Charges. The Purchaser will pay and discharge, or cause to be paid and discharged, all taxes, service charges, assessments and other governmental charges, or charges in lieu thereof, which may hereafter be lawfully imposed upon
the Purchaser, the Enterprise or the Gross Revenue when the same shall become due. Nothing herein contained shall require the Purchaser to make any such payment so long as the Purchaser in good faith shall contest the validity of said taxes, assessments or charges. The Purchaser will duly observe and conform to all valid requirements of any governmental authority relative to the Enterprise or any part thereof.

SECTION 5.06. Maintenance of Net Revenues.

(a) The Purchaser will fix, charge and collect, or cause to be fixed, charged and collected, in each Fiscal Year, such rates and charges for the use of and for the service furnished by the Enterprise so that Net Revenues are in an amount which will be sufficient to be at least equal to one hundred ten percent (110%) of annual Debt Service for such Fiscal Year.

(b) If for any reason Net Revenues prove insufficient to comply with the requirements of subsection (a), the Purchaser agrees to increase Gross Revenues through increased rents, rates, fees, charges, and/or assessments not later than one hundred eighty (180) days following the date on which Net Revenues fail to meet those requirements. The Purchaser may make adjustments from time to time in such rents, rates, fees and charges and may make such classification thereof as it deems necessary, but shall not reduce the rents, rates, fees, and charges then in effect unless the Net Revenues from such reduced rents, rates, fees and charges will at all times be sufficient to meet the requirements of this section.

SECTION 5.07. Tax Covenant. The Purchaser recognizes that the Project Funds consist of proceeds of a tax-exempt financing program. In order to maintain the tax-exempt status of the financing, the Purchaser will not take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of the interest on the Proceeds Bonds, and the Purchaser specifically agrees to comply with all terms and conditions contained in the Tax Certificate and to provide annual certification of its compliance.

Purchaser recognizes that among the Code requirements related to tax-exempt financing are requirements pertaining to any contract for the management or operation of any portion of the Project as set out more fully in the Tax Certificate.

The provisions of this Section 5.07 shall survive the discharge of the Purchaser's obligations hereunder and shall apply to any trustee or other successor or assignee described in Section 8.02.

SECTION 5.08. Operation of Enterprise. The Purchaser will, so long as any portion of the Purchase Price is unpaid, maintain and operate the Enterprise in good condition, repair and working order, and will operate the Enterprise in an efficient and economical manner, and will pay all Operations and Maintenance Expenses as they become due and payable. The Purchaser shall ensure that all activities undertaken by the Purchaser with respect to the operation of the Enterprise are undertaken and accomplished in conformity with all applicable requirements of law.
SECTION 5.09. Assumption of Agreement. The obligations of the Purchaser under this Agreement may not be assumed by another entity except in connection with a transfer of the entire Enterprise by the Purchaser and only upon prior written approval of the CIEDB and receipt by the CIEDB of:

(1) an opinion of counsel experienced in matters relating to the tax-exempt status of interest on any obligations secured by this Agreement, and approved by the CIEDB, to the effect that such transfer would not cause interest on the obligations to be included in gross income for federal income tax purposes;

(2) a Report signed by an Independent Consultant or Independent Certified Accountant concluding that such transfer would not materially adversely affect the security for the Installment Payments, Additional Payments or the rights of the CIEDB; and

(3) evidence satisfactory to the CIEDB that the entity assuming the Purchaser’s obligation hereunder is eligible pursuant to the Act.

SECTION 5.10. Completion of Project; Construction Contracts.

(a) The Purchaser shall ensure that all activities undertaken with respect to the completion of the Project are undertaken and accomplished with due diligence and in conformity with all requirements of the Act and other applicable law.

(b) All construction contracts shall be let to the lowest responsible bidder at a fixed price subject to increase only for allowable extra work, change orders approved by the Purchaser, and damages or delays authorized by the laws of the State. The Purchaser shall not approve any change orders of the original construction contract amount without having funds committed for the increased Project costs.

(c) The Purchaser shall notify the CIEDB forthwith upon the filing of a stop notice, litigation or any other legal proceeding which may impact the completion of the Project.

SECTION 5.11. Reserved.

SECTION 5.12. Further Assurances. The Purchaser will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably required by the CIEDB as necessary or proper to carry out the intention or to facilitate the performance of this Agreement and for the better assuring and confirming unto the CIEDB of the rights and benefits provided in this Agreement.

SECTION 5.13. Agreement to Complete.

(a) The Purchaser agrees that it will acquire, construct or install the Project, and construct, acquire and install other facilities and real and personal property deemed by the Purchaser necessary for the operation of the Project. The Purchaser may supplement or amend the Project description with written approval from the CIEDB from time to time, provided that
no such supplement or amendment shall cause the Project or any portion thereof to fail to constitute a "project" within the meaning of the Act.

(b) At any time, upon request of the CIEDB, the Purchaser agrees to make available to the CIEDB for review and copying all then current plans and specifications for the Project. The Purchaser may identify any proprietary information in such plans and specifications and, to the extent legally permissible, the CIEDB agrees to keep such information confidential.

(c) As soon as the Project is completed, the Purchaser shall evidence such completion by providing a certificate to the CIEDB stating that (i) construction of the Project has been completed substantially in accordance with the final plans and specifications therefor and all labor, services, materials and supplies used in construction have been paid for, and (ii) all other facilities necessary in connection with the Project have been constructed, acquired and installed in accordance with the final plans and specifications therefor and all costs and expenses incurred in connection therewith have been paid. Notwithstanding the foregoing, such certificate may state that it is given without prejudice to any rights of the Purchaser against third parties for the payment of any amount not then due and payable which exist at the date of such certificate or which may subsequently exist.

SECTION 5.14. Collection of Rates, Fees and Charges. The Purchaser will have in effect at all times rules and regulations requiring each user of the Enterprise to pay the rates, fees and charges applicable to the services provided by the Enterprise to each user. The Purchaser will not permit any part of the Enterprise or any facility thereof to be used or taken advantage of free of charge by any corporation, firm or person, or by any public agency (including the United States of America, the State and any city, county, district, political subdivision, public corporation or agency of any thereof); provided, that the Purchaser may without charge use the services provided by the Enterprise.

SECTION 5.15. Purchaser's General Responsibility. The Purchaser is solely responsible for the design, construction, operation and maintenance of the Project. Any review or approval of plans, specifications, bid documents or other construction documents by the CIEDB is solely for the purpose of proper administration of Project Funds by the CIEDB and shall not be deemed to relieve or restrict the Purchaser's responsibility or result in any duty, obligation or responsibility on the part of the CIEDB or the officers and agents thereof.

SECTION 5.16. Purchaser's Assurances and Commitments.

(a) Compliance with Laws and Regulations. The Purchaser shall at all times comply and require its contractors and subcontractors to comply with all applicable federal and State laws, rules and regulations, and all applicable local ordinances, specifically including, but not limited to, prevailing wage, environmental, procurement and safety laws, rules, regulations, and ordinances. Purchaser agrees that its failure to act in accordance with the provisions of this subsection (a) will not result in any duty, obligation or responsibility on the part of the CIEDB or the officers and agents thereof.
(b) **Archeological or Historical Resources.** Should a potential archeological or historical resource be discovered during construction, the Purchaser agrees that all work in the area of the find will cease until a qualified archeologist has evaluated the situation and the Purchaser has determined appropriate actions regarding preservation of the resource.

(c) **Construction Activities.** The Purchaser shall assure that adequate supervision and inspection of Project construction activities are maintained. The CIEDB reserves the right to conduct an audit of Purchaser’s construction expenditures during construction and for up to three years following receipt by CIEDB of notice of completion or other evidence of completion satisfactory to CIEDB. The CIEDB, at its discretion, may require the Purchaser to conduct an interim and/or a final audit at the Purchaser’s expense, such audit to be conducted by and a report prepared by an Independent Accountant.

**SECTION 5.17. Project Access.** The Purchaser shall assure that the CIEDB or its designee will have suitable access to the Project site at all reasonable times so long as the Purchase Price remains unpaid and shall include provisions assuring such access in all contracts and subcontracts relating to the Project.

**SECTION 5.18. Operation and Maintenance of the Project.** The Purchaser agrees to commence operation of the Project upon completion of construction. The Purchaser covenants and agrees that it will operate and maintain the Project in accordance with all governmental laws, ordinances, approvals, rules, regulations and requirements including, without limitation, such zoning, sanitary, pollution and safety ordinances and laws and such rules and regulations thereunder as may be binding upon the Purchaser. The Purchaser further covenants and agrees that it will maintain and operate the Project and will maintain and operate the same, now or hereafter at any time constituting part of the Project, in good repair, working order and condition, and that it will from time to time make or cause to be made all needful and proper replacements, repairs, renewals and improvements, in each case to the extent necessary so that the efficiency and value of the Project shall not be impaired.

**SECTION 5.19. Performance and Payment Bonds.**

(a) The Purchaser shall require its contractor to certify under penalty of perjury, and provide the Purchaser with a copy of such certification, which shall be available for the CIEDB’s inspection if requested, that it has obtained a bond or bonds by one or more authorized surety companies satisfactory to the Purchaser has been obtained; surety companies must be authorized to do business in California and have an agent for service of process in California. The Purchaser shall require that the Purchaser be named as an additional payee on the performance and payment bonds required herein and shall provide the CIEDB with a copy of the bonds to that effect.

(b) Said bond shall be in the amounts and for the following purposes: (i) an amount not less than one hundred percent (100%) of the total estimated cost of the Project construction contract amount conditioned upon the faithful performance of the terms of this Agreement including the maintenance of the work for a period of one year from the date of final acceptance of work or improvements by the Purchaser against any defective work or labor done,
or defective materials furnished, and (ii) an additional amount not less than one hundred percent (100%) of the estimated cost of the Project securing payment to the subcontractors and to persons renting equipment or furnishing labor or materials to them for the Project.

SECTION 5.20. Continuing Disclosure. Upon the request of the CIEDB, the Purchaser covenants to furnish certain financial and operating data pertaining to the Purchaser that may be required to either: (i) enable the CIEDB to issue any Secured Bonds; or (ii) enable any underwriter of any Secured Bonds to comply with Rule 15c2-12(b)(5) of the Securities and Exchange Commission.

SECTION 5.21. Notice of Event of Default. The Purchaser covenants that it will deliver to the CIEDB, immediately after the Purchaser shall have obtained knowledge of the occurrence of an Event of Default or a failure as described in Section 7.01(a)(2), the written statement of an authorized officer of the Purchaser setting forth the details of such Event of Default or failure and the action which the Purchaser proposes to take with respect thereto.

SECTION 5.22. Maintenance of Insurance. The Purchaser will procure and maintain or cause to be maintained insurance on the Enterprise with responsible insurers, or as part of a reasonable system of self-insurance, in such amounts and against such risks (including damage to or destruction of the Enterprise) as are usually covered in connection with wastewater systems similar to the Enterprise. The Purchaser shall annually provide a Certificate of the Purchaser to the CIEDB certifying that such insurance is in effect. In the event of any damage to or destruction of the Enterprise caused by the perils covered by such insurance, the net proceeds thereof shall be applied to the reconstruction, repair or replacement of the damaged or destroyed portion of the Enterprise. The Purchaser shall begin such reconstruction, repair or replacement as expeditiously as possible, and shall pay out of such net proceeds all costs and expenses in connection with such reconstruction, repair or replacement so that the same shall be completed and the Enterprise shall be free and clear of all claims and liens. If such net proceeds are sufficient to enable the Purchaser to pay all remaining unpaid Installment Payments and Additional Payments, the Purchaser may elect not to reconstruct, repair or replace the damaged or destroyed portion of the Enterprise, and thereupon such net proceeds shall be applied to the prepayment of Installment Payments and Additional Payments as provided herein.

SECTION 5.23. Compliance with State Contract Requirements. The Purchaser shall comply with all provisions contained in Exhibit F so long as any portion of the Purchase Price is unpaid.

SECTION 5.24. Compliance with Contracts. The Purchaser will comply with, keep, observe and perform all agreements, conditions, covenants and terms, express or implied, required to be performed by it contained in all contracts for the use of the Enterprise and all other contracts affecting or involving the Enterprise to the extent that the Purchaser is a party thereto.

SECTION 5.25. Maintenance of Lease/Purchase Agreement. The Purchaser shall maintain the Lease/Purchase Agreement dated December 20, 2003, between Robert Nuckols and Gail Nuckols, as Lessors and the Purchaser, as Lessee, for the term of this Agreement or demonstrate to the CIEDB that an acceptable replacement property has been found.

(a) For the term of this Agreement, the Purchaser must either (i) maintain the current Agricultural Management Agreement dated as of December 20, 2002, by and between the Purchaser and Robert Nuckols; (ii) amend that contract to another qualified management contract acceptable to CIEDB; (iii) terminate the contract because a replacement property has been found pursuant to Section 5.25 herein; or (iv) terminate the contract for other reasons acceptable to the CIEDB.

(b) If any replacement land or additional land is acquired for use in the Project, any contract for the management and operation of the land must be a qualified management contract pursuant to the Code.

ARTICLE VI

NEGATIVE COVENANTS OF THE PURCHASER

SECTION 6.01. Limitation on Additional Obligations. The Purchaser hereby covenants that, until the Purchase Price has been paid in full and this Agreement has been discharged pursuant to Section 8.05, the Purchaser shall not after the date of this Agreement issue any bonds, notes or other obligations, enter into any agreement or otherwise incur any loans, advances or obligations, which are in any case secured by a lien on all or any part of Net Revenues that is senior to or on a parity with the lien established hereunder for the security for the payment of the Installment Payments and Additional Payments, excepting only Parity Debt meeting the requirements of Section 2.08 herein and Senior Debt meeting the requirements of Section 2.07. Nothing herein is intended nor shall be construed in any way to prohibit or impose any limitations upon the issuance or incurrence by the Purchaser of Subordinate Debt or of obligations other than Parity Debt and Senior Debt.

SECTION 6.02. Disposition of Property. The Purchaser will not authorize the disposition of real or personal property constituting more than ten percent (10%) of the value of the Enterprise unless the Purchaser first obtains a Report, and provides a copy to the CIEDB, of an Independent Consultant concluding that such disposition will not substantially adversely affect the security for the payment of the Installment Payments and Additional Payments. The Purchaser shall not dispose of any portion of the Project while the Purchase Price is unpaid except for property that is not operating or is worn out and for the dedication of public streets and public and private utility easements.

SECTION 6.03. Nondiscrimination.

(a) During the performance of this Agreement, the Purchaser, any contractor and its subcontractors shall not deny the contracts' benefits to any person on the basis of religion, color, ethnic group identification, sex, age, physical or mental disability, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, mental disability, medical condition, marital status, age or sex. The Purchaser, any contractor and its subcontractor shall insure that
the evaluation and treatment of employees and applicants for employment are free of such discrimination.

(b) The Purchaser, any contractor and its subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code section 12900 et seq.), the regulations promulgated thereunder (Title 2, California Code of Regulations, section 7285.0 et seq.), the provisions of Article 9.5, Chapter 1, part 1, Division 3, Title 2 of the Government Code (sections 11135-11139.5) and any regulations promulgated thereunder.

(c) The Purchaser, any contractor and its subcontractors shall not knowingly give preferential treatment of any kind whatsoever in connection with any business transaction related to the construction or operation of the Project to any of its affiliates or to any business enterprise in which Purchaser has any financial interest, but in such business transactions shall deal at all times with such affiliates and enterprises on the same basis as though Purchaser were dealing with any other parties.

(d) The Purchaser, any contractor and its subcontractors shall, with respect to the Project described herein, give written notice of their obligations under this section to labor organizations representing employees of the Purchaser and any contractor or subcontractor performing construction on the Project which have a collective bargaining or other contract with the Purchaser, such contractor or subcontractor.

(e) The Purchaser, any contractor and its subcontractors shall include the provisions of this section in all subcontracts to perform work under this Agreement or any contract contemplated hereby.

ARTICLE VII
EVENTS OF DEFAULT AND REMEDIES

SECTION 7.01. Events of Default and Acceleration.

(a) Each of the following events shall constitute an Event of Default hereunder:

(1) Failure by the Purchaser to pay any Installment Payment or interest or prepayment premium (if any) or any Additional Payment pursuant to Section 3.03(a) when and as the same shall become due and payable;

(2) Failure by the Purchaser to observe and perform any of the covenants, agreements or conditions on its part contained in this Agreement, other than as referred to in the preceding subsection (1), for a period of sixty (60) days after written notice has been given to the Purchaser by the CIEDB, or to the Purchaser and the CIEDB, specifying such failure and requesting that such failure be remedied; provided, however, that if the failure stated in such notice can be corrected, but not within such sixty (60) day period, the CIEDB may
consent to an extension of such time if corrective action is instituted by the Purchaser within such sixty (60) day period and diligently pursued until such failure is corrected;

(3) The filing by the Purchaser of a petition or answer seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America, or if a court of competent jurisdiction shall approve a petition, filed with or without the consent of the Purchaser, seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Purchaser or of the whole or any substantial part of its property;

(4) Any representation or other written statement made by the Purchaser contained in this Agreement, the application for financing or in any instrument furnished in compliance with or in reference thereto shall prove to have been incorrect in any material respect;

(5) An unexcused failure by the Purchaser to pay amounts due under any bond, note, installment sale agreement, capital lease or other agreement or instrument to which it is a party relating to the borrowing of money, if such unpaid amount shall exceed fifty thousand dollars ($50,000); or

(6) The occurrence of an event of default with respect to any Senior Debt, any Parity Debt or any Subordinate Debt which causes all principal of such Senior Debt, Parity Debt or Subordinate Debt to become due and payable immediately.

(b) If an Event of Default has occurred and is continuing, the CIEDB may (i) declare the principal of the Purchase Price, together with the accrued interest on all unpaid installments thereof, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable, anything in this Agreement to the contrary notwithstanding, and (ii) exercise any other remedies available to the CIEDB in law or at equity. Immediately upon becoming aware of the occurrence of an Event of Default, the CIEDB shall give notice of such Event of Default to the Purchaser by telephone, telecopier, facsimile or other telecommunication device, promptly confirmed in writing. This provision, however, is subject to the condition that if, at any time after the principal of the Purchase Price shall have been so declared due and payable, and before any judgment or decree for the payment of the moneys due shall have been obtained or entered, the Purchaser shall deposit with the CIEDB a sum sufficient to pay all installments of principal of the Purchase Price due prior to such declaration and all accrued interest thereon, with interest on such overdue Installment Payments at the rate of the lesser of twelve percent (12%) per annum or the maximum rate permitted by law, and the reasonable expenses of the CIEDB (including but not limited to attorneys fees and costs), and any and all other defaults known to the CIEDB (other than in the payment of principal of and interest on the Purchase Price due and payable solely by reason of such declaration), including the payment of Additional Payments due and owing, shall have been made good or cured to the satisfaction of the CIEDB or provision deemed by the CIEDB to be adequate shall have been made therefor, then, and in every such case, the CIEDB may, by written notice to the Purchaser, rescind and annul such declaration and its consequences. However, no such rescission and
annulment shall extend to or shall affect any subsequent default, or shall impair or exhaust any right or power consequent thereon.

SECTION 7.02. Remedies. Upon the occurrence of an Event of Default the CIEDB shall have the following rights, in addition to its rights under Section 7.01:

(a) By mandamus or other action or proceeding or suit at law or in equity to enforce its rights against the Purchaser or any member, officer or employee thereof, and to compel the Purchaser or any such member, officer or employee to perform and carry out its or his duties under law and the agreements and covenants required to be performed by it or him contained herein;

(b) By suit in equity to enjoin any acts or things which are unlawful or violate the rights of the CIEDB; or

(c) By suit in equity to require the Purchasers and its members, officers and employees to account as the trustee of an express trust.

SECTION 7.03. Application of Funds upon Default. All amounts received by the CIEDB pursuant to any right given or action taken by the CIEDB under provisions of this Agreement, or otherwise held by the CIEDB upon the occurrence of an Event of Default, shall be applied by the CIEDB in the following order:

(a) First, to the payment of the costs and expenses of the CIEDB, including reasonable compensation to their agents and attorneys, including CIEDB employees, as set forth in Section 2.04(f)(2); and

(b) Second, to the payment of the whole amount of Installment Payments then due and unpaid, with interest on overdue Installment Payments at the rate of the lesser of twelve percent (12%) per annum or the maximum rate permitted by law; provided, however, that in the event such amounts shall be insufficient to pay in full the amount of such Installment Payments, then such amounts shall be applied in the following order of priority:

(1) First, to the payment of all installments of interest on the Purchase Price then due and unpaid, on a pro rata basis in the event that the available amounts are insufficient to pay all such interest in full;

(2) Second, to the payment of principal of all installments of the Purchase Price then due and unpaid, other than principal having come due and payable solely by reason of acceleration pursuant to Section 7.01, on a pro rata basis in the event that the available amounts are insufficient to pay all such principal in full;

(3) Third, to the payment of principal of the Purchase Price then due and unpaid and having come due and payable solely by reason of acceleration pursuant to Section 7.01, on a pro rata basis in the event that the available amounts are insufficient to pay all such principal in full; and

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(c) Third, to the payment to the CIEDB of other Additional Payments as described in Section 2.04(f)(1).

SECTION 7.04. No Waiver. Nothing in this Article VII or in any other provision of this Agreement shall affect or impair the obligation of the Purchaser, which is absolute and unconditional, to pay from the Net Revenues and other amounts pledged hereunder, all payments due hereunder, or affect or impair the right of action, which is also absolute and unconditional, of the CIEDB to institute suit to enforce such payment by virtue of the contract embodied in this Agreement.

A waiver of any default by the CIEDB shall not affect any subsequent default or impair any rights or remedies on the subsequent default. No delay or omission of the CIEDB to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein, and every power and remedy conferred upon the CIEDB by this Article VII may be enforced and exercised from time to time and as often as shall be deemed expedient by the CIEDB.

If a suit, action or proceeding to enforce any right or exercise any remedy shall be abandoned or determined adversely to the CIEDB, the Purchaser and the CIEDB shall be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

SECTION 7.05. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the CIEDB is intended to be exclusive of any other remedy. Every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise, and may be exercised without exhausting and without regard to any other remedy conferred by law.

ARTICLE VIII

MISCELLANEOUS

SECTION 8.01. Venue. The CIEDB and the Purchaser hereby agree that any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California.

SECTION 8.02. Assignment. This Agreement may, at the CIEDB’s discretion, be assigned by the CIEDB to a trustee or any other party for the purpose of securing the payment of any bonds, notes or other obligations issued by the CIEDB and secured by this Agreement and the Installment Payments and Additional Payments; and the Purchaser hereby consents to such assignment.

SECTION 8.03. Benefits Limited to Parties. Nothing in this Agreement, expressed or implied, is intended to give to any person other than the Purchaser, the CIEDB and any trustee for the Proceeds Bonds or Secured Bonds, any right, remedy or claim under or by reason of this
Agreement. All covenants, stipulations, promises or agreements contained in this Agreement by and on behalf of the Purchaser shall be for the sole and exclusive benefit of the CIEDB.

SECTION 8.04. Successor. Whenever in this Agreement either the Purchaser or the CIEDB is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Agreement contained by or on behalf of the Purchaser or the CIEDB shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not. The trustee for the Proceeds Bonds will be the CIEDB's initial assignee.

SECTION 8.05. Discharge of Agreement.

(a) If the Purchaser shall pay and discharge the entire indebtedness hereunder by paying or causing to be paid the principal of, interest and prepayment premium (if any) on the Purchase Price and Additional Payments, as and when the same become due and payable, then, at the election of the Purchaser, but only if all other amounts then due and payable hereunder shall have been paid or provision for their payment made, the pledge of and lien upon the Net Revenues and other funds provided for in this Agreement and all other obligations of the CIEDB and the Purchaser under this Agreement with respect to the Purchase Price shall cease and terminate, except only (i) the obligation of the Purchaser to pay or cause to be paid to the CIEDB, from the amounts so deposited with the CIEDB or such other fiduciary, all sums due with respect to this Agreement and all expenses and costs of the CIEDB, and (ii) the obligations of the Purchaser under Sections 5.07, 8.01 and 8.12. Notice of such election shall be filed with the CIEDB.

(b) All or any portion of unpaid principal installments of the Purchase Price shall, prior to their payment dates or dates of prepayment, be deemed to have been paid within the meaning of and with the effect expressed in this section (except that the Purchaser shall remain liable for such Purchase Price payment, but only out of such money or securities deposited with the trustee or other fiscal agent approved by the CIEDB for such payment), if (i) there shall have been deposited with the trustee or other fiscal agent approved by the CIEDB either money in an amount which shall be sufficient, or federal securities (as defined below) which are not subject to redemption prior to maturity except by the holder thereof (including any such federal securities issued or held in book entry form) or tax-exempt obligations of a state or a political subdivision thereof which have been defeased under irrevocable escrow instructions with federal securities, the interest on and principal of which when paid will provide money which, together with money, if any, deposited with the CIEDB, shall be sufficient to pay when due the Installment Payments of such portions thereof on and prior to their payment dates or their dates of prepayment, as the case may be, and the prepayment premiums, if any, applicable thereto, and (ii) an opinion of nationally recognized bond counsel acceptable to the CIEDB is filed with the CIEDB to the effect that the action taken pursuant to this section will not cause the interest on the Proceeds Bonds to be includable in gross income under the Code for federal income tax purposes. As used in this section, "federal securities" means United States of America Treasury bills, notes, bonds or certificates of indebtedness, or obligations of, or obligations guaranteed directly or indirectly by, the United States of America, or securities
evidencing ownership interests in such obligations or in specified portions of the interest on or principal of such obligations.

SECTION 8.06. Amendment. This Agreement may be amended by the parties in writing.

SECTION 8.07. Waiver of Personal Liability. No member, officer, agent or employee of the Purchaser shall be individually or personally liable for the payment of the principal of premium if any, or the interest under this Agreement; but nothing herein contained shall relieve any such member, officer, agent or employee from the performance of any official duty provided by law.

SECTION 8.08. Payment on Business Days. Whenever in this Agreement any amount is required to be paid on a day that is not a Business Day, such payment shall be required to be made on the Business Day immediately following such day and no further interest shall accrue.

SECTION 8.09. Notices. All written notices to be given under this Agreement shall be given by first-class mail or personal delivery to the party entitled thereto at its address set forth below, or at such address as the party may provide to the other party in writing from time to time, except that notices from the Purchaser to the CIEDB shall be given by registered mail, or by telecommunication confirmed in writing. Notice shall be effective forty-eight (48) hours after deposit in the United States mail, postage prepaid or, in the case of any notice to the CIEDB or in the case of personal delivery to any person, upon actual receipt at the address set forth below:

If to the CIEDB:

California Infrastructure and Economic Development Bank
Attn: Credit Support Manager, CIEDB B04-053
P.O. Box 2830
Sacramento, CA 95812-2830

If by overnight mail or personal delivery:

California Infrastructure and Economic Development Bank
Attn: Credit Support Manager, CIEDB B04-053
1001 I Street, 19th Floor
Sacramento, CA 95814

Or to such other address as may be designated in writing by the CIEDB.

If to the Purchaser:

City of Porterville
Attn: Public Works Director
291 North Main Street
Or to such other address as may be designated in writing by the Purchaser.

SECTION 8.10. Partial Invalidity. If any portion of this Agreement shall for any reason be held illegal, invalid or unenforceable, such holding shall not affect the validity and enforceability of the remaining portions of this Agreement.

SECTION 8.11. Governing Law. This Agreement shall be construed and governed in accordance with the laws of the State.

SECTION 8.12. Indemnification. The Purchaser shall, to the extent permitted by law, indemnify and hold harmless the CIEDB and its members, directors, officers, employees and agents, the trustee and underwriter and its members, directors, officers, employees and agents, from and against any and all losses, claims, damages, liabilities or expenses, of every conceivable kind, character and nature whatsoever, including, but not limited to, losses, claims, damages, liabilities or expenses arising out of, resulting from or in any way connected with (1) this Agreement or the Enterprise, or the conditions, occupancy, use, possession, conduct or management of, or work done in or about, or from the planning, design, acquisition, installation or construction of the Enterprise or any part thereof; (2) the carrying out of any of the transactions contemplated by this Agreement or any related document; (3) information provided by the Purchaser which is used in the offering for sale of the Secured Bonds; or (4) any violation of any environmental law, rule or regulation with respect to, or the release of any toxic substance on or near, the Enterprise. The Purchaser shall, to the extent permitted by law, pay or reimburse the CIEDB and its members, directors, officers, employees and agents for the Purchaser's pro rata share of any and all reasonable costs, reasonable attorneys' fees, liabilities or expenses incurred in connection with investigating, defending against or otherwise in connection with any such losses, claims, damages, liabilities, expenses or actions. Notwithstanding anything to the contrary in this Agreement, the CIEDB, and its members, directors, officers, employees and agents shall not be entitled to payment, reimbursement or indemnification with respect to actions involving willful misconduct, default or negligence on the part of the CIEDB, or its members, directors, officers, employees and agents.

The provisions of this Section 8.12 shall survive the discharge of the Purchaser's obligations hereunder and shall apply to any trustee or other successor or assignee described in Section 8.02.

SECTION 8.13. Contact Persons.

(a) The Executive Director of the CIEDB or such other person as designated in writing by the CIEDB shall manage this Agreement for the CIEDB and shall have authority to make determinations and findings with respect to each controversy arising under or in connection with the interpretation, performance, or payment for work performed under this Agreement.

(b) The Purchaser Project manager shall be the Public Works Director or such other person as may be designated in writing by the Purchaser. The Purchaser Project manager
shall be the Purchaser’s representative for the administration of this Agreement and shall have full authority to act on behalf of the Purchaser. The Public Works Director or such other person as designated by the City Manager may designate in writing another person or persons authorized to request disbursement of Project Funds. All communications given to the Purchaser Project manager shall be as binding as if given to the Purchaser.

SECTION 8.14. Effective Date; Execution. This Agreement shall become effective upon its execution and delivery. This Agreement may be executed and entered into in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

[The balance of this page is intentionally left blank.]
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be signed by the respective officers, all as of the day and year first above written.

CALIFORNIA INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK, as seller

By ______________________________
   Stanton C. Hazelroth
   Executive Director

Attest

By ______________________________
   Blake Fowler
   Assistant Executive Director

CITY OF PORTERVILLE, as Purchaser

By ______________________________
   John Longley
   City Manager

Attest

By ______________________________
   Georgia Hawley
   Deputy City Clerk
EXHIBIT A

RESOLUTION NO. ________

A RESOLUTION OF THE CITY COUNCIL OF THE

CITY OF PORTERVILLE

AUTHORIZING THE EXECUTION
AND DELIVERY OF THE INSTALLMENT SALE AGREEMENT BY AND BETWEEN THE
CITY OF PORTERVILLE AND THE CALIFORNIA INFRASTRUCTURE AND ECONOMIC
DEVELOPMENT BANK
AND APPROVING
CERTAIN OTHER MATTERS IN CONNECTION THEREWITH

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF
PORTERVILLE, AS FOLLOWS:

Section 1. The City Manager is authorized and directed to execute and deliver the
Enterprise Fund Installment Sale Agreement (the “Agreement”) proposed to be entered into by
the City of Porterville and the California Infrastructure and Economic Development Bank, dated
as of September 1, 2004, for and on behalf of the City of Porterville. As executed and delivered,
such documents shall be in substantially the form presented at this meeting, with such minor
additions thereto or minor changes therein as the officers executing such document shall require
or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 2. The City Manager, the Chief Financial Officer and Executive Secretary to
the City Manager are hereby each authorized and directed, in the name and on behalf of the City
of Porterville, to take any and all steps and to execute and deliver any and all certificates,
contracts and other documents which they might deem necessary or appropriate in order to
consummate the delivery of the Agreement and otherwise to effectuate the purposes of this
resolution; including the execution of a tax certificate, and such actions previously taken by the
employees of the City of Porterville are hereby ratified and confirmed.

Section 3. This resolution shall take effect from and after its passage, approval and
adoption.

PASSED, APPROVED and ADOPTED this _____ day of __________, ____ by the
following vote:
Ayes:
Noes:
Absent:
Abstain:
Pedro R. Martinez
Mayor

ATTEST

By: ___________________________
   Georgia Hawley
   Deputy City Clerk
CERTIFICATION OF RESOLUTION

The undersigned hereby states and certifies:

(1) that I am the duly qualified and acting ___________________________ of the City of Porterville (the Purchaser), and, as such, am familiar with the facts herein certified and am fully authorized to certify the same.

(2) Attached hereto is a true, correct and complete copy of the resolution of the governing body of the Purchaser authorizing the execution and delivery of the Enterprise Fund Installment Sale Agreement, dated as of September 1, 2004, by and between the Purchaser and the California Infrastructure and Economic Development Bank adopted at a meeting thereof duly held on the date set forth in such resolution, of which meeting all of the members of said governing body had due notice and at which a quorum was present and acting throughout.

(3) I further certify that I have carefully compared the attached copy of the resolution with the original minutes of said meeting on file and of record in my office; that said copy is a true, correct and complete copy of the original resolution duly adopted by said governing body at said meeting and entered in said minutes; and that said resolution has not been amended, modified or rescinded since its adoption and is in full force and effect as of the date hereof.

(4) I further certify that in accordance with Government Code section 54954.2, the agenda of the meeting contained a brief description of the resolution to be considered at the meeting, and a copy thereof was posted at least seventy-two (72) hours before the meeting in a location freely accessible to members of the public.

Dated: ________, _____

CITY OF PORTERVILLE

By ____________________________
EXHIBIT B

CERTIFICATE OF THE

CHIEF FINANCIAL OFFICER of the CITY OF PORTERVILLE ("PURCHASER")

The undersigned hereby states and certifies:

(1) that I am the duly qualified and acting chief financial officer of the Purchaser, and, as such, am familiar with the facts herein certified and am fully authorized to certify the same.

(2) The financial data submitted by Purchaser in the application for financing (including supplements thereto) in connection with the Enterprise Fund Installment Sale Agreement ("Agreement"), dated as of September 1, 2004 by and between the Purchaser and the California Infrastructure and Economic Development Bank ("CIEDB") was true at the time submitted to CIEDB and as of the date of this certification, remains true and correct in all material respects, and such information did not and does not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein not misleading in light of the circumstances under which they were made.

(3) The Purchaser is not in breach of or in default under any bond indenture, loan agreement, note or other instrument to which it is a party.

(4) The Purchaser maintains workers' compensation insurance covering all Purchaser employees at the Project.

(5) The only obligations of the Purchaser secured by Net Revenues other than by this Agreement are the Installment Sale Agreement dated as of September 1, 1997 by and between the Porterville Public Financing Authority, as Seller and the City of Porterville, as Purchaser (as related to the 1997 Sewer System Refinancing Project) (the "1997 Agreement") and the Installment Sale Agreement dated as of September 1, 2002 by and between the Porterville Public Financing Authority, as Seller and the City of Porterville, as Purchaser (as related to the 2002 Sewer System Refinancing Project) (the "2002 Agreement"). There are no other obligations secured by Net Revenues.

(6) The Purchaser is in compliance with reserve fund requirements of the 1997 Agreement and the 2002 Agreement.

(7) The representations and warranties made in the Agreement are true and correct as if made on the date of this certificate.
Dated: ________, ____

City of Porterville

By ____________________________
EXHIBIT C

CONDITIONS PRECEDENT TO DISBURSEMENT

(a) Initial Disbursement. Disbursement for the CIEDB origination fee shall be made upon or prior to the initial disbursement. No other funds shall be disbursed pursuant to this Agreement until and unless Purchaser, in the good faith judgment of the CIEDB, has specifically complied with the following and provided a copy of the specified document satisfactory to the CIEDB:

(1) Opinion of legal counsel that Purchaser has the legal authority to enter into this Agreement and that the Agreement is a legal, binding and enforceable agreement of Purchaser in a form substantially similar to Exhibit H.

(2) Resolution and Certification of Resolution adopted by Purchaser in a form substantially similar to Exhibit A and Certification in a form substantially similar to page A-2 of Exhibit A.

(3) Certificate of the Purchaser’s chief financial officer in the form set out in Exhibit B.

(4) Evidence acceptable to the CIEDB of approval, conditional approval or clearance of conditions from the California Department of Fish and Game related to Section 711.2 et seq. of the California Fish and Game Code as that section pertains to the Negative Declaration specified in City Resolution 24-2002.

(5) Insurance certificates showing insurance as required by Section 5.22.

(6) Tax Certificate executed by Purchaser in a form substantially similar to Exhibit G.

(7) Certificate or opinion, satisfactory to the CIEDB, as described in section 4.08(c) of both the 1997 Agreement and the 2002 Agreement, concluding that the this Agreement meets the test for subordinate debt set out in those documents.

(b) Preliminary Costs. When all the requirements of section (a) herein are met in a manner satisfactory to the CIEDB, disbursement shall be allowed for the preliminary costs as specified in Exhibit D.

(c) Construction Costs. This Project has a number of components that will include the following: removal of wastewater treatment facility ("WWTF") buried sludge, WWTF equipment replacement, pave sludge stockpile area, construct sludge drying beds, remove plums, land leveling, construct 30 acre percolation pond, installation of effluent irrigation pipeline and installation of new monitor wells.

The following documents must be provided for each component before funds shall be disbursed for costs attributable to that component. “Component” means the component of the
Project for which the Purchaser is requesting reimbursement. For costs other than the origination fee, and costs described in section (b) herein, no funds shall be disbursed pursuant to this Agreement until and unless Purchaser has, in the good faith judgment of the CIEDB, provided the CIEDB with all the documents required in section (a) herein and the following documents:

(1) A Certificate of the Purchaser’s Public Works Director or legal counsel that Purchaser has obtained any and all lands, rights-of-way, lot line adjustments, easements, and orders of possession, which are required for construction and operation of the Project;

(2) A Certificate of the Purchaser that all required permits have been obtained for the construction of the Project;

(3) A Certificate of the Purchaser’s Public Works Director or legal counsel that:

(A) All construction contracts and subcontracts necessary for Project construction have been awarded, and were awarded pursuant to competitive bidding and Purchaser procedures normally required for similar construction projects;

(B) Costs are consistent with the Exhibit D Project sources and uses chart;

(C) All prime contracts require the contractor to maintain appropriate builder’s risk insurance and name the Purchaser as an additional insured and loss payee, require the contractor to maintain liability insurance and name the Purchaser as an additional insured, and include the performance and payment bond provisions set forth in Section 5.19 of this Agreement and name the Purchaser as an additional payee;

(D) All construction contracts are let to the lowest responsible bidder at a fixed price subject to increase only for allowable extra work, change orders approved by Purchaser, and damages or delays authorized by the laws of the State. Purchaser shall not approve any change orders of the original construction contract amount without having funds committed for the increased Project costs;

(E) All construction contracts require payment of prevailing wage rates and compliance with Chapter 1 (commencing with section 1720) of Part 7 of Division 2 of the California Labor Code;

(F) All construction contracts require payment of workers’ compensation insurance by contractors and subcontractors;

(G) All construction contracts include the nondiscrimination provisions set forth in Section 6.03; and


(H) Purchaser utilized contractor pre-qualification forms developed by the Director of Industrial Relations as set forth in AB 574 (Chapter 972 of the Statutes of 1999) codified in Public Contract Code section 20101 et seq.

(I) Evidence of compliance with the California Environmental Quality Act (CEQA).

(d) Land Costs: When all the requirements of section (a) herein are met in a manner satisfactory to the CIEDB and Purchaser has submitted evidence of CEQA compliance insofar as related to purchase of land, disbursement shall be allowed for the cost of land as specified in Exhibit D.

(e) The following documents must be provided for each Project component before funds shall be disbursed for costs attributable to that component. The final disbursement of Project Funds shall not be made until and unless Purchaser, in the good faith judgment of the CIEDB, has specifically complied with each and every one of the following for all Project components as described in Section (c) herein, and provided a copy of the specified document or certificate satisfactory to the CIEDB:

(1) Recorded Project notice of completion or other evidence of completion;

(2) Lien waivers for the Project component, or passage of the applicable statutory time periods for filing mechanics and other similar liens;

(3) Certification that the Project component has been completed in accordance with the approved final plans and specifications, and that the completed Project is consistent with the definition of Project in this Agreement and is acceptable to the Purchaser and that the requirements of Section 5.13(c) have been met;

(4) Certification of Recycled Content as set out in Section 6 of Exhibit F; and

(5) Certification that the Purchaser component has obtained all licenses and permits (including operating permits), and approvals from any governmental agency or authority having jurisdiction over the Purchaser in connection with the Project, where applicable.
EXHIBIT D

DESCRIPTION AND PROJECT SOURCES AND USES

Project Title:

Wastewater Treatment Facility Upgrade and Sludge Disposal Project

Project Description:

Acquisition of land, land leveling, removal of plum trees and the installation of irrigation piping; construction of percolation ponds; construction of new sludge drying beds; construction of new monitoring wells; removal of buried sludge and proper sludge disposal; wastewater treatment facility equipment upgrades; and wastewater system and groundwater tests, studies and work plans.

Project Sources and Uses:

<table>
<thead>
<tr>
<th>Project Uses</th>
<th>CIEDB</th>
<th>Purchaser</th>
<th>TOTAL</th>
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</thead>
<tbody>
<tr>
<td>Land &amp; Appraisal, Title and Escrow Fees</td>
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<tr>
<td>Consultant Fees for studies and plans</td>
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<td><strong>$1,261,507</strong></td>
<td><strong>$6,617,507</strong></td>
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Any line item financed by CIEDB may be amended up to twenty percent (20%) upon the prior written approval of the CIEDB.

The CIEDB shall not be responsible for the payment of any cost overruns.

The Purchaser shall submit invoices only for expenses incurred. Expenses contained in the invoices shall be listed according to the categories contained in the above Project sources and uses. The CIEDB shall pay ninety percent (90%) of all invoices for construction costs submitted to the Purchaser prior to compliance with Exhibit C, section (e), conditions precedent to final disbursement; provided that if the Purchaser demonstrates to the satisfaction of the CIEDB that the Purchaser is obliged by law to make payments to certain construction contractors for one hundred percent (100%) of invoiced amounts or to establish a retention fund for final payment to certain contractors, the CIEDB shall disburse Project Funds in the amount required by law.
Purchaser shall not approve any change orders of the original construction contract amount without having funds committed for the increased Project costs.

Project costs not covered by this Agreement will be paid for by the City of Porterville.

No costs of the Project to be paid by CIEDB can be incurred prior to March 29, 2004 except:

Consultant Fees for studies and plans as set forth in the above Sources and Uses chart.
**EXHIBIT E**

**AMORTIZATION SCHEDULE**

Note: Section 2.03(c)(3) provides: Purchaser shall receive a credit against interest owed based upon the actual interest earned by the CLCDB at a rate of up to two and ninety-eight hundredths percent (2.98%) per annum on the undisbursed Project Funds.

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<th>Principal Payment</th>
<th>Interest Payment</th>
<th>Total Principal &amp; Interest</th>
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E-1
EXHIBIT F

STATE CONTRACT REQUIREMENTS

SECTION 1. Record Establishment, Access and Retention.

(a) The Purchaser agrees that the CIEDB shall have the right to review, obtain, and copy all records pertaining to performance of this Agreement. The Purchaser agrees to provide the CIEDB with any relevant information requested and shall permit the access to its premises, upon reasonable notice, during normal business hours for the purpose of interviewing employees and inspecting and copying such books, records, accounts, and other material that may be relevant to a matter under investigation for the purpose of determining compliance with Government Code section 8546.7. The Purchaser further agrees to maintain records concerning costs paid with State funds for three years following the CIEDB’s receipt of a notice of completion or payment of an invoice, whichever is later. In the event of an Agreement performance or payment dispute, the three-year minimum shall automatically be extended until the dispute is resolved.

(b) Upon inspection, the Purchaser shall promptly implement any corrective measures recommended by the CIEDB, its representatives, or the Bureau of State Audits (“BSA”) regarding the requirements of this section.

(c) The Purchaser shall keep all books, records, accounts and documents pertaining to this Agreement separate from other activities unrelated to this Agreement.

SECTION 2. Nondiscrimination Clause and Compliance Statement.

(a) By signing this Agreement, the Purchaser and its contractors agree that each shall not, during the performance of this Agreement, unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, disability (including HIV and AIDS), medical condition (cancer), age, marital status, denial of family and medical care leave or denial of pregnancy disability leave. The Purchaser and its contractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. The Purchaser and its contractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code section 12900 et seq.), and the applicable regulations promulgated thereunder (Title 2, California Code of Regulations, section 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code section 12990 (a) through (f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations are incorporated into this Agreement by reference and made a part hereof as if set forth in full. The Purchaser and its contractor shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
(b) The Purchaser shall include the nondiscrimination and compliance provisions as detailed in subsection (a) of this section, in all contracts to perform work under this Agreement.

SECTION 3. Americans with Disabilities Act Certification. By signing this Agreement, the Purchaser assures the CIEDB that it complies with the Americans with Disabilities Act ("ADA") of 1990 (42 U.S.C. 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.

SECTION 4. National Labor Relations Board Certification. By signing this Agreement, the Purchaser does swear under the penalty of perjury that no more than one final unappealable finding of contempt of court by a federal court has been issued against the Purchaser within the immediately preceding two year period because of the Purchaser's failure to comply with an order of a federal court which orders the Purchaser to comply with an order of the National Labor Relations Board.

SECTION 5. Certification of Drug Free Workplace.

(a) By signing this Agreement, the Purchaser hereby certifies under penalty of perjury under the laws of the State of California that the Purchaser shall comply with the requirements of the Drug Free Workplace Act of 1990 (Government Code section 8350 et seq.) and shall provide a drug free workplace by:

(1) Publishing a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by Government Code section 8355(a).

(2) Establishing a Drug Free Awareness Program as required by Government Code section 8355(b), to inform employees about:

(A) The dangers of drug abuse in the workplace;

(B) The person's or organization's policy of maintaining a drug-free workplace;

(C) Any available counseling, rehabilitation and employee assistance programs; and,

(D) Penalties that may be imposed upon employees for drug abuse violations; and,

(3) Providing, as required by Government Code section 8355(c), that every employee who performs work under this Purchaser shall:

(A) Receive a copy of the Purchaser's drug-free policy statement; and,
(B) Agree to abide by the terms of the Purchaser’s statement as a condition of employment under this Agreement.

(b) In addition to any other consequences specified in this Agreement, failure to comply with these requirements may result in the Purchaser being ineligible for award of any future State Contracts if the CIEDB determines that the Purchaser:

1. Has made a false certification; or,

2. Violates the certification by failing to carry out the requirements as noted above.

SECTION 6. Certification of Recycled Content. The Purchaser shall certify in writing, under penalty of perjury, the minimum, if not exact, percentage of recycled content of both post-consumer material and secondary material as defined in Public Contract Code sections 12161 and 12200, in materials, goods or supplies offered, or products used in the performance of this Agreement, regardless of whether the product meets the required recycled product percentage as defined in Public Contract Code sections 12161 and 12200. The Purchaser may certify that the product contains zero recycled content. The Recycle Certification shall be delivered to the CIEDB not more than thirty (30) calendar days following the date of the Notice of Completion.


(a) The Purchaser recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and

(b) The Purchaser, to the best of its knowledge, is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry, maintained by the California Employment Development Department.

SECTION 8. Welfare Recipients.

(a) The Purchaser shall give priority consideration in filling vacancies in positions funded by the Purchaser to qualified recipients of aid under Chapter 2 (commencing with section 11200) of Part 3 of Division 9 of the Welfare and Institutions Code in accordance with Article 3.9 (commencing with section 11349) of Chapter 2 of Part 3 of Division 9 of the Welfare and Institutions Code.

(b) Nothing in this provision shall be construed to:

1. Interfere with or create a violation of the terms of valid collective bargaining agreements;

2. Require the Purchaser to hire an unqualified recipient of aid;
(3) Interfere with or create a violation of any federal affirmative action obligation of the Purchaser for hiring disabled veterans or veterans of the Vietnam era; or,

(4) Interfere with or create a violation of the requirements of Government Code section 12990.


(a) By signing this Agreement, the Purchaser agrees to comply with the provisions of section 1720 et seq. of the California Labor Code in the award of public works contracts and subcontracts involving the expenditure of funds provided in this Agreement, and to insure that its contractor and subcontractors meet the requirements of those enactments.

(b) The Purchaser shall comply with Labor Code provisions that include but are not limited to the following requirements: The Purchaser shall obtain, from the Director of the Department of Industrial Relations, the general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work in the locality in which the public work is to be performed for each craft, classification, or type of worker needed to execute the Agreement. The Purchaser shall either specify the general prevailing rates in bid and contract documents or include a statement in those documents that such information is available; take cognizance of any violations of prevailing wage law and notify the Department of Industrial Relations of such violations; require that the contractor and subcontractors keep adequate payroll and other records and withhold funds pending investigation of violations.

(c) The Purchaser shall require its contractor and subcontractors to adhere to prevailing wage requirements, including but not limited to the following requirements: contracts between the contractor and subcontractors must include provisions regarding prevailing wage; the contractor shall monitor subcontractors’ payment of prevailing wage by periodically reviewing certified payroll records and diligently taking corrective action if the subcontractors fail to pay prevailing wage; contractor and subcontractors shall maintain certified payroll records and time records. The contractor to whom a contract is awarded, and any subcontractor under him, shall not pay less than the specified prevailing wage; contractor and subcontractors are subject to penalties for violations of prevailing wage provisions.

(d) The Purchaser acknowledges that it has been informed by the CIEDB that the CIEDB may contract with the Department of Industrial Relations to conduct audits of some contracts to assure compliance with prevailing wage requirements. The Purchaser shall require its contractor and subcontractors to cooperate in an audit if requested to do so by the CIEDB and shall inform its contractor and subcontractors that spot audits are planned.
EXHIBIT G

TAX CERTIFICATE

This Tax Certificate is executed and delivered by the City of Porterville (the "Purchaser") in connection with the Enterprise Fund Installment Sale Agreement between the Purchaser and the California Infrastructure and Economic Development Bank (the "Seller"), dated as of September 1, 2004 (the "Obligation") in the amount of five million three hundred fifty-six thousand dollars ($5,356,000). The Purchaser certifies, covenants, warrants and represents as follows:

ARTICLE I. IN GENERAL

1.1 The Purchaser. The Purchaser is a charter city duly organized and existing under the laws of the State of California.

1.2 Purpose of Tax Certificate. The Seller has issued bonds (the "Bonds") that will be used to fund the Obligation. The Purchaser is delivering this Tax Certificate to the Seller with the understanding that the Seller will rely in part upon this Tax Certificate in obtaining an opinion from bond counsel that interest on the Bonds is excluded from gross income for federal income tax purposes under section 103 of the Code (as defined below).

1.3 Purpose of Financing. The Obligation is being issued to finance the Wastewater Treatment Facility Upgrade and Sludge Disposal Project on the Purchaser's property (the "Project"), as described in more detail in the application of the Purchaser to the CIEDB, dated October 30, 2003, including amendments thereto and in Exhibit D of the Obligation.

1.4 Definitions. Unless the context otherwise requires, the following capitalized terms have the following meanings:

"Code" means the Internal Revenue Code of 1986 (including amendments thereto).

"Current Revenues" has the meaning given thereto in Section 2.7 hereof.

"Governmental Unit" means any state, or political subdivision of a state, but excludes the United States and its agencies or instrumentalities.

"Investment Property" means any security or obligation, any annuity contract, or any other investment-type property, but does not include any Tax-Exempt Bond unless such obligation is a "specified private activity bond" within the meaning of section 57(a)(5)(C) of the Code.

"Nongovernmental Person" means any person or entity other than a Governmental Unit.

"Payment Account" has the meaning given thereto in Section 2.7 hereof.
"Preliminary Expenditures" means architectural, engineering, surveying, soil testing, studies (including environment impact, rate and feasibility studies), CEQA reports and similar costs paid with respect to the Project in an aggregate amount not exceeding twenty percent (20%) of the Obligation. However, Preliminary Expenditures do not include land acquisition, site preparation or similar costs incident to the commencement of construction.

"Tax-Exempt Bond" means any obligation the interest on which is excluded from gross income for federal income tax purposes pursuant to section 103 of the Code or section 103 of the Internal Revenue Code of 1954, as amended, and Title XIII of the Tax Reform Act of 1986, as amended, as well as stock in a regulated investment company to the extent at least ninety-five percent (95%) of income to the stockholder is treated as interest that is excludable from gross income under section 103 of the Code.

ARTICLE II. TAX LIMITATIONS

2.1 Expenditure of Proceeds. Proceeds of the Obligation shall be used exclusively for the following purposes: (i) architectural, engineering, surveying, soil testing, and similar costs paid with respect to the Project incurred prior to the commencement of construction and in an aggregate amount not exceeding twenty percent (20%) of the Obligation; (ii) capital expenditures originally paid by the Purchaser on or after the date hereof, (iii) interest on the Obligation through the later of three years after the date hereof or one year after the Project is placed in service, and (iv) initial operating expenses directly associated with the Project (in aggregate amount not exceeding five percent (5%) of the amount of the Obligation).

2.2 Governmental Bond Status. The Purchaser will not loan any of the proceeds of the Obligation to one or more Nongovernmental Persons. The Purchaser will not allow more than five percent (5%) of proceeds of the Obligation or more than five percent (5%) of the Project to be used directly or indirectly by any Nongovernmental Person, other than as a member of the general public. In addition, a Nongovernmental Person will be treated as "using" proceeds of the Obligation to the extent the Nonexempt Person:

(i) Borrows proceeds of the Obligation, or

(ii) Uses the Project (e.g., as owner, lessee, service provider, operator or manager).

2.3 Change in Use. The Purchaser reasonably expects to use all proceeds of the Obligation and all of the Project as set forth in Section 2.1 for the entire stated term to maturity of the Obligation. Absent written agreement by the Seller, the Purchaser in fact will use all proceeds of the Obligation and all of the Project as set forth in Section 2.1.

2.4 Federal Guarantee. The Purchaser will not directly or indirectly use or permit the use of any proceeds of the Obligation or take or omit to take any action that would cause the Bonds to be obligations that are "federally guaranteed" within the meaning of section 149(b) of the Code. In furtherance of this covenant, the Purchaser will not allow the payment of principal or interest with respect to the Obligation to be guaranteed (directly or indirectly) in
whole or in part by the United States or any agency or instrumentality thereof. The Purchaser will not use five percent (5%) or more of the proceeds of the Obligation to make or finance loans the payment of principal or interest with respect to which is guaranteed in whole or in part by the United States or any agency or instrumentality thereof.

2.5 No Refunding. Proceeds of the Obligation will not be used directly or indirectly to make principal, interest or premium payments with respect to any tax-exempt obligation.

2.6 No Hedge Bonds. The Purchaser reasonably expects that more than eighty-five percent (85%) of proceeds of the Obligation will be expended for the purposes of the Obligation within three years.

2.7 Installment Payments. "Payment Account" means the funds or accounts (or any portions of any funds or accounts) that will hold monies that are expected by the Purchaser to be used to pay debt service on the Obligation. "Current Revenues" means revenues which are both received by the Purchaser and utilized for the payment of debt service on the Obligation within a six month period. All amounts used to fund the Payment Account will be deemed to have been made from the Payment Account by using a last-in, first-out accounting method. Purchaser agrees that the amounts used to pay debt service shall be both received by the Purchaser and utilized for the payment of debt service on the Obligation within a thirty (30) day period. The Payment Account will be used primarily to achieve a proper matching of revenues and debt service within each year; a matching of revenues means that revenue and debt service come in and go out at approximately the same level and the Payment Account is cleared out to a very low balance at least one time during the year. Current Revenues in the Payment Account may be invested by the Purchaser without regard to yield.

2.8 No Other Replacement Proceeds. The Purchaser will not use any proceeds of the Obligation to replace funds of the Purchaser which are or will be used to acquire Investment Property reasonably expected to produce a yield that is materially higher than the yield on the Obligation.

2.9 No Expected Sale. It is not expected that the Project or any part thereof will be sold or otherwise disposed of so long as the Obligation is outstanding.

2.10 Tax Covenant. The Purchaser will not take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of the interest on the Bonds pursuant to section 103 of the Code and specifically (i) the Purchaser will not directly or indirectly use or make any use of the proceeds of the Bonds or any other funds of the Purchaser or take or omit to take any action that would cause the Bonds or to be "arbitrage bonds" subject to federal income taxation by reason of section 148 of the Code or obligations subject to federal income taxation because they are "federally guaranteed" as provided in section 149(b) of the Code, as applicable; and (ii) to that end the Purchaser, with respect to the proceeds of the Bonds will comply with all requirements of such sections of the Code to the extent that such requirements are, at the time, applicable and in effect; provided, that if the Purchaser shall obtain an Opinion of Counsel nationally recognized in the area of the
exemption of interest from gross income under of the Code to the effect that any action required under this section is no longer required, or to the effect that some further action is required, to maintain the exclusion from gross income of the interest evidenced and represented by the Bonds pursuant to section 103 of the Code, as applicable, the Purchaser may rely conclusively on such opinion in complying with the provisions hereof.

2.11 **Private Use.** No more than five percent (5%) of the Project (determined both on the basis of space and cost) shall be used for private use. Private use includes use in the trade or business of any nongovernmental persons, but does not include the portion of the proceeds properly allocable to facilities expected to be used by an organization described in section 501(c)(3) of the Code in a manner that does not constitute an unrelated trade or business of such organization, as defined in section 513(a) of the Code. For purposes of this section, the federal government is considered a nongovernmental person.

(a) For purposes of this section, private use shall include any contract for the management or operation of any portion of the Project unless each of the following conditions is met: (i) the term of such contract (including renewal options) does not exceed five years; (ii) the manager or operator under such contract is not compensated on the basis of a share of net profits; (iii) the compensation of the manager or operator is reasonable; (iv) the Purchaser must be able to cancel such contract without penalty or cause at the end of the third year of the contract; (v) neither the Purchaser nor the manager or operator may control more than twenty percent (20%) of the voting power of the other’s governing board; and (vi) other rules related to qualified management contracts as applicable.

(b) The service provider’s compensation for management or operation services rendered must be pursuant to one of the following four methods: (i) at least fifty percent (50%) of annual compensation is based on a periodic fixed fee; (ii) the compensation is based on a capitation fee or a combination of a capitation fee and a periodic fixed fee; (iii) in the case of certain contracts with a term not longer than three years, the compensation is based on a per-unit fee or a combination of a per-unit fee and periodic fixed fee and the contract is cancelable after two years; and (iv) in the case of certain contracts with a term not longer than two years, the compensation is based on a percentage of fees charged and the contract is cancelable after one year.

(c) The term “renewal option” as used in this Section, means a provision under which the service provider has a legally enforceable right to renew the contract. Thus, for example, a provision under which a contract is automatically renewed for one year periods absent cancellation by either party is not a renewal option (even if it is expected to be renewed).

(d) Without limitation, any contract for the management and operation of land related to the Project shall be a qualified management contract consistent with the Code.

**ARTICLE III. OTHER MATTERS**

3.1 **Expectations.** The undersigned is an authorized representative of the Purchaser acting for and on behalf of the Purchaser in executing this Tax Certificate. To the best of the knowledge and belief of the undersigned, there are no other facts, estimates or
circumstances that would materially change the expectations as set forth herein, and said expectations are reasonable.

3.2 **Amendments.** Notwithstanding any other provision of this Tax Certificate, the Purchaser may amend this Tax Certificate and thereby alter any actions allowed or required by this Tax Certificate if such amendment is signed by an authorized officer and is supported by formal written agreement by the CIEDB.

3.3 **Survival of Defeasance.** Notwithstanding any provision in this Tax Certificate to the contrary, the obligation to comply with all requirements contained in this Tax Certificate shall survive defeasance or prepayment of the Obligation.

Dated: ________________.

CITY OF PORTERVILLE

By ________________

Susan Slayton
Chief Financial Officer
EXHIBIT H
Form of Legal Opinion
Attorney's letterhead

Dated after Purchaser has signed the Agreement

City of Porterville
Attn: Public Works Director
291 North Main Street
Porterville CA 93257

California Infrastructure and Economic Development Bank
Attn: Credit Support Manager, CIEDB B04-053
P.O. Box 2830
Sacramento, CA 95812-2830

Enterprise Fund Installment Sale Agreement, By and Between City of Porterville, as Purchaser and the California Infrastructure and Economic Development Bank, as Seller, Dated as of September 1, 2004, Agreement No. CIEDB B04-053 in an amount not to exceed five million three hundred fifty-six thousand dollars ($5,356,000), for the Wastewater Treatment Facility Upgrade and Sludge Disposal Project.

Ladies and Gentlemen:

In my capacity as counsel to the City of Porterville (the “Public Agency”) and in connection with the above described Enterprise Fund Installment Sale Agreement (the “Agreement”), I have examined the laws pertaining to the Public Agency; the original of the Agreement, signed by the Public Agency; the Public Agency’s resolution adopted XXX (the “Resolution”); the charter of the Public Agency; the Installment Sale Agreement dated as of September 1, 1997 by and between the Porterville Public Financing Authority as Seller and the City of Porterville, as Purchaser (as related to the 1997 Sewer System Refinancing Project); the Installment Sale Agreement dated as of September 1, 2002 by and between the Porterville Public Financing Authority, as Seller and the City of Porterville, as Purchaser (as related to the 2002 Sewer System Refinancing Project) and such other information and documents as I considered necessary to render this opinion.

Based upon the foregoing, it is my opinion that:
(i) The Public Agency is a body public and corporate, and a public instrumentality of the State of California duly organized and validly existing pursuant to the laws of the State of California;

(ii) The Resolution and other actions of the Public Agency approving and authorizing the execution and delivery of the Agreement were duly adopted at a meeting of the governing body of the Public Agency which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout;

(iii) The Public Agency has full right and lawful authority to execute and deliver the Agreement and the Agreement has been duly authorized and executed on behalf of the Public Agency and the Agreement is the legal, valid and binding obligation of the Public Agency enforceable in accordance with its respective terms, except as enforcement may be limited by bankruptcy, insolvency, moratorium, or similar laws, or by legal or equitable principles relating to or limiting creditors' rights generally;

(iv) To the best of my knowledge, after due inquiry, the execution and delivery of the Agreement and compliance with the provisions thereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the Public Agency a breach of or default under any agreement or other instrument to which the Public Agency is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the Public Agency is subject; and

(v) To the best of my knowledge, after due inquiry, there is no action, suit, proceeding, inquiry or investigation before or by any court or public body pending or threatened against or affecting the Public Agency: 1) challenging or questioning the transactions contemplated by the Agreement or any other agreement, document or certificate related to such transactions; 2) challenging or questioning the creation, organization, existence or powers of the Public Agency; 3) seeking to enjoin or restrain the execution of the Agreement or the building of the Project defined in the Agreement or the collection of any of the Revenues pledged under the Agreement; 4) in any way questioning or affecting any of the rights, powers, duties or obligations of the Public Agency with respect to the Revenues pledged under the Agreement; 5) in any way questioning or affecting any authority for the execution of the Agreement or validity or enforceability of the Agreement; or 6) in any way questioning or affecting any other agreement or instrument concerning the Agreement to which the Public Agency is a party.

I do not render any opinion as to any federal or state securities or tax law. I am furnishing this letter solely for your benefit. This letter is not to be used, circulated, quoted or otherwise referred to for any other purpose.

The opinions expressed herein may be affected by actions taken or events occurring after the date hereof. The undersigned has not undertaken to determine or to inform any person whether any such subsequent actions or events are taken or occur.

Sincerely,

Counsel for the Public Agency
SUBJECT: UPDATE TO LOCAL CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) GUIDELINES

SOURCE: COMMUNITY DEVELOPMENT DEPARTMENT

COMMENT: In April 1973 the City of Porterville first adopted a set of local implementation guidelines pursuant to the requirements of the California Environmental Quality Act (CEQA) of 1970. The Guidelines have periodically been updated in response to changes in CEQA. The last revision was made in 1989 to include the provision for Mitigation Monitoring Programs. Numerous changes to CEQA have occurred since the City’s last update.

On January 20, 2004, the City Council authorized Staff to process an amendment to the Local CEQA Guidelines as a result of discontinuing the Environmental Review Committee. In addition, this update incorporates the changes in CEQA since 1989. In response to Council’s direction and the need for technical updates, Staff has prepared an amended set of local procedures for implementing CEQA. The edits are shown with text crossed out and new language shown underlined.

In addition to the technical amendments and the elimination of the Environmental Review Committee, the amendments also include changes to the contracting procedures for hiring consultants for non-City funded projects. As designed, developer funded projects would continue to be competitively bid but would not require going to Council for final authorization prior to letting the contract. The process is outlined in Section X. The modifications have been proposed to streamline an already cumbersome process and due to the fact the developer places on deposit funds to pay for the consultant without expenditure of public funds.

RECOMMENDATION: That City Council adopt the resolution amending the City’s Local CEQA Guidelines.

ATTACHMENT: 1. Local CEQA Guidelines as Amended
2. Draft Resolution amending the Local CEQA Guidelines

ITEM NO. 7
EXHIBIT “A”
LOCAL GUIDELINES FOR EVALUATING, PREPARING AND ADMINISTERING THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

I. PURPOSE:

The primary purpose of these local guidelines is for the preparation of environmental documents required under the provisions of the California Environmental Quality Act (CEQA) of 1970 and amendments thereto.

These guidelines are also adopted to set forth procedures and provisions for implementing the California Environmental Quality Act of 1970 CEQA, and any amendments thereto, as contained in Sections 21000 through 21177 of the Public Resources Code and the State of California Environmental Quality Act CEQA Guidelines as contained in Sections 15000 through 15387 of the California Administrative Code and any amendments thereto. The City incorporates herein by reference the State of California Environmental Quality Act CEQA Guidelines (Sections 15000-15387). The local guidelines shall be complementary to the State CEQA Guidelines; when in conflict, the State CEQA Guidelines shall prevail.

Each public agency is required to adopt objectives, criteria and specific procedures for administering its responsibilities under CEQA (S. 15022 (a)).

A. Definitions:

1. Applicant: Means the City, company, corporation, group, individual or partnership requesting, sponsoring, or funding a proposed project or activity.

2. Categorical Exemption: Means any of the various the twenty-nine classes of categorical exemptions listed stated in the State CEQA guidelines, plus the exemptions added to the existing thirty-two twenty-nine classes by the City.

3. City: Means the City of Porterville.

4. City Council: Means the City Council of the City of Porterville.

5. City Engineer: Means the City Engineer of the City of Porterville.


8. Discretionary Project: A project which requires the exercise of judgment or deliberation when the public agency or body decides to approve or disapprove a particular activity, as distinguished from situations where the public agency or body merely has to determine whether there has been conformity with applicable statutes, ordinances, or regulations. Examples include: general plan amendments.
zone changes, annexations, variances, conditional use permits, tentative subdivision maps, and parcel maps.


8.10. Environmental Documents: Means Draft and Final EIR’s, Initial Studies, Negative Declarations, Notices of Completion, Notices of Determination, Notices of Exemption, and Notices of Preparation and any other notices, studies, or documents as may be required to comply with CEQA.

9.11. ERC: Means the Environmental Review Committee.

10.12. Environmental Coordinator: Means the Community Development Director City Planner.

10.13. Lead Agency: Means the City of Porterville or other government agency that has the principal responsibility for carrying out or approving a project. The lead agency has the primary responsibility for preparing CEQA documents.

10.14. Lead Department: Means the City department submitting the environmental documents to the Environmental Coordinator.

12.15. Local Guidelines: Means the processes and procedures adopted by the City of Porterville for implementing the California Environmental Quality Act of 1970 and amendments thereto.

16. Mitigation: Mitigation includes:

- Avoiding the impact altogether by not taking a certain action or parts of an action.
- Minimizing impacts by limiting the degree or magnitude of the action and its implementation.
- Rectifying the impact by repairing, rehabilitating, or restoring the impacted environment.
- Reducing or eliminating the impact over time by preservation and maintenance operations during the life of the action.
- Compensating for the impact by replacing or providing substitute resources or environments.

17. Negative Declaration: Negative Declaration includes Mitigated Negative Declarations.

18. Parcel Map Committee: Means the Parcel Map Committee of the City of Porterville which is an advisory agency tasked with considering parcel map subdivisions and shall have the authority to approve, conditionally approve or disapprove tentative parcel maps and their corresponding environmental documents (Sec. 21-1.2 of the
Porterville Subdivision Ordinance).

13.19. Planning Division: Means the City of Porterville Planning Division under the supervision of the Community Development Director City Planner.

14.20. Section Numbers in Parenthesis: Means a referenced section of the CEQA guidelines (e.g. S. 15000).

21. Zoning Administrator: Means the Community Development Director or designee.

B. Environmental Coordinator Determinations: The Environmental Coordinator shall make the determination as to the appropriate level of environmental analysis required for projects subject to CEQA. Upon determination by the Environmental Coordinator, an environmental document will be prepared pursuant to CEQA. When Compliance with the National Environmental Policy Act (NEPA) is required, the Environmental Coordinator shall process the requisite environmental documents to comply with NEPA.

C.

D. Establishment of the Environmental Review Committee: The City of Porterville Environmental Review Committee is hereby established. Designated ERC members, the Environmental Coordinator and their alternates shall be as follows:

Designated Members: City Manager
Community-Development and Services Director
City Engineer

Alternate Members: Parks and Leisure Services Director
City Fire Chief
Associate Civil Engineer

Environmental Coordinator: City Planner
Alternate: Associate Planner

The City Manager may substitute designated and alternate members of the ERC and the Environmental Coordinator, as needed.

Rules and regulations necessary for the operation of the ERC may be adopted by same.

II. MEETINGS OF THE ERC:

A. The ERC shall meet at a time and place determined by its members or when the Environmental Coordinator convenes a meeting.

III. RESPONSIBILITIES OF ENVIRONMENTAL COORDINATOR AND THE ERC:

A. The Environmental Coordinator shall sit as Chairperson of the ERC. The duties and responsibilities of the Environmental Coordinator shall be as follows:
A. The Environmental Coordinator shall act in administering the provisions of the California Environmental Quality Act (CEQA) by undertaking the following:

2. 1. To filter out all activities which determine what activities are not subject to CEQA, and to take an appropriate action on same, thus preventing said activities from reaching the City Council. Actions not subject to CEQA include:

   a. Ministerial Projects; Statutory Exemptions including those ministerial projects identified in Sec 15268 of CEQA.
   b. Categorical Exemptions;

2. 2. To ensure that all environmental documents are processed pursuant to the CEQA guidelines and the City of Porterville local guidelines for the administration of CEQA. (SS. 15022 (8), 15025 (a));

3. 3. To review all projects subject to CEQA and determine if a Negative Declaration, or an EIR will be required for the project. (S. 15022 (8));

3. 4. To ensure that all environmental documents are properly noticed (S. 15022 (13));

5. 5. To provide for public review periods for Negative Declarations and Environmental Impact Reports pursuant to CEQA (EIR) (S. 15022 (13));

4. 6. To consult with and obtain information and comments from other public agencies, members of the public and others with regard to the impacts of a project (S. 15022 (5));

6. 7. To determine if the project or activity is part of a phased project or a group of projects for which an EIR prepared for the entire project has previously been submitted and approved in accordance with CEQA and local guidelines to determine whether substantial changes in the project, or activity, or circumstances related to such project or activity may expand upon previously identified impacts, or create new impacts not considered in the original EIR to direct the preparation of an addendum EIR, a supplemental EIR or a subsequent EIR as required. Reasons for such conclusions shall be stated;

8. 8. To determine if the project or activity is part of a larger project that requires a comprehensive environmental document prepared to evaluate the environmental consequences resulting from the entirety of an action;

7. 9. To determine if the environmental effects of the proposed project or activity are specifically similar to and warrant the same treatment as those addressed in a previous project for which a Negative Declaration or EIR has previously been prepared and approved in accordance with CEQA (SS. 15153, 15162). If such a determination is made, a single Negative Declaration or EIR may be utilized for more than one project.
6. 10. To make recommendations to the City Council ERC;

7. ——To cause environmental documents to be mailed to other public agencies, interested parties, and to others who have requested said documents (S. 15022 (5));

8. 11. To adequately evaluate and respond to comments received on environmental documents when appropriate (S. 15022 (7));

9. 12. To ask for an appropriate motion which may be for a continuance, approval, in depth study of a part, or all of the Negative Declaration or EIR or Negative Declaration;

10. —To title documents for which the Environmental Coordinator is responsible (S. 15022 (10))

B. The Environmental Coordinator ERC shall act as the body which in evaluates evaluating, makes making recommendations for further action, if needed, and accepts accepting Initial Studies, Negative Declarations and EIR’s as being prepared pursuant to, and conforming to, CEQA. The duties and responsibilities of the ERC are as follows:

1. —To review all environmental documents for adequacy and conformance to CEQA (S. 15022 (8));

2. —To review all environmental documents and determine if a Negative Declaration, or an EIR will be required for a project. (S. 15022 (8));

3. —To cause a Negative Declaration to be prepared if it is determined that the project will not have a significant adverse impact on the environment (S. 15063 (b)(2)). The cause for such conclusions shall be stated;

4. —To cause an EIR to be prepared or use a previously prepared EIR if it is determined that the project may cause a significant adverse impact on the environment (S. 15063 (b)(1)(A)(B)). An EIR shall be prepared if it is determined that a project will result in any of the effects stated under Mandatory Findings of Significance (S. 15065). Reasons for conclusions shall be stated;

5. —To set an adequate review period of EIR’s and Negative Declarations (S. 15022 (13));

6. —To determined if the project or activity is part of a phased project or a group of projects for which and EIR prepared for the entire project has previously been submitted and approved in accordance with CEQA and local guidelines. For use of the same EIR for such a project or activity, a determination will have to be made that there are no substantial changes in the project, or activity, or circumstance related to such a project or activity shall not create, expand upon previously identified impacts, or create new environmental impacts not considered in the original EIR (S. 15162). Reasons for such conclusion shall be stated;
7. To determine if the environmental effects of the proposed project or activity are specifically similar to and warrant the same treatment as those addressed in a previous project for which an EIR or Negative Declaration has previously been prepared and approved in accordance with CEQA (SS. 15153, 15162). If such a determination is made, a single EIR or Negative Declaration may be utilized for more than one project.

Where a Negative Declaration is utilized more than once, the ERC shall reaffirm the Negative Declaration by determining that the proposed project will not have an impact on the environment. Where an EIR is utilized for more than one project, the ERC may require an Addendum (S. 15164) or Supplement (S. 15163). If an addendum or supplement cannot be justified, the ERC may require a subsequent EIR (S. 15162). Reasons for such conclusions shall be stated.

8. To determine if provided information is adequate to make the above determinations. If information provided is not adequate, the ERC may request additional information which will aid in making the determination (SS. 15022 (8), 15025 (a));

9. To cause to be filed, the documents for which the ERC is responsible (SS. 15022 (10), 15025 (a));

10. To accept as complete the Final Negative Declaration or Final EIR and cause same to be transmitted to the applicable decision-making body (SS. 15022 (12), 15025 (a));

11. To recommend to the City Council additions to the existing classes of Categorical Exemptions. All additions to the twenty nine classes of Categorical Exemptions must adhere to the intent of the classes of exemptions (SS. 15022 (a)(1)(e), 15025 (a)).

IV. LIMITATIONS OF REVIEW OF ENVIRONMENTAL DOCUMENTS BY THE ERC ENVIRONMENTAL COORDINATOR:

In reviewing environmental documents, the Environmental Review Committee Coordinator shall limit its comments to the adequacy or appropriateness of the submitted documents, and shall not comment on the value of the project itself or whether it is to be approved.

The ERC shall not consider the economic and social impacts of a project as significant effects on the environment, but they can be addressed in the EIR and discussed as ways in which the project will foster economic and social effects (S. 15131).

V. ERC STAFF:

Staff requirements shall be performed by the Planning Division. Staff responsibilities shall include the preparation of environmental documents and presentations to the ERC (SS. 15022 (8), 15025 (a)). All other City departments shall be available to provide the Planning Division with information, as requested, regarding the preparation of the environmental document.
In the case of City projects, the lead department submitting the project shall provide technical information, project description, and an Environmental Information Form (S. 15025 (a)).

VI. EXEMPTIONS:

A. The CEQA guidelines provide for the listing of projects and permits which are ministerially exempt from the requirement of CEQA (S. 15022 (1)(B)). These exemptions are as follows:

1. Building, occupancy and demolition permits;

2. Public improvement permits, limited new construction and repair of curbs, gutters and sidewalks, connection to water and sewer inside the incorporated City area, street maintenance, and undergrounding of utilities.

3. Grading permits;

4. Certificates of Compliance and Conditional Certificates of Compliance;

5. Final subdivision and parcel maps, including improvement plans;

6. Business licenses;

7. Lot Line Adjustments

B. Adoption of Categorical Exemptions: The Secretary for Resources has determined there are certain projects that do not significantly impact the environment, and because of this, they are Categorically Exempt from CEQA. These exemptions are stated within the twenty-nine classes of Categorical Exemptions enumerated in Article 19 of the CEQA guidelines. In addition to these exemptions, the City also adopts the following Categorical Exemptions (S. 15022 (1)(B));

1. Under Class 3 (S. 15303) — New Construction or Conversion of Small Structures:
   a. Caretakers dwelling in a C 3 (Heavy Commercial) and C H (Highway Commercial) zones (S. 15305).

2. Under Class 5 (S. 15305) — Minor Alterations in Land Use Limitations:
   a. All variances as defined by the City Zoning Ordinance;
   b. Sidewalk waiver;
   c. Conditional use permits and zone changes for existing projects or uses where the use permit or zone change is for the sole purpose of establishing zoning conformity for legally existing nonconforming uses;
   d. Placement of temporary structures approved by the City Council.

3. Items 1 and 2 above shall be subject to the following:
a. The health, safety and welfare of the public will not be adversely affected;
b. The proposed or existing use is compatible with surrounding uses;
e. The requirements of the Zoning Ordinance shall be complied with;
d. The General Plan, zoning and project use shall conform to each other;
e. Where there is public concern or outcry, the project shall not be categorically exempt.

A. The State CEQA Guidelines provide for projects and activities that are statutorily exempt and categorically exempt pursuant to Article 18 and Article 19 respectively. The City of Porterville shall adhere to the State CEQA Guidelines when determining whether a project is exempt from CEQA. Those matters considered by the Zoning Administrator as outlined in Article Thirty of the Porterville Zoning Ordinance are hereby considered to be exempt from CEQA as they fall within the classifications of Exemptions provided for in CEQA.

VII. FILING OF ENVIRONMENTAL INFORMATION FORMS:

Prior to, or concurrent with submittal of the project application, the applicant shall prepare and file an Environmental Information Form and project plans with the Planning Division. Said form shall be provided by the City.

Upon receipt of the Environmental Information Form and project plans, the Environmental Coordinator shall determine if the project is subject to CEQA (SS. 15022 (a)(1)(A), 15025 (a)(1)). If the project is determined to be exempt, a Notice of Exemption, which fulfills the environmental requirements of CEQA, shall be filed with the County Clerk (S. 15061, 51062). If the project is ministerial, statutorily exempt, further environmental determination is not needed (S. 15022 (a)(1)(B)).

VIII. INITIAL STUDY:

Once the Environmental Coordinator determines that the project is not exempt from CEQA, an Initial Study shall be prepared for the project (S. 15063 (a)). The Initial Study shall be used to determine if a Negative Declaration or an EIR shall be prepared (S. 15063 (b)(1) or (2)). Prior to preparing the Initial Study, the Lead Agency shall consult with all responsible agencies and trustee agencies where these agencies have discretionary approval or jurisdiction over natural resources which may be impacted by the project (S. 15063 (g)). Private persons or organizations which have expressed an interest in the project may also be contacted.

Because the Initial Study is the basis for determining whether an Negative Declaration or EIR or a Negative Declaration shall be prepared, the Initial Study shall become an integral part of the Negative Declaration or EIR or Negative Declaration (S. 15063 (c)). The Environmental Coordinator shall present the Initial Study, along with a recommendation for either an Negative Declaration or EIR or Negative Declaration, to the ERC City Council who shall take action to either approve, or certify, with or without mitigation measures, or disapprove the project based on environmental grounds. (SS. 15022 (a)(12), 15025 (a)). While undertaking these actions, Article 5 of CEQA shall be adhered to.
IX. PROCESSING NEGATIVE DECLARATIONS AND EIR’S:

The general processing procedure for Negative Declarations and EIR’s is stated in the following subsections. In addition, processing shall be subsequent pursuant to Articles 6, 7, and 8 of the CEQA Guidelines.

Once the ERC Environmental Coordinator determines whether a Negative Declaration or EIR is required for the project in question, the ERC shall direct the Environmental Coordinator to shall direct the preparation of have the appropriate document prepared and cause it to appear before the ERC for review as being complete and conforming to the CEQA guidelines. City Council for action. In the case of a Negative Declaration prepared for a tentative parcel map, the parcel map committee shall be the decision making body unless the parcel map is accompanied by another discretionary permit. In the event the tentative parcel map application is accompanied by one or more discretionary permits, the Parcel Map Committee shall make a recommendation to the City Council for action. The Environmental Coordinator shall sign and date the Negative Declaration or EIR Notice of Completion or Negative Declaration as being accepted as complete by the ERC prior to circulating the environmental document for public review and City Council consideration (S. 15025).

A. Negative Declarations: For Negative Declarations, the ERC, by notice of adoption of a Negative Declaration, shall establish an adequate review period prior to adoption by the decision making body (S. 15072). The notice shall appear in the Notice of Public Hearing normally scheduled for discretionary projects and shall state that the decision making body intends to adopt a Negative Declaration for the project. The Environmental Coordinator shall provide public notice pursuant to the requirements of the State CEQA Guidelines which shall include, at a minimum, a published public notice in a newspaper of general circulation. Additional measures for expanded notification may be undertaken in the event the project has the potential to be controversial or as other discretionary projects require.

With a private project the Negative Declaration shall be completed and ready for approval within 105 days from the date when the City accepted the application as complete (S. 15107) unless a suspension of time period is granted pursuant to S. 15109 of the CEQA Guidelines.

The review period shall be of an adequate time frame to allow comment by all interested parties (S. 15073). For Negative Declarations submitted to the State Clearinghouse, the review period shall coincide with the review period established by the State Clearinghouse (S. 15073 (d)). Upon completion of the review period, staff shall transmit the Negative Declaration with comments received and responses to same, to the decision making body for adoption or other action (S. 15074 (b)). Upon approval of the project, a Notice of Determination shall be filed (S. 15075).

B. Environmental Impact Reports: Upon determination that an EIR will be required for the project, the ERC Environmental Coordinator shall cause applicable EIR environmental documents and notices to be prepared. The ERC Environmental Coordinator shall cause the EIR to be processed in compliance with the requirements of the State CEQA Guidelines as follows:
The ERC Environmental Coordinator shall cause the Final EIR to be transmitted to the decision-making body where said body shall consider the Final EIR before approving the project (S. 15090 (b)). The Notice of Public Hearing normally held for discretionary projects shall state that the decision-making body shall consider the Final EIR before approving or denying the project (S. 15092). The decision-making body may request additional information prior to taking action to certify the document covered.

After certification of the Final EIR, the Environmental Coordinator shall cause a Notice of Determination to be filed pursuant to State CEQA Guidelines (S. 15094).

1. A Notice of Preparation shall be sent to all responsible agencies, trust agencies and federal agencies responsible for natural resources which may be affected by the project (S. 15082). The Lead Agency may also consult with any person or organization that may be concerned with the project (S. 15083).

2. Upon completion of the Draft EIR, a Notice of Completion shall be filed with the Governor's Office of Planning and Research (OPR) (S. 15085).

3. Consultation requests regarding the Draft EIR shall be made to responsible agencies, trustee agencies and federal agencies which have authority over resources which may be impacted by the project (S. 15086).

4. Concurrently with the filing of the Notice of Completion with the State Clearinghouse, the ERC shall cause the Notice of Completion to also appear in the local newspaper (S. 15087). Notice shall also be given to other persons and organizations who have requested same (S. 15087).

5. The Environmental Coordinator shall respond to all comments received during the review period. These comments, responses, Draft EIR (or revision), list of those commenting on the Draft EIR, and information added by the Environmental Coordinator, shall be transmitted to the ERC as a Final EIR (SS. 15022, 15025, 15132, 15089). The ERC shall accept the EIR as being complete and in compliance with the CEQA guidelines (S. 15025). With a private project the EIR shall be completed and ready for approval within one year from the date when the City accepted the application as complete (S. 15108) unless a suspension of time period is granted pursuant to S. 15109 of the CEQA Guidelines.

6. The ERC Environmental Coordinator shall cause the Final EIR to be transmitted to the decision-making body where said body shall consider the Final EIR before approving the project (S. 15090 (b)). The Notice of Public Hearing normally held for discretionary projects shall state that the decision-making body shall consider the Final EIR before approving or denying the project (S. 15092). The decision-making body may request additional information prior to taking action to certify the document if said body believes impacts were not adequately covered.

7. The ERC shall cause the Final EIR and the related planning documents to be transmitted to the City Council. The City Council shall certify the Final EIR (S. 15094).
If the City Council believes the Final EIR is incomplete, the Council may refer to the Final EIR to the ERC for additional information.

8. After certification of the Final EIR, the City Council shall cause a Notice of Determination to be filed (S. 15094).

X. PREPARATION OF DRAFT—ENVIRONMENTAL—IMPACT—REPORTS—BY CONSULTANTS: ENVIRONMENTAL DOCUMENTS BY CONSULTANTS:

If the City Planning Division is unable to prepare the Draft Environmental Impact Report an environmental document or technical study for a public or private project, the City shall contract with a qualified consultant for preparation of a Draft Environmental Impact Report the appropriate environmental documents including special technical studies (S. 15084 (a)). The City has undertaken the negotiation of and maintains an on-call environmental consultant for use on city projects with defined funding sources, and for use by private development proponents in the event they desire to streamline the process. In such cases, the City, applicant, and consultant shall prepare an agreement for preparation of and to specify the details of the EIR necessary environmental studies and documents. The applicant is responsible for the full cost of the services. The full negotiated cost of service plus 10% for contingencies shall be placed on deposit with the City prior to authorizing work to begin on the environmental documents. The Environmental Coordinator shall be the authority to require payment to the City of a 10% administrative fee in cases where the cost of administering the contract is likely to exceed the adopted fee for environmental reviews. Where no City funds will be expended on consultant services, the Environmental Coordinator shall have the authority to facilitate the consultant selection process, to select the consultant and to negotiate fees for services. If the applicant is the City, the contract shall be between the consultant and the City. The applicant is responsible for the cost of the EIR.

The process for selecting an environmental consultant shall be as follows:

a. Staff will prepare a Request for Proposals (RFP) soliciting project specific proposals from qualified consultants as represented in a consultant services file and as posted by the purchasing agent;
b. Staff will evaluate the RFP’s relative to responsiveness and pursuant to the consultant selection criteria currently used in the City;
c. Staff may elect to interview the consultant to determine additional qualifications and ability to represent the City’s interest in a public forum;
d. Staff will prepare a consultant services agreement and the Community Development Director will sign following submittal of the necessary funds and contingencies by the project proponent; and
e. Staff will send the deposit to the finance department and request the establishment of a pass through account and will set up a purchase order for monthly invoice payments.

XI. MITIGATION MONITORING AND REPORTING PROGRAM

The Environmental Coordinator shall be responsible for conducting the preparation of a Mitigation Monitoring Program pursuant to requirements of Section 21081.6 of the Public Resources Code. The Monitoring Program shall ensure compliance with conditions of approval designed to mitigate
or avoid significant effects on the environment and shall consist of field observations made by qualified City Staff or other qualified individuals accompanied by a written report on the status of specific mitigation measures included within Negative Declarations or EIR's. Environmental Impact Reports or Negative Declarations. This requirement applies to all privately and publicly sponsored projects in the City of Porterville. The City Engineer shall be responsible for ensuring that mitigation measures on City projects are incorporated into the approved plans and specifications prior to bidding the project for construction. Field observations shall be conducted during, and where appropriate after, project implementation with a Mitigation Monitoring Checklist and Reporting Form, to be maintained within the files of all projects approved with a Negative Declaration of Environmental Impact Report by the City subsequent to January 1, 1989. Project mitigation measures shall be incorporated into the conditions of approval for development projects and shall become the responsibility of the developer to implement and the City to monitor unless otherwise specified in the mitigation measure.

XII. SUBMITTING COMMENTS TO OTHER AGENCIES

The Environmental Coordinator shall be responsible for reviewing and commenting on environmental documents prepared by other lead agencies in the conduct of their activities. Said comments shall be based on thresholds of significance established by responsible and trustee agencies and defined in the Public Resources Code as the project may affect the environment in and around the City of Porterville.
RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE APPROVING AMENDMENT OF THE LOCAL GUIDELINES FOR IMPLEMENTING THE ENVIRONMENTAL QUALITY ACT

WHEREAS: The State of California mandates adoption of Local Guidelines for the implementation of the California Environmental Quality Act (CEQA) and its amendment as found in the Public Resources Code and the State CEQA Guidelines and its amendments as found in the California Administrative Code; and

WHEREAS: At the regularly scheduled meeting of July 20, 2004, the City Council of the City of Porterville conducted a public meeting to consider amendment of the Adopted Local Guidelines for implementation of the California Environmental Quality Act; and

WHEREAS: A portion of said amendments are required by State Law: and

WHEREAS: On January 20, 2004, the City Council directed staff to amend the Local CEQA Guidelines to modify the procedures for processing environmental documents and notices due to the elimination of the Environmental Review Committee; and

WHEREAS: The State CEQA Guidelines are binding on all public agencies; and

NOW, THEREFORE, BE IT RESOLVED: That the City Council of the City of Porterville does hereby approve amendment of the Local Guidelines for implementing the California Environmental Quality Act as attached hereto as Exhibit “A”.

__________________________
Pedro R. Martinez, Mayor

ATTEST:

John Longley, City Clerk

By_________________________
Georgia Hawley, Deputy
COUNCIL AGENDA: JULY 20, 2004

SUBJECT: AMENDMENT TO EXHIBIT A OF CITY AND COUNTY PROPERTY TAX SHARING AGREEMENTS FOR ANNEXATIONS

SOURCE: COMMUNITY DEVELOPMENT DEPARTMENT

COMMENT: On July 6, 2004, the City Council considered the adoption of two – City/County Tax Sharing Agreements, one for substantially developed islands and one for contiguous non-island areas that are substantially developed. When the Council considered the two new agreements on July 6, the accompanying maps included areas that are not substantially developed. As such, they would not be considered under either of these agreements but would be subject to the existing Master Property Tax Sharing Agreement approved in November, 1979. Staff has amended the exhibits to more accurately reflect the areas affected by the new tax sharing agreements.

With the adoption of the two agreements with the amended exhibits, there will be three property tax sharing agreements in effect. The term “substantially developed” is subject to a certain degree of interpretation and negotiation. When the agreements are reviewed for consideration and adoption by the County, additional revisions to the exhibits may be requested. In the event this occurs, staff is seeking authorization for the City Manager to approve the change of exhibits.

RECOMMENDATION: That City Council:

1. Approve revised Exhibits A for each of the property tax sharing agreements considered at the July 6, 2004, City Council meeting;

2. Adopt a resolution approving the agreement for property tax sharing for contiguous non-island annexations;

3. Adopt a resolution approving the agreement for property tax sharing for island annexations; and

4. Authorize the City Manager to negotiate and approve necessary changes to the exhibits attached to each property tax sharing agreement.


2. Resolution approving Property Tax Sharing Agreement for Substantially Developed County Island Areas

3. Draft Property Tax Agreement for County Island Annexations with amended Exhibit A

4. Resolution approving Property Tax Sharing Agreement for Substantially Developed Contiguous County Areas

5. Draft Property Tax Agreement for Contiguous Area Annexations with amended Exhibit A
RESOLUTION NO. 9327

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF PORTERVILLE IN THE MATTER OF
SHARING PROPERTY TAXES IN AREAS ANNEXED
TO THE CITY OF PORTERVILLE.

WHEREAS, Section 99 of the Revenue and Taxation Code added by A88 (Chapter 202) enacted in 1979 provides that in the case of a jurisdictional change (annexation) the governmental bodies of all agencies whose service areas or service responsibilities are altered by the change shall determine the amount of property tax revenues to be exchanged between them; and

WHEREAS, Annexations after July 25, 1979, cannot become effective until such agreement is reached; and

WHEREAS, Representatives of the County and City of Porterville have met and discussed the exchange of property tax; and

WHEREAS, The County and City of Porterville wish to encourage annexation of urban areas into existing city; and

WHEREAS, Annexation will decrease the County’s responsibilities for providing services in the areas of building inspection, libraries, planning, roads, police patrol and fire; and

WHEREAS, The City of Porterville will gain service responsibilities for these and other services; and

WHEREAS, Annexation causes certain revenues to automatically shift from the County to City such as sales tax, motor vehicle in-lieu tax, trailer coach in-lieu tax, alcohol license fees, transient occupancy tax, real property transfer tax, cigarette tax and other fees and licenses; and

WHEREAS, A portion of the property taxes to support libraries and fire service will automatically be shifted to the City of Porterville, and a portion of the vehicle code fines, gasoline tax and sales tax on gasoline, will be transferred to the City; and

WHEREAS, It is the desire of the County and City to establish a uniform method of exchanging property taxes that will apply to all annexations commencing on January 1, 1978, and continuing until changed by a new agreement, or until the County or City gives written notice that this Resolution shall not apply to future annexations in general, or to a particular future annexation.

NOW, THEREFORE, BE IT RESOLVED THAT for each annexation the City of Porterville shall receive the additional allocation of property taxes automatically provided for by Sections 96-98 of the Revenue and Taxation Code, as added by A88, and no additional adjustment will be made pursuant to Revenue and Taxation Code 99 as added by A88; and

BE IT FURTHER RESOLVED THAT all other agencies involved shall receive the tax increment attributable to that agency pursuant to Sections 96-98 of the Revenue and Taxation Code; and
BE IT FURTHER RESOLVED THAT property taxes in future years for
the annexed territory shall be computed in accordance with
Revenue and Taxation Code Sections 96-98 without any further
adjustments pursuant to Revenue and Taxation Code Section 99;
and

BE IT FURTHER RESOLVED THAT this resolution shall take
effect with respect to the City of Porterville immediately upon
the adoption of this resolution by the County and the City of
Porterville.

Theodore G. Ensslin
Theodore G. Ensslin, Mayor

ATTEST:

C. G. HUFFAKER, City Clerk

* * * * * * *

STATE OF CALIFORNIA

COUNTY OF TULARE

I, C. G. HUFFAKER, the duly appointed City Clerk of the
City of Porterville do hereby certify and declare that the
foregoing is a full, true and correct copy of a resolution
duly and regularly passed and adopted at a regular meeting
of the Porterville City Council regularly called and held on
the 6th day of November, 1979.

THAT said resolution was duly passed and adopted by the
following vote:

AYES: COUNCILMEN: Ferrell, Moran, Durbin, Dougherty
NOES: COUNCILMEN: None
ABSENT: COUNCILMEN: Ensslin

C. G. HUFFAKER, City Clerk

By: ____________________________

Deputy
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE IN THE MATTER OF SHARING PROPERTY TAXES IN AREAS OF DEVELOPED COUNTY ISLANDS ANNEXED INTO THE CITY OF PORTERVILLE

WHEREAS, Section 99(d) of the Revenue and Taxation Code authorizes Cities and Counties to enter into property tax sharing agreements;

WHEREAS, the City of Porterville and the County of Tulare currently have a Master Property Tax Agreement that applies to division of property tax revenues between the City and the County when and after property is annexed to the City;

WHEREAS, the City and the County acknowledge that upon annexation of the unincorporated county islands identified in Exhibit 1 attached to the Property Tax Agreement (County Island Annexations), the City will assume certain obligations with respect to the provision of public services to such substantially developed unincorporated islands;

WHEREAS, such unincorporated islands have been developed to a large extent and will require the immediate provision of public services when annexed by the City; and

WHEREAS, special provisions are necessary for allocation of the base tax for the City to provide necessary public services upon annexation of the unincorporated county islands identified in Exhibit 1 attached to the Property Tax Sharing Agreement.

NOW THEREFORE BE IT RESOLVED, that the City and the County agree as follows:

SECTION 1: The City and County agree to a distribution of property taxes as outlined in the Property Tax Sharing Agreement for annexation of County Islands attached hereto.

SECTION 2: That the existing Master Property Tax Sharing Agreement will remain in effect on undeveloped islands (namely those covered under existing Williamson Act Contracts).

SECTION 3: That this resolution shall take effect with respect to the City of Porterville immediately upon the adoption of this resolution by the City of Porterville and County of Tulare.

__________________________
Pedro R. Martinez, Mayor

Attest:

John Longley, City Clerk

__________________________
Georgia Hawley, Deputy City Clerk
PROPERTY TAX AGREEMENT

(County Island Annexations)

INTRODUCTION

This Agreement is entered into and effective on this _____ day of ____________ 2004 by and between the County of Tulare ("County") and the City of Porterville ("City").

RECITALS

WHEREAS, the County is a political subdivision of the State of California and recognized under the general laws of the State of California;

WHEREAS, the City is a charter law city organized under the laws of the State of California;

WHEREAS, there exists adjacent to the city limits of the City of Porterville a number of unincorporated county islands, which are identified on attached Exhibit 1 incorporated by reference herein;

WHEREAS, pursuant to the requirements of California Government Code Section 56375.3 and other relevant provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (A.B. 720), the City is authorized to propose, and the Tulare County Local Agency Formation Commission ("Tulare LAFCo") is authorized to approve, annexations of unincorporated islands subject to certain streamlined terms and conditions;

WHEREAS, the City and the County are authorized to enter into property tax sharing agreements pursuant to California Revenue and Taxation Code Section 99 (d);
WHEREAS, the City and the County have a Master Property Tax Agreement that applies to the division of property tax revenues between the City and the County when and after property is annexed to the City;

WHEREAS, upon annexation of the unincorporated county islands identified in Exhibit 1, the City will assume certain obligations with respect to the provision of public services to such unincorporated county islands;

WHEREAS, such unincorporated county islands have been developed to a large extent and will require the immediate provision of public services when annexed by the City; and

WHEREAS, special provisions are necessary for allocation of the base tax for the City to provide necessary public services upon annexation of the unincorporated county islands identified in Exhibit 1.

NOW, THEREFORE, BE IT RESOLVED, that the County and the City agree as follows:

1. DEFINITIONS.
   a. Base Tax. The base tax shall be that amount of property tax revenues collected by the County of Tulare from the property in the affected county island in the tax year of the annexation prior to any adjustment for the Education Revenue Augmentation Fund ("ERA F").
   b. Tax Rate Area. The tax rate area ("TRA") shall be an area as defined in California Revenue and Taxation Code Section 95 within the existing city limits of the City of Porterville determined by the Tulare County Auditor to
be most similar in terms of property tax allocation characteristics to the area
to be annexed.

c. Education Revenue Augmentation Fund. ERAF shall refer to the property
tax revenue adjustment authorized by California Revenue and Taxation Code
Sections 97 et seq.

2. EXISTING MASTER PROPERTY TAX AGREEMENT INAPPLICABLE.

The City and the County agree that with respect to those unincorporated islands within the existing
city limits identified in Exhibit 1, the existing Master Property Tax Agreement between the City and
the County shall not be applicable. The existing agreement was adopted by the City pursuant to
Resolution 79-9327 and by the County pursuant to Resolution 79-48. The City and the County
desire to make a new property tax agreement to become applicable upon annexation of the
unincorporated areas identified in Exhibit 1. The City and the County have made this determination
because they have mutually determined that such parcels identified in Exhibit 1 are in various states
of development, and that annexation would create the immediate need for the City to provide
services, which could not be provided without some portion of the base tax being allocated to the
City.

3. TERM.

This agreement shall apply to annexations initiated by resolution of the City and completed by the
affected public entities pursuant to California Government Code Section 56375.3 on or before
4. **ADJUSTED PROPERTY TAX.**

The City and the County agree that the base tax shall be allocated according to the procedure described herein for the unincorporated islands identified in Exhibit 1 upon their completed annexation to the City. The specific procedures are set forth as follows:

a. Upon filing an application with the Tulare LAFCo to annex each of the unincorporated areas identified in Exhibit 1, the City and the County will request that the Tulare County Auditor identify a TRA within the existing incorporated area of the City with similar property tax allocation characteristics. Determination of the allocation of the base tax shall be a condition of annexation and the allocation shall be applied to the base tax and tax revenues resulting from any future assessed valuation change.

b. In the event the Tulare County Auditor does not provide the City and County with an allocation of the base tax determined by identification of a similar TRA prior to action by the Tulare LAFCo on the application for annexation, the City and the County agree that the City shall receive thirteen and seven tenths percent (13.7%) base tax prior to application of any adjustment for ERAF.

c. The City and the County agree further that after annexation of the unincorporated areas, the base tax and tax revenues resulting from any future assessed valuation change shall be allocated between the City and the County according to the property tax revenue allocations set forth in subparagraphs (a) or (b) of this paragraph.
d. To the extent that California Revenue and Taxation Code Section 99(b)(5) is applicable to any of the parcels identified in Exhibit 1, the Board of Supervisors of the County, prior to entering into negotiation on behalf of any affected special district for the exchange of property tax revenue, shall consult with such district. The consultation shall include, at a minimum, notification to each member and executive officer of the district board of the pending consultation and provision of adequate opportunity to comment on the negotiation.

5. PROCEDURES RELATED TO ERAF IMPLEMENTATION AND FUTURE ERAF ADJUSTMENTS.

a. In order to provide the City with the agreed upon portion of base tax, any share of the base tax previously shifted to the County Fire Fund will be shifted to the City share of base tax revenue. The County general share will then be reduced to achieve the agreed upon share for the City. This will preserve the allocated share of any ERAF adjustment at pre-annexation levels.

b. If at any time in the future, the State of California determines that the ERAF share from any annexed territory subject to this agreement should have been increased by the share previously accruing to the County Fire Fund, the adjustment shall be made from the City's allocated share of base tax.

c. In the event that the State of California modifies the ERAF adjustment applied to the base tax, the City shall share proportionately in such adjustment. For example, if the ERAF adjustment for the base tax is reduced, thereby increasing the net base tax, the
City and County portions of the base tax would be increased in proportion to their respective share of the base tax revenues.

6. **CONDITION PRECEDENT.**

Subject to the requirements of paragraph 4 herein, the only condition to implementation of this Agreement is the City’s filing with the Tulare LAFCo an application for annexation of all or any portion of the unincorporated islands identified in Exhibit 1. However, nothing in this Agreement shall be construed to relieve, diminish, or in any way alter either the City’s or the County’s exercise of its independent responsibilities and obligations to review, comment on, support, oppose, or act on any application for annexation of the unincorporated areas identified in Exhibit 1, as such responsibilities and obligations may be allowed by law.

7. **SPECIFIC PERFORMANCE.**

In addition to any other provision of law, either party may undertake any action to have the terms and conditions of this Agreement specifically enforced.

8. **GENERAL PROVISIONS.**

a. **Entire Agreement.** This Agreement, including the exhibit incorporated herein, constitutes the entire agreement of the parties hereto with respect to the matters contained herein, and no prior agreement or understanding concerning such matter shall be effective for any purpose. No provisions hereof may be amended or modified in any manner whatsoever, except by agreement in writing signed by the duly authorized representative of each of the parties hereto.
b. Successors. The terms, covenants and conditions hereof shall be binding upon, and shall inure to the benefit of, the successors and assigns of the parties hereto.

c. Further Action. The parties hereto agree to perform all necessary further acts to effectuate this Agreement, and to execute, acknowledge, and deliver any documents that may be necessary, appropriate, or desirable to carry out the purposes of this Agreement.

d. Waiver. A waiver of any breach of this Agreement by any parties shall not constitute a continuing waiver or a waiver of any subsequent breach of the same or any other provisions of this Agreement.

e. Termination of Agreement. This Agreement may be terminated upon material breach by any party hereto, and the affected party may pursue all rights and remedies allowed by law.

f. Choice of Laws. This Agreement shall be governed by the laws of the State of California and any questions arising hereunder shall be construed or determined according to such law.

g. Construction. This Agreement is a product of negotiation and compromise on the part of each party, and each party agrees that, notwithstanding Civil Code Section 1654, any ambiguity or uncertainty concerning the language of this Agreement will not be construed against the party causing the ambiguity or uncertainty to exist.

h. Headings. Headings at the beginning of each numbered section of this
Agreement are solely for the convenience of the parties and are not part of this Agreement.

i. Authority to Execute Agreement. Each signatory to this Agreement represents that such party has the authority to bind each party to this Agreement.

j. Effective Date of Agreement. After execution of this Agreement by the authorized representative of the City, the effective date of this Agreement shall commence on the date that the authorized representative of the County executes this Agreement. The effective date shall be reflected in the Introduction of this Agreement.
City of Porterville:

Pedro R. Martinez, Mayor

County of Tulare:

Bill Sanders, Chairman
Board of Supervisors

APPROVED AS TO FORM:

Julia Lew
City Attorney

Kathleen Bales-Lange
Deputy County Counsel
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE IN THE MATTER OF SHARING PROPERTY TAXES IN AREAS OF DEVELOPED CONTIGUOUS COUNTY AREAS ANNEXED INTO THE CITY OF PORTERVILLE

WHEREAS, Section 99(d) of the Revenue and Taxation Code authorizes Cities and Counties to enter into property tax sharing agreements;

WHEREAS, the City of Porterville and the County of Tulare currently have a Master Property Tax Agreement that applies to division of property tax revenues between the City and the County when and after property is annexed to the City;

WHEREAS, the City and the County acknowledge that upon annexation of the contiguous unincorporated county areas within the Urban Development Boundary identified in Exhibit 1 attached to the Property Tax Agreement (Contiguous Area Annexations), the City will assume certain obligations with respect to the provision of public services to such substantially developed unincorporated islands;

WHEREAS, such contiguous unincorporated areas have been developed to a large extent and will require the immediate provision of public services when annexed by the City; and

WHEREAS, special provisions are necessary for allocation of the base tax for the City to provide necessary public services upon annexation of the contiguous unincorporated county areas identified in Exhibit 1 attached to the Property Tax Sharing Agreement.

NOW THEREFORE BE IT RESOLVED, that the City and the County agree as follows:

SECTION 1: The City and County agree to a distribution of property taxes as outlined in the Property Tax Sharing Agreement for annexation of Contiguous County Areas attached hereto.

SECTION 2: That the existing Master Property Tax Sharing Agreement will remain in effect on undeveloped contiguous areas.

SECTION 3: That this resolution shall take effect with respect to the City of Porterville immediately upon the adoption of this resolution by the City of Porterville and County of Tulare.

________________________________________
Pedro R. Martinez, Mayor

Attest:

John Longley, City Clerk

Georgia Hawley, Deputy City Clerk
PROPERTY TAX AGREEMENT
(Contiguous Area Annexations)

INTRODUCTION

This Agreement is entered into and effective on this _____ day of _________ 2004 by and between the County of Tulare ("County") and the City of Porterville ("City").

RECITALS

WHEREAS, the County is a political subdivision of the State of California and recognized under of the general laws of the State of California;

WHEREAS, the City is a charter law city organized under the laws of the State of California;

WHEREAS, there exists adjacent to the city limits of the City of Porterville a number of unincorporated county areas, which are identified on attached Exhibit 1 incorporated by reference herein;

WHEREAS, pursuant to the requirements of California Government Code Section 56741 and other relevant provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (A.B. 720), the City is authorized to propose, and the Tulare County Local Agency Formation Commission ("Tulare LAFCo") is authorized to approve annexations of unincorporated areas within or contiguous to its boundaries, subject to certain terms and conditions;

WHEREAS, the City and the County are authorized to enter into property tax sharing agreements pursuant to California Revenue and Taxation Code Section 99(d);
WHEREAS, the City and the County have a Master Property Tax Agreement that applies to the division of property tax revenues between the City and the County when and after property is annexed to the City;

WHEREAS, upon annexation of the unincorporated county areas identified in Exhibit 1, the City will assume certain obligations with respect to the provision of public services to such unincorporated county areas;

WHEREAS, such unincorporated county areas have been developed to a large extent and will require the immediate provision of public services when annexed by the City; and

WHEREAS, special provisions are necessary for allocation of the base tax for the City to provide necessary public services upon annexation of the unincorporated county areas identified in Exhibit 1.

NOW, THEREFORE, BE IT RESOLVED, that the County and the City agree as follows:

1. DEFINITIONS.
   a. Base Tax. The base tax shall be that amount of property tax revenues collected by the County of Tulare from the property in the affected county area in the tax year of the annexation prior to any adjustment for the Education Revenue Augmentation Fund ("ERAF").
   b. Tax Rate Area. The tax rate area ("TRA") shall be an area as defined in California Revenue and Taxation Code Section 95 within the existing city limits of the City of Porterville determined by the Tulare County Auditor to
be most similar in terms of property tax allocation characteristics to the area to be annexed.

c. Education Revenue Augmentation Fund. ERAF shall refer to the property tax revenue adjustment authorized by California Revenue and Taxation Code Sections 97 et seq.

2. **EXISTING MASTER PROPERTY TAX AGREEMENT INAPPLICABLE.**

The City and the County agree that with respect to those unincorporated areas adjacent to the city limits identified in Exhibit 1, the existing Master Property Tax Agreement between the City and the County shall not be applicable. The existing agreement was adopted by the City pursuant to Resolution 9327 and by the County pursuant to Resolution 79-48. The City and the County desire to make a new property tax agreement to become applicable upon annexation of the unincorporated areas identified in Exhibit 1. The City and the County have made this determination because they have mutually determined that such parcels identified in Exhibit 1 are in various states of development, and that annexation would create the immediate need for the City to provide services, which could not be provided without some portion of the base tax being allocated to the City.

3. **TERM.**

This Agreement shall apply to annexations initiated by resolution of the City and completed by the affected public entities pursuant to California Government Code Section 56741 on or before January 1, 2007 unless it is extended beyond that date by mutual agreement of the parties.

4. **ADJUSTED PROPERTY TAX.**

The City and the County agree that the base tax shall be allocated according to the procedure
described herein for the unincorporated areas identified in Exhibit 1 upon their completed annexation to the City. The specific procedures are set forth as follows:

a. Upon filing an application with the Tulare LAFCo to annex each of the unincorporated areas identified in Exhibit 1, the City and the County will request that the Tulare County Auditor identify a TRA within the existing incorporated area of the City with similar property tax allocation characteristics. Determination of the allocation of the base tax shall be a condition of annexation and the allocation shall be applied to the base tax and tax revenues resulting from any future assessed valuation change.

b. In the event the Tulare County Auditor does not provide the City and County with an allocation of the base tax determined by identification of a similar TRA prior to action by the Tulare LAFCo on the application for annexation, the City and the County agree that the City shall receive thirteen and seven tenths percent (13.7%) base tax prior to application of any adjustment for ERAF.

c. The City and the County agree further that after annexation of the unincorporated areas, the base tax and tax revenues resulting from any future assessed valuation change shall be allocated between the City and the County according to the property tax revenue allocations set forth in subparagraphs (a) or (b) of this paragraph.

d. To the extent that California Revenue and Taxation Code Section 99(b)(5) is applicable to any of the parcels identified in Exhibit 1, the Board of
Supervisors of the County, prior to entering into negotiation on behalf of any affected special district for the exchange of property tax revenue, shall consult with such district. The consultation shall include, at a minimum, notification to each member and executive officer of the district board of the pending consultation and provision of adequate opportunity to comment on the negotiation.

5. PROCEDURES RELATED TO ERAF IMPLEMENTATION AND FUTURE ERAF ADJUSTMENT

a. In order to provide the City with the agreed upon portion of base tax, any share of the base tax previously shifted to the County Fire Fund will be shifted to the City share of base tax revenue. The County general share will then be reduced to achieve the agreed upon share for the City. This will preserve the allocated share of any ERAF adjustment at pre-annexation levels.

b. If at any time in the future, the State of California determines that the ERAF share from any annexed territory subject to this agreement should have been increased by the share previously accruing to the County Fire Fund, the adjustment shall be made from the City’s allocated share of base tax.

c. In the event that the State of California modifies the ERAF adjustment applied to the base tax, the City shall share proportionately in such adjustment. For example, if the ERAF adjustment for the base tax is reduced, thereby increasing the net base tax, the City and County portions of the base tax would be increased in proportion to their
respective share of the base tax revenues.

6. **CONDITION PRECEDENT.**

Subject to the requirements of paragraph 4 herein, the only condition to implementation of this Agreement is the City's filing with the Tulare LAFCo an application for annexation of all or any portion of the unincorporated islands identified in Exhibit 1. However, nothing in this Agreement shall be construed to relieve, diminish, or in any way alter either the City's or the County's exercise of its independent responsibilities and obligations to review, comment on, support, oppose, or act on any application for annexation of the unincorporated areas identified in Exhibit 1, as such responsibilities and obligations may be allowed by law.

7. **SPECIFIC PERFORMANCE.**

In addition to any other provision of law, either party may undertake any action to have the terms and conditions of this Agreement specifically enforced.

8. **GENERAL PROVISIONS.**

a. **Entire Agreement.** This Agreement, including the exhibit incorporated herein, constitutes the entire agreement of the parties hereto with respect to the matters contained herein, and no prior agreement or understanding concerning such matter shall be effective for any purpose. No provisions hereof may be amended or modified in any manner whatsoever, except by agreement in writing signed by the duly authorized representative of each of the parties hereto.
b. Successors. The terms, covenants and conditions hereof shall be binding upon, and shall inure to the benefit of, the successors and assigns of the parties hereto.

c. Further Action. The parties hereto agree to perform all necessary further acts to effectuate this Agreement, and to execute, acknowledge, and deliver any documents that may be necessary, appropriate, or desirable to carry out the purposes of this Agreement.

d. Waiver. A waiver of any breach of this Agreement by any parties shall not constitute a continuing waiver or a waiver of any subsequent breach of the same or any other provisions of this Agreement.

e. Termination of Agreement. This Agreement may be terminated upon material breach by any party hereto, and the affected party may pursue all rights and remedies allowed by law.

f. Choice of Laws. This Agreement shall be governed by the laws of the State of California and any questions arising hereunder shall be construed or determined according to such law.

g. Construction. This Agreement is a product of negotiation and compromise on the part of each party, and each party agrees that, notwithstanding Civil Code Section 1654, any ambiguity or uncertainty concerning the language of this Agreement will not be construed against the party causing the ambiguity or uncertainty to exist.

h. Headings. Headings at the beginning of each numbered section of this
Agreement are solely for the convenience of the parties and are not part of this
Agreement.

i. Authority to Execute Agreement. Each signatory to this Agreement
represents that such party has the authority to bind each party to this
Agreement.

j. Effective Date of Agreement. After execution of this Agreement by the
authorized representative of the City, the effective date of this Agreement shall
commence on the date that the authorized representative of the County
executes this Agreement. The effective date shall be reflected in the
Introduction of this Agreement.
City of Porterville:  

Pedro R. Martinez, Mayor  
City of Porterville  

County of Tulare:  

Bill Sanders, Chairman  
Board of Supervisors  

APPROVED AS TO FORM:  

Julia M. Lew  
City Attorney  

Kathleen Bales-Lange  
Deputy County Counsel
SUBJECT: SETTING THE TIME AND PLACE OF THE PUBLIC HEARING ON THE INTENT TO LEVY THE ANNUAL ASSESSMENT IN THE BUSINESS IMPROVEMENT AREA

SOURCE: Administrative Services, Finance Division

COMMENT: At the July 6, 2004 council meeting, the City Council accepted the 2004/2005 annual report of the Advisory Board of the Business Improvement Area of the City of Porterville. According to Chapter 3, Section 36534 of the California Streets and Highways Code, after approving the report, the City Council shall adopt a resolution of intention to levy an annual assessment for that fiscal year which shall include setting a time and place for a public hearing. That action was not requested at that time; this agenda item fulfills that requirement.

The Downtown Porterville Association Board of Directors, serving as the Advisory Board, is not proposing any changes to the boundaries of the improvement area or to the method and basis of levying the Business Improvement District assessment.

RECOMMENDATION: That the City Council, having approved the 2004/2005 annual report of the Downtown Porterville Association at its July 6, 2004 meeting:

1. Adopt a resolution of intention to levy an annual assessment for the fiscal year 2004/2005; and

ATTACHMENTS: Resolution of Intention
A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF PORTERVILLE, CALIFORNIA, DECLARING ITS
INTENTION TO LEVY AND COLLECT ASSESSMENTS WITHIN
THE PARKING AND BUSINESS IMPROVEMENT AREA FOR
THE FISCAL YEAR 2004/2005, CLASSIFYING VARIOUS
BUSINESSES FOR SUCH PURPOSES, DESCRIBING THE BOUNDARIES
OF THE PROPOSED AREA, THE AUTHORIZED USES TO WHICH THE
PROPOSED REVENUES SHALL BE PUT, THE RATE OF SUCH CHARGES,
FIXING THE TIME AND PLACE OF A HEARING TO BE HELD BY THE
CITY COUNCIL TO CONSIDER THE LEVY OF THE PROPOSED
ASSESSMENT, AND DIRECTING THE GIVING OF NOTICE OF SUCH HEARING

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORTERVILLE:

Section 1. Name. The name of the business improvement area is the “Business Improvement Area of the City of Porterville,” hereinafter referred to as the “Area.”

Section 2. Levy of Assessment and Charge in Addition to Business Operations Tax for the Fiscal Year 2004/2005. It is proposed that an assessment and/or charge be imposed which is in addition to the business operations tax as it is or may be imposed pursuant to Chapter 15 (Licenses) of the Porterville City Code. Such additional assessment and/or charge to be imposed at the rates hereinafter set forth for the specified business classifications.

Section 3. Classification of Businesses and Charges Imposed. It is proposed that the business conducted in the Area be classified as follows so as to promote the equitable imposition of the additional assessment/charge hereunder in relation to the relative benefits to be derived. The proposed assessment/charge over and above the business operations tax imposed on each business within the Area shall be calculated based on the following formula:

Assessment and charges totaling an amount (not to exceed $500.00 semi-annually) equal to 100% of the amount paid to the City of Porterville for a business license shall be paid by each business having a business license within the Area of Benefit.

The determination of the type or class of business or businesses an assessment/charge payer is engaged in or about to engage in shall be an administrative function of the Purchasing Agent or designee of the City of Porterville in accordance with Chapter 15 of the Code of the City of Porterville.

Section 4. Authorized Use. The proposed authorized uses to which the proposed revenue shall be put are as follows:

(a) The acquisition, construction, or maintenance of parking facilities for the benefit of the Area;
(b) Decoration of any public place in the Area;
(c) Promotion of public events which are to take place on or in public places in the Area;
(d) Furnishing of music in any public place in the Area; and
(e) The general promotion of business activities in the Area.
Section 5. Area and Benefit Zone. A description of the Area is as follows:

All property within the boundaries of the following described lines:

Beginning at the intersection of the north right of way line of Olive Avenue with the east line of the Southern Pacific Railroad property, said line being 50 feet east of the center of the main track; thence northerly along said line and parallel to said main track 2,780 feet, more or less, to its intersection with the south right of way line of Morton Avenue; thence easterly along the south right of way line of Morton Avenue 1,067 feet, more or less, to its intersection with the south right of way line of Cleveland Avenue; thence easterly along said south right of way, 170 feet, more or less to the west line of an alley; thence southerly along the west line of the alley 1,890 feet, more or less, to its intersection with the north right of way line of Olive Avenue; thence west along said right of way line, 1,230 feet, more or less, back to the point of beginning.

Section 6. Report from the Area Advisory Board. In accordance with Chapter 3, Section 36533 of the Parking and Business Improvement Area Law of 1989, the Advisory Board has filed a report with the City Clerk with a full and detailed description of the improvements and activities to be provided for the fiscal year 2004/2005 and the proposed cost of providing such improvements and activities.

Section 7. Time and Place of Hearing. Notice. Notice is hereby given that the 3rd day of August, 2004, at a regular meeting of the City Council to commence at or about 7:00 p.m., in the Council Chambers of the City Hall at 291 North Main Street, Porterville, California, is the time and place fixed for the hearing on this Resolution of Intention for the levy and collection of assessments within the parking and business improvement area for the fiscal year 2004/2005.

At such public hearing, written and oral protests may be made. The form and manner of protests shall comply with Sections 36524 and 36525 of the California Streets and Highways Code.

Section 8. Publication and Mailing of Notice. The City Clerk shall cause this Resolution of Intention to be published at least once in the official newspaper of the City of Porterville, the first publication to be at least ten (10) days prior to the date of said hearing.

Pedro R. Martinez, Mayor

ATTEST:

John Longley, City Clerk
CITY COUNCIL AGENDA: JULY 20, 2004

SUBJECT: BUSINESS RECOGNITION PROGRAM

SOURCE: COMMUNITY DEVELOPMENT DEPARTMENT – ECONOMIC DEVELOPMENT

COMMENT: The City’s successful “Excellence in Business” dinners were started by the City and the Chamber of Commerce in 1998 in recognition of the vital role existing companies play in our community’s economic base. The City’s Economic Development Strategic Plan (Jobs Plan), adopted in 2000, called for an annual business recognition event to be continued.

Economic times and the desire to adjust the program have prompted the business recognition program modification to one that meets the goals of recognizing businesses within the community and, also, is fiscally conservative. To meet the goal, staff is proposing changes in the business recognition program as follows:

RECOGNITION COMPONENT:

- Each trimester, recognize 1 honoree during Council meeting
- Present each honoree with a plaque
- Place an advertisement in the local newspaper congratulating the honoree
- Highlight the honoree in the City’s newsletter
- Provide link from the City’s website to the honoree’s website
- Recognition of all honorees (3 annually) during the Chamber of Commerce’s “First Friday Coffee” each December

SELECTION CRITERIA:

Selection to include at least one of the following:

- Proven longevity in Porterville
- Major employer
- Significant business growth with a year’s time
- Porterville community supporter
- Innovative company

Funding for the business recognition program has historically been made from the Community Promotion budget.

RECOMMENDATION: That the City Council authorize staff to proceed with implementation of the business recognition program.
SUBJECT: AMENDMENT TO TRAFFIC RESOLUTION NO. 10-2001 - DESIGNATION OF BELLEVUE AVENUE AND COTTAGE STREET AS A STOP INTERSECTION

SOURCE: Public Works Department - Engineering Division

COMMENT: Periodically staff reviews Traffic Resolution No. 10-2001 to make recommendations to City Council for changes that will make the resolution consistent with recent developments.

A recent field review of the intersection of Bellevue Avenue and Cottage Street shows that the intersection has an exaggerated alignment skew. This alignment skew makes it difficult for traffic entering the intersection to get a clear view of the three (3) other streets legs.

This intersection warrants its designation as a stop intersection. The designation will allow staff to install four-way stop signs.

RECOMMENDATION: That City Council approve the proposed amendments to Traffic Resolution No. 10-2001.

ATTACHMENTS: Locator Map
Resolution

Y:\Engineering\Council Items\Amendment to Traffic Resolution #10-2001 - Stop Intersection at Bellevue and Cottage.wpd
RESOLUTION NO. ___

A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF PORTERVILLE
AMENDING TRAFFIC RESOLUTION NO. 10-2001

WHEREAS, per Traffic Ordinance No. 1162, Traffic Resolution No. 10-2001 defines and establishes certain streets and parts of streets in the City of Porterville as one way streets, through streets, stop intersections, no parking areas, diagonal parking zones, no parking zones, truck routes and commercial vehicles prohibited streets; and

WHEREAS, the Traffic Resolution needs to be amended;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Porterville that the following change be made to Section 21 of Traffic Resolution No. 10-2001:

Section 21. Through Streets and Stop Intersections. Add to Section 21 the following:

21-146. The intersection of Belleview Avenue and Cottage Street.

______________________________
Pedro R. Martinez, Mayor

ATTEST:

John Longley, City Clerk

By: Georgia Hawley, Deputy City Clerk

SOURCE: Department of Parks and Leisure Services

COMMENT: The City has created twenty-eight landscape and lighting maintenance districts since 1989. Annually, a process of evaluating maintenance needs and establishing our assessment for each LMD must be followed.

The attached resolutions are necessary to approve the Engineer's Report which shows the proposed assessments and sets the public hearing to levy and collect assessments for the 2004-2005 fiscal year. Assessments will be collected by the County of Tulare on the property owners' tax bill as a special assessment.

RECOMMENDATION: That the City Council approve the resolutions ordering: The Preparation of the Engineer's Report; The Engineer's Report; and set the Public Hearing for the proposed assessment for August 3, 2004.

RESOLUTION NO.: __________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, ORDERING THE PREPARATION OF AN ENGINEERS REPORT FOR LANDSCAPE AND MAINTENANCE DISTRICTS FOR FISCAL YEAR 2004 - 2005

WHEREAS, by the adoption of Resolution No. 26-89, the City Council of the City of Porterville determined that the public interest, convenience and necessity required the installation and planting of landscape materials and the installation and construction of an irrigation system and other facilities set forth in Section 22525 of the Streets and Highways Code, State of California, and the maintenance thereof along the easterly boundary of Westwood Estates, as shown on map; and

WHEREAS, the City Council of the City of Porterville has determined that the public interest, convenience and necessity required similar improvements on other developments and adopted resolutions requiring said improvements; and

WHEREAS, the City Engineer was appointed "Engineer of Work" with all provisions of Division 15 applicable to the Engineer applied to said "Engineer of Work"; and

WHEREAS, Section 22622 requires that an Engineer's Report be prepared and filed annually, outlining the assessments to be levied against the properties within the assessment district.

NOW, THEREFORE, be it resolved by the City Council of the City of Porterville that the Engineer of Work is ordered to prepare the report for fiscal year 2003 - 2004 in accordance with Article 4, Division 15, of the Streets and Highways Code, "Landscaping and Lighting Act of 1972" of the State of California.


_______________________________
Pedro R. Martinez, Mayor

ATTEST:

_______________________________
Georgia Hawley, Deputy Clerk
RESOLUTION NO.: ______________________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, OF PRELIMINARY APPROVAL OF ENGINEER'S REPORT FOR FISCAL YEAR 2004-2005 FOR LANDSCAPE AND LIGHTING MAINTENANCE DISTRICTS

RESOLVED by the City Council of the City of Porterville that:

WHEREAS, on the 20th day of July, 2004 said City Council did adopt its Resolution No.________ directing the Engineer of Work to make and file with the City Clerk of said City a report in writing as required by the Landscaping and Lighting Act of 1972 for Fiscal Year 2004-2005;

WHEREAS, said Engineer of Work has made and filed with the City Clerk of said City a report in writing as called for in said Resolution and under and pursuant to said Act, which report has been presented to this Council for consideration;

WHEREAS, said Council has duly considered said report and each and every part thereof, and finds that each and every part of said report is sufficient, and that neither said report, nor any part thereof, requires or should be modified.

NOW THEREFORE, it is ordered as follows:

1. That the Engineer’s Estimate of the itemized costs and expenses of said work and of the incidental expenses in connection therewith, contained in said report be, and each of them are hereby preliminarily approved and confirmed.

2. That the diagram showing the Assessment District referred to and described in said report, the boundaries of the subdivision of land within said Assessment District as the same existed at the time of passage of said Resolution, are hereby preliminarily approved and confirmed.

3. That the proposed assessments upon the subdivisions of land in said Assessment District are in proportion to the estimated benefit to be received by said subdivisions, respectively, from said work and of the incidental expenses thereof, as contained in said report, are hereby preliminarily approved and confirmed.

4. That said report shall stand as the Engineer’s Report for the purposes of all subsequent proceedings, and pursuant to the proposed district.
Reference is hereby made to said maps for further, full and more particular description of said Assessment District, and the same maps so on file shall govern for all details as to the extent of said Assessment District.

Report of Engineer

Section 1: The City Council by Resolution No. ___________ has approved the report of the Engineer of Work, which report indicates the amount of the proposed assessment, the district boundary, detailed description of improvements, and the method of assessment. The report title "Engineer's Report, Landscape and Lighting Maintenance District No. 1, 2004-2005 Fiscal Year" is on file in the office of the City Clerk of said City, and was prepared for the 2004-2005 fiscal year in accordance with the Landscaping and Lighting act of 1972. Reference to said report is hereby made for all particulars for the amount and extent of the assessments and for the extent of work.

Certification

Section 6: The City Clerk shall certify to the adoption of this Resolution.

APPROVED AND ADOPTED this 20th day of July, 2004.

________________________
Pedro R. Martinez, Mayor

ATTEST:

John Longley, City Clerk

By: _______________________
    Georgia Hawley, Deputy Clerk
CITY OF PORTERVILLE, CALIFORNIA
ENGINEER'S REPORT FOR
LANDSCAPE AND LIGHTING MAINTENANCE DISTRICTS
2004-2005 FISCAL YEAR

SECTION 1. Authority for Report

This report is prepared by order of the City Council of the City of Porterville, Resolution Number _______. The report is in compliance with the requirements of Chapter 1, Article 4, and Chapter 3, Division 15 of the Streets and Highways Code, State of California (Landscaping and Lighting Act of 1972).

SECTION 2. General Description

The City Council has heretofore elected to place the permanent landscape area along Westwood Street of Westwood Estates, Unit 1, 2, and 3 subdivisions, into Landscape and Lighting Maintenance District No. 1 and to annex the permanent landscape areas along the perimeter streets of the following developments:

1. Annexation No. 1 = The Hope Drive, Newcomb Street, Thunderbolt Drive and Corsair Drive frontages of the Airport Industrial Park;

2. Annexation No. 2 = Hillcrest Street right-of-way, fire access road, Jasmine Drive entries; west perimeter including the parcel on which the water tank is located, viewpoint look-out parcel at the northwest corner of Jasmine Ranch Subdivision, and the pedestrian access to each cul-de-sac from Hillcrest Street;

3. Annexation No. 3 = Porter Creek Avenue right-of-way to the center line of the Porter Slough, median entry, 15' landscape area between Porter Creek Subdivision block wall to Westwood Street, the pedestrian access bridge over Porter Slough and all of the maintenance area to the center line of Porter Slough;

4. Annexation No. 4 = LaVida Park Subdivision green belt, east on Plum Way Street and the entries east along Beverly Street;

5. Annexation No. 5 = Westwood Estates #4 Subdivision, along the north and south entries adjacent to the block wall on Westwood
Street and the median divider on White Chapel Lane including all trees in front yard planting strip;

6. Annexation No. 6 = Northpointe Subdivision includes subdivision lighting located south of Westfield Avenue and east of Mathew Street;

7. Annexation No. 7 = Quail Park Phase II Subdivision located on Lime Street;

8. Annexation No. 8 = Westwood Park Unit Three Subdivision located on Westwood Street adjacent to the Tule River;

9. Annexation No. 9 = Parcel Map No. 4132 located on the corner of Henderson Avenue and Westwood Street;

10. Annexation No. 10 = Westview Subdivision located on the corner of Westfield Avenue and Cobb Street;

11. Annexation No. 11 = New Horizons Phase One Subdivision and the remainder parcel located along Springville Ave. and Indiana Street;

12. Annexation No. 12 = Sunrise Estates Phase Six Subdivision located on the corner of Prospect Street and Orange Avenue;

13. Annexation No. 13 = Prospect Gardens formation withdrawn by developer;

14. Annexation No. 14 = Wisconsin Manor I Subdivision located on the corner of Wisconsin Way and Mulberry Avenue;

15. Annexation No. 15 = Northpointe Phase II Subdivision located on Mathew Street;

16. Annexation No. 16 = New Horizons Phase II located on the corner of Indiana Street and Springville Avenue;

17. Annexation No. 17 = TREDC Industrial Park located at West Street and Yowlumne Avenue (not formed);

18. Annexation No. 18 = Westwood Mobile Home Park Phase I Subdivision located on Westwood Street and Olive Avenue;
19. Annexation No. 19 = Castle Woods Phase I Subdivision located along Castle Avenue and Newcomb Street;

20. District No. 2 = North Creek Estates located on Westwood north of Westfield;

21. District No. 3 = New Expressions Phase I Subdivision located along Indiana Street between Springville Avenue and Cleo Avenue;

22. District No. 4 = River Springs Phase I Subdivision located along Newcomb Street;

23. District No. 5 = Castle Woods Phase II Subdivision located at Median Avenue and Salisbury.

24. District No. 6 = Creekview Estates located between Porter Creek Avenue and the property line in Porter Slough;

25. District No. 7 = Ford Estates located on the corner of Roby and Westwood Avenue;

26. District No. 8 = River Breeze located on Newcomb Street between Patsy and Spring Streets;

27. District No. 9 = Orchard Ridge Phase 3 located on Mathew Street between Nancy Avenue, Cheryll Avenue and Belmont Street;

28. District No. 10 = Orchard Ridge Phase 4 located on LaVida Court and Carmelo Street;

29. District No. 11 = Orchard Ridge Phase 5 located on Mathew Street between LaVida Avenue, Michael Street and Julieanne Avenue.

30. District No. 12 = Westwood Estates, Unit 5, Phase 2, located on Henderson Avenue and Brandy Way.

31. District No. 13 = River Ranch 3, located on Lloyd Avenue and Newcomb Street.

32. District No. 14 = River Springs, Phase Two Subdivision, located on River Avenue, Beverly Street, Date Avenue and River Springs Drive.

33. District No. 15 = Meadowood, Phase One Subdivision, located on
Newcomb Street, Cheryl Avenue and York Street.

34. District No. 16 = New Expressions, Phase Two Subdivision, located on Lybarger Avenue Cul de Sac at the entry to the Tule River Parkway Trail.

35. District No. 17 = Orchard Ridge Phase 6 Subdivision located north of Westfield Avenue between Michael Street and Lombardi Street on Julieann Avenue and Michael Street.

36. District No. 18 = Ohio North Subdivision located on Ohio Way Street.

37. District No. 19 = Williams Ranch, Phase One located south of Westfield Avenue on Silver Maple Street, Wall Court and San Lucia Court.

38. District No. 20 = West View Place Subdivision located on Median Avenue.

39. District No. 21 = Orchard Ridge Phase Seven Subdivision located on Pioneer Avenue, Michael Street and Mathew Street.

40. District No. 22 = Meadowood Phase Two Subdivision located on Newcomb Street, Pioneer Avenue, Julieann Avenue, Greenfield Street, York Street and Birch Street.

41. District No. 23 = Riverview Estates Phase Three Subdivision located on Roby Avenue, Belmont Street, Orange Avenue and Parkwest Street.

42. District No. 24 = Orchard Ridge, Phase Eight Subdivision located on Mathew Street, Michael Street, Pamela Avenue and Santa Maria Avenue.

43. District No. 25 = Casas Del Rio Subdivision located on Date Street, Casas Del Rio Avenue, Presidio Avenue, Rio Bonito Street, Alamo Court, Camellia Street, Tule Court and Rio Vista Avenue.

44. District No. 26 = Orchard Ridge, Phase Nine Subdivision located on Belmont Street, Pamela, Santa Maria and Pioneer Avenues.

45. District No. 27 = New Expressions, Phase Three Subdivision located
on Springville Avenue, Cleo Avenue and McIntire Avenue along Wisconsin Street.

46. District No. 28 = Meadowood, Phase Three Subdivision located on Westfield Avenue, Cheryll Avenue, Salisbury Street, Julieann Avenue and Pioneer Avenue.

SECTION 3. Plans and Specifications

The plans and specifications for the landscaping have been prepared by the developers' engineers and have been approved as part of the improvement plans for the various developments. The plans and specifications for the landscaping are in conformance with the requirements of the City Council's conditions of approval of said Parcel Maps and Subdivisions.

Reference is hereby made to said subdivision maps, parcel maps and assessment diagrams for the exact location of the landscape areas. The plans and specifications by reference are hereby made a part of this report to the same extent as if said plans and specifications were attached hereto.

SECTION 4. Improvements

Landscaping improvements will include landscaping the entry ways, medians and areas behind subdivision block wall.

SECTION 5. Estimated Maintenance Costs

Maintenance is currently being performed by City staff and contract services. Accordingly, the City's record-keeping will be required to be sufficiently accurate to detail the expenses incurred on behalf of each individual annexation so that these costs may be recaptured through assessments.

The City Finance Department presently maintains records of expenditures for each annexation. Because of the restrictions placed upon municipal budgets through the passage of Proposition No. 218 and the lag between the time assessments are made and revenues are collected by the City, it is appropriate that assessments be made in advance of the anticipated expenditures to provide working capital for the maintenance effort.

The following assessments include costs accumulated to date and estimated costs for the 2004-2005 fiscal year for Landscape and Lighting District No. 1, including Annexations 1 through 19 and District 2 through 28:
Landscape and Lighting Maintenance District #1-Westwood Estates Subdivision

(Original Formation)
2004-2005 Fiscal Year
Approved CPI 2000

Maintenance
Landscaping: 13,650 sq. ft. of landscaped area
@ $4.121978 per square foot per year
Water: $.35 per sq. ft. x 13,650 sq. ft.
Incidental Expenses
Project Management, 126 lots @ $8 per lot
Contingency

Estimated Cost Per Year
Estimated July 1 Fund Balance

C.P.I. Increase of 2.2% for Fiscal Year 2003-2004
plus 0.5% for fiscal year 2004-2005 applied to
reduce deficit = 2.7% x $13,251.18

2004-2005 Assessment

Annexation No. 1 - Airport Industrial Park
2004-2005 Fiscal Year

Construction
Maintenance
Labor/Utilities
Vandalism and Sprinkler Repair
Incidental Expenses
Administration and Engineering
Contingency

Estimated Cost Per Year
Estimated July 1, 2004 Fund Balance
2004-2005 Assessment
Annexation No. 2 - Jasmine Ranch  
2004-2005 Fiscal Year

**Maintenance (Unit 1)**

Labor, utilities, 22,100 sq. ft. @ $3303167 per sq. ft. per year  $7,300.00

(Turf: entries along Hillcrest)

**Incidental Expenses**

Project Management Costs, 22 lots @ $8 per lot  $176.00

Contingency  $524.00

**Estimated Cost Per Year**  $8,000.00

**Estimated July 1, 2004 Fund Balance**  $2,655.99

**2004-2005 Assessment**  $8,000.00

---

Annexation No. 3 - Porter Creek  
2004-2005 Fiscal Year

**Approved CPI 2000**


**Maintenance**

Labor, utilities, 89,200 sq. ft. @ $249187  $22,227.46

per sq. ft. per year includes Slough Clean Up

**Incidental Expenses**

Project Management Costs, 177 lots @ $8 per lot  $1,416.00

**Estimated Cost Per Year**  $23,643.46

---

**Estimated July 1, 2004 Fund Balance**  ($5,343.64)

**2004-2005 Assessment**  $23,643.46

---

Annexation No. 4 - LaVida Park  
2004-2005 Fiscal Year

**Maintenance**

Labor, utilities, 3,790 sq. ft. @ $615678  $2,333.42

per sq. ft. per year
Incidental Expenses
Project Management Costs, 17 lots @ $8 per lot $136.00

Estimated Cost Per Year $2,469.42

Estimated July 1, 2004 Fund Balance ($2,612.43)

2004-2005 Assessment $2,469.42

Annexation No. 5 - Westwood Estates Unit Four,
Unit Five (Phase 1)
2004-2005 Fiscal Year
Approved CPI 1999

Maintenance
Labor, utilities, 14,700 sq. ft. @ $.3692762 $5,428.36
per sq. ft. per year

Incidental Expenses
Project Management Costs, 47 lots @ $8 per lot $376.00

Estimated Cost Per Year $5,804.36

Estimated July 1, 2004 Fund Balance ($8,849.08)

CPI Increase of 0.5% for Fiscal Year 2004-2005
applied to reduce deficit = 0.5% x $5,804.36 $29.02

2004-2005 Assessment $5,833.38

Annexation No. 6 - Northpointe
2004-2005 Fiscal Year

Maintenance
Labor, utilities, lighting
11 ea., 5,800 lumen fixtures @ $30.20 per year $332.20
8 ea., 9,500 lumen fixtures @ $36.29 per year $290.32

Incidental Expenses
Project Management Costs, 81 lots @ $8 per lot $648.00
Contingency $452.00

2004-2005 Estimated Cost $1,722.52

Estimated July 1, 2004 Fund Balance $8,704.59
(Refund checks to be issued, $8,300.26/81 lots = $102.47 per lot)

2004-2005 Assessment $1,722.52

Annexation No. 7 - Quail Park Phase II  
2004-2005 Fiscal Year

<table>
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<tr>
<th>Description</th>
<th>Cost</th>
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<tbody>
<tr>
<td>Lighting</td>
<td></td>
</tr>
<tr>
<td>2 fixtures @ 5,800 lumens @ $30.20 per year</td>
<td>$60.40</td>
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<td>Incidental Expenses</td>
<td></td>
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<td>Project Management Costs, 12 lots @ $8 per lot</td>
<td>$96.00</td>
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<td>Contingency</td>
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<td>$1,068.36</td>
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<td>2004-2005 Assessment</td>
<td>$410.40</td>
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Annexation No. 8 - Westwood Park Unit Three  
2004-2005 Fiscal Year

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<tr>
<th>Description</th>
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<tbody>
<tr>
<td>Maintenance (Unit Three)</td>
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<tr>
<td>Labor for weed abatement, 28,460 sq. ft. @ $.0605411 per sq. ft. per year</td>
<td>$1,723.00</td>
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<tr>
<td>Lighting</td>
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<tr>
<td>4 fixtures, 5,800 lumens @ $30.20 per year</td>
<td>$120.80</td>
</tr>
<tr>
<td>1 fixture, 16,000 lumens @ $47.47 per year</td>
<td>$47.47</td>
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<tr>
<td>Incidental Expenses</td>
<td></td>
</tr>
<tr>
<td>Project Management Costs, 36 lots @ $8 per lot</td>
<td>$288.00</td>
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<tr>
<td>Contingency</td>
<td>$302.00</td>
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<td>2004-2005 Estimated Cost</td>
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<td>Estimated July 1, 2004 Fund Balance</td>
<td>$5,656.30</td>
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<td>2004-2005 Assessment</td>
<td>$2,481.27</td>
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Annexation No. 9 - Parcel Map 4132  
2004-2005 Fiscal Year

<table>
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<th>Cost</th>
</tr>
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<tbody>
<tr>
<td>Lighting</td>
<td></td>
</tr>
<tr>
<td>1 ea. 16,000 lumens @ $47.47</td>
<td>$47.47</td>
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</table>
Incidental Expenses
Administrative & Engineering $300.00
Contingency $49.00

Estimated Cost Per Year $396.47

Estimated July 1, 2004 Fund Balance $1,980.86

(Refund checks to be issued, P1 = $650.00
P2 = $1,158.00)

2004-2005 Assessment $396.47

Annexation No. 10 - Westview Subdivision
2004-2005 Fiscal Year

Maintenance
Labor & utilities for landscaping,
1,307 sq. ft. @ $.8825554 sq. ft. per year $1,153.50

Lighting
4 ea. fixtures, 5,800 lumens @ $30.20 per year $120.80

Incidental Expenses
Project Management Costs, 16 lots @ $8 per lot $128.00
Contingency $422.00

Estimated Cost Per Year $1,824.30

Estimated July 1, 2004 Fund Balance $1,930.19

2004-2005 Assessment $1,824.30

Annexation No. 11 - New Horizon's Phase One
2004-2005 Fiscal Year

Lighting
6 fixtures, 5,800 lumen @ $30.20 per year $181.20
2 fixtures, 16,000 lumen @ $47.47 per year $94.94
11 fixtures, 9,800 lumen @ $36.29 per year $399.19

Incidental Expenses
Administration & Engineering $300.00
Contingency $70.47

Estimated Cost Per Year $1,045.80
Estimated July 1, 2004 Fund Balance $1,613.83

2004-2005 Assessment $1,045.80

Annexation No. 12 - Sunrise Estates Phase Six
2004-2005 Fiscal Year

Landscaping
2,840 sq. ft. @ $.3385915 sq. ft. $961.60

Lighting
7 fixtures, 5,800 lumens $30.20 per year $211.40

Incidental Expenses
Project Management Costs, 32 lots @ $8 per lot $256.00

Estimated Cost Per Year $1,429.00

Estimated July 1, 2004 Fund Balance ($225.01)

2004-2005 Assessment $1,429.00

Annexation No. 13 - Prospect Gardens

Owner delayed annexation.

Annexation No. 14 - Wisconsin Manor I Subdivision
2004-2005 Fiscal Year

Maintenance
Labor for landscaping and irrigation,

3,030 sq. ft. @ $.474947 per sq. ft. per year $1,439.09

Lighting
3 fixtures, 5,800 lumens @ $30.20 per year $90.60

Incidental Expenses
Project Management Costs, 8 lots @ $8 per lot $64.00

Contingency $231.00

Estimated Cost Per Year $1,824.69

Estimated July 1, 2004 Fund Balance ($1,437.50)

2004-2005 Assessment $1,824.69
Annexation No. 15 - Northpointe Phase II Subdivision
2004-2005 Fiscal Year

**Maintenance**
Labor for landscaping and irrigation, 3,600 sq. ft. @ $.57 per sq. ft. per year $2,052.00

**Lighting**
5 fixtures, 5,800 lumens @ $30.20 per year $151.00
1 fixture, 9,500 lumens @ $36.29 per year $36.29

**Incidental Expenses**
Project Management Costs, 59 lots @ $8 per lot $472.00
Contingency $104.71

**Estimated Cost Per Year** $2,816.00

**Estimated July 1, 2004 Fund Balance** $9,502.52

(Reduction checks to be issued, $8,850/59 lots = $150 per lot)

**2004-2005 Assessment** $2,816.00

Annexation No. 16 - New Horizon's Phase II Subdivision
2004-2005 Fiscal Year

**Lighting**
8 fixtures, 5,800 lumens @ $30.20 per year $241.60
8 fixtures, 9,500 lumens @ $36.29 per year $290.32

**Incidental Expenses**
Project Management Cost, 81 lots @ $8 per lot $648.00
Contingency $623.42

**Estimated Cost Per Year** $1,803.34

**Estimated July 1, 2004 Fund Balance** $3,686.27

**2004-2005 Assessment** $1,803.34

Annexation No. 17 - TREDI Industrial Park
2004-2005 Fiscal Year

Formation failed.

Annexation No. 18 - Westwood Village Mobile Home Park, Phase I
2004-2005 Fiscal Year

**Lighting**
5 fixtures, 16,000 lumens @ $47.47 per year $237.35

**Incidental Expenses**
Administration and Engineering $350.00
Contingency $200.00

**Estimated Cost Per Year**
$787.35

**Estimated July 1, 2004 Fund Balance**
$2,668.93

(Refund Check to be issued = $2,542.66)

**2004-2005 Assessment**
$787.35

Annexation No. 19 - Castle Woods Phase I Subdivision
2004-2005 Fiscal Year

**Lighting**
1 fixture, 16,000 lumens @ $47.47 $47.47
per year
9 fixtures, 5,800 lumens @ $30.20 $271.80
per year

**Incidental Expenses**
Project Management Costs, 30 lots @ $8 per lot $240.00
Contingency $359.93

**Estimated Costs Per Year**
$919.20

**Estimated July 1, 2004 Fund Balance**
$198.94

**2004-2005 Assessment**
$919.20

District No. 2 - North Creek Subdivision
2004-2005
CPI Approved 1998

**Landscape & Irrigation**
Landscaping 12,677 sq. ft. @ $.4462151 $5,656.67
Water, 12,677 sq. ft. @ $.35 per sq. ft. $4,436.95

**Lighting**
18 fixtures, 5,800 lumens @ $30.20 per year $543.60
2 fixtures, 9,500 lumens @ $36.29 per year $72.58
3 fixtures, 16,000 lumens @ $47.47 per year $379.76

**Incidental Expenses**
Project Management Costs, 104 lots @ $8 per lot $832.00
Contingency $689.48

2004-2005 Estimated Costs $12,611.05

Estimated Fund Balance $7,147.32

2004-2005 Assessment $12,611.04

District No. 3 - New Expressions, Phase 1
2004-2005
CPI Approved 1998

Lighting
10 fixtures, 5,800 lumen @ $33.47 $334.68

Incidental Expenses
Project Management Costs, 56 lots @ $8 per lot $448.00
Contingency $180.74

Estimated Costs Per Year $963.42

Estimated July 1, 2004 Fund Balance $1,223.16

2004-2005 Assessment $963.42

District No. 4 - River Springs, Phase 1
2004-2005
CPI Approved 1998

Landscape & Irrigation
2,100 sq. ft. @ $0.83447 sq. ft. $1,752.39

Lighting
8 fixtures, 5,800 lumen @ $30.21 per year $241.68
2 fixtures, 16,000 lumen @ $47.47 per year $94.94

Incidental Expenses
Project Management Cost, 51 lots @ $8 per lot $408.00
Contingency $222.13

Estimated Costs Per Year $2,719.14

Estimated July 1, 2004 Fund Balance $566.08
2004-2005 Assessment $2,719.14

District No. 5 - Castle Woods, Phase 2
2004-2005
CPI Approved 2002

Landscape and Irrigation
Shrubs, turf, trees, irrigation - 1,715 sq. ft. @ .40¢
per sq. ft. = $686.00. Total lots Phase One; 30, Phase
Two; 25; Total = 55 lots, phase Two cost; 25 lots @ $12.48
per lot

Lighting
8 fixtures, 5,800 lumens @ $30.21 per year

Incidental Expenses
Project Management Costs, 25 lots @ $8 per lot
Reserve Fund

Estimated Costs Per Year

Estimated July 1, 2004 Fund Balance

C.P.I Increase of 0.5% for Fiscal Year 2004-2005
applied to reduce deficit = 0.5% x $885.81
2004-2005 Assessment

District No. 6 - Creek View
2004-2005
CPI Approved by vote 1999

Landscape & Irrigation
Landscape 23,600 sq.ft. @ $.1427485 per sq. ft.
5 fixtures, 5,800 lumen @ $30.20 each

Incidental Expenses
Project Management cost, 19 lots @ $8 per lot
Contingency

Estimated cost Per Year
Estimated July 1, 2004 Fund Balance

CPI increase of 0.5% for Fiscal Year 2004-005
Applied to reduce deficit =0.5% x 4,219.86
2004-2005 Assessment

District No. 7 - Ford Estates
2004-2005
CPI Approved 1999

**Landscape & Irrigation**
- Landscape 1,365 sq.ft. @ $0.6396703 per sq. ft.
  - $873.15
- Water @ 1,365 sq. ft. @ $0.35 per sq. ft.
  - $477.75

**Lighting**
- 4 fixtures, 5,800 lumen @$30.21 per year
  - $120.84
- 1 fixture, 16,000 lumen @ $47.47 per year
  - $47.47

**Incidental Expenses**
- Project Management Costs, 20 lots @ $8 per lot
  - $160.00
- Contingency
  - $484.19

**Estimated Cost Per Year**
- $2,163.40

**Estimated July 1, 2004 Fund Balance**
- $3,053.24

2004-2005 Assessment
- $2,163.40

District No. 8 - River Breeze
2004-2005
CPI Approved 1999

**Landscape & Irrigation**
- Landscape 1,000 sq.ft. @ $2.25 per sq. ft.
  - $2,250.00
- Water, 1,000 sq. ft. @ $0.50871 per sq. ft.
  - $508.71
- Weed Abatement, Fire Break, 20x1,280=25,600 sq. ft.
  - $685.82

- 25,600 sq. ft. @ $0.02679 per sq. ft.

**Lighting**
- 8 fixtures, 5,800 lumen @ $30.21 per year
  - $242.00
- 1 fixture, 16,000 lumen @ $47.47 per year
  - $47.00

**Incidental Expenses**
- Project Management Cost, 37 lots @ $8 per lot
  - $296.00
- Contingency
  - $345.40

**Estimated Cost Per Year**
- $4,374.93
Estimated July 1, 2004 Balance Fund $10,158.11

2004-2005 Assessment $4,374.93

District No. 9 - Orchard Ridge, Phase 3
2004-2005
CPI Approved 1999

Lighting
10 fixtures, 5,800 lumen @ $30.21 per year $302.10

Incidental Expenses
Project Management Costs, 56 lots @ $8 per lot $448.00
Contingency $234.93

Estimated Cost Per Year $985.03

Estimated July 1, 2004 Fund Balance $1,636.08

2004-2005 Assessment $985.03

District No. 10 - Orchard Ridge, Phase 4
2004-2005 CPI Approved 1999

Lighting
4 fixtures, 5,800 lumen @ $31.89 per year $127.56

Incidental Expenses
Project Management Costs, 19 lots @ $8 per lot $152.00
Contingency $32.72

Estimated Cost Per Year $312.28

Estimated July 1, 2004 Fund Balance ($141.86)

2004-2005 Assessment $312.28

District No. 11 - Orchard Ridge, Phase 5
2004-2005
CPI Approved 1999

Lighting
14 fixtures, 5,800 lumen @ $30.21 per year $422.94

Incidental Expenses
Project Management Costs, 76 lots @ $8 per lot $608.00
Contingency $120.98

Estimated Cost Per Year $1,151.92
Estimated July 1, 2004 Fund Balance $2,296.18
2004-2005 Assessment $1,151.92

District No. 12 - Westwood Estates, Unit 5, Phase 2
2004-2005
CPI Approved 1999

Landscaping & Irrigation
Landscaping, 19,112 sq. ft. @ $.3319296 per sq. ft. $6,343.84

Lighting
12 fixtures, 5,800 lumen @ $30.21 per year $362.52
4 fixtures, 16,000 lumen @ $47.47 per year $189.88

Incidental Expenses
Project Management Costs, 34 lots @ $8 per lot $272.00
Contingency $200.00
Estimated Costs Per Year $7,368.24

Estimated July 1, 2004 Fund Balance $8,351.06

2004-2005 Assessment $7,368.84

District No. 13 - River Ranch, #3
2004-2005
CPI Approved 2000

Landscaping & Irrigation
Shrubs Area, 1,000 sq. ft. @ 5.97708 per sq. ft. $977.08
Water, 1,000 sq. ft. @ 5.36 per sq. ft. $360.00

Lighting & Electricity
1 fixture, 16,000 lumens @ $47.47 per year $47.47
7 fixtures, 5,800 lumens @ $30.20 per year $211.40

Incidental Expenses
Project Management Costs, 35 lots @ $8 per lot $280.00
15% Reserve Fund $274.45
Estimated Costs Per year $2,150.40
Estimated July 1, 2004 Fund Balance $5,255.73
2004-2005 Assessment $2,150.40

District No. 14 - River Springs, Phase Two Subdivision
2004 - 2005
CPI Approved 2000

Lighting & Electricity
11 Fixtures, 5,800 lumens @ $30.21 per year $332.31

Incidental Expenses
Project Management Costs, 50 lots @$8 per lot $400.00
Contingency $308.10

Estimated Costs Per Year $1,040.41
Estimated July 1, 2004 Fund Balance $1,587.05
2004-2005 Assessment $1,040.41

District No. 15 - Meadowood, Phase 1 Subdivision
2004 - 2005
CPI Approved 2001

Landscape & Irrigation

Landscape and Irrigation
Landscaping, 7,723 sq. ft. @ $3.0483 per sq. ft. $2,354.20
Water, 7,723 sq. ft. @ $.35 per sq. ft. $2,703.05

Lighting & Electricity
3 fixtures, 16,000 lumens @ $47.47 per year $142.41
10 fixtures, 5,800 lumens @ $30.20 per year $302.00
1 fixture, 9,500 lumens @$36.29 per year $36.29

Incidental Expenses
Project Management Costs, 48 lots @$8 per lot $384.00
15% Reserve Fund $388.29

Estimated Cost Per Year $6,310.24
Estimated July 1, 2004 Fund Balance $18,028.31
2004-2005 Assessment $6,810.24

District No. 16 - New Expressions, Phase 2
2004 - 2005
CPI Approved 2001

Landscape & Irrigation
Landscaping, 5,800 sq. ft. @ $.25 per sq. ft. $1,450.00
Water, 5,800 sq. ft. @ $3.35 per sq. ft. $2,030.00
Playground Maintenance (30% of $1,825) $547.50
30% paid by district of estimated maintenance cost of $1,825

Electricity & Lighting
13 fixtures, 5,800 lumens @ $30.21 per year $392.73

Incidental Expenses
Project Management Costs, 54 lots @ $8 per lot $432.00
15% Reserve Fund $727.84

Estimated Cost Per Year $5,580.07

Estimated July 1, 2004 Fund Balance $12,016.46

2004 - 2005 Assessment $5,580.07

District #17 - Orchard Ridge Phase 6
2004 - 2005
CPI Approved 2001

Lighting
7 fixtures 5,800 lumens @ $30.21 per year $211.47

Incidental
Project Management Costs, 32 lots @ $8 per lot $256.00
Reserve Fund $81.94

Estimated Cost Per Year $549.81

Estimated Fund Balance ($789.57)

2004-2005 Assessment $549.41

District #18 - Ohio North
2004 - 2005  
CPI Approved 2002  

**Lighting**  
2 fixtures 5,800 lumens @ $30.21 per year $60.42

**Incidental Expenses**  
Project Management Costs, 10 lots @ $8 per lot $80.00  
Reserve Fund $24.61

**Estimated Cost Per Year** $165.03

**Estimated July 1, 2004 Fund Balance** ($565.19)

**2004-2005 Assessment** $165.03

**District No. 19 - Williams Ranch Phase 1**  
2004 - 2005  
CPI Approved 2002

**Landscape/Irrigation**  
Labor and utilities for landscaping, 13,910 sq. ft. At .32¢ $4,451.20

**Lighting**  
2 fixtures 9,500 lumens @ $37.79 per year $75.58  
11 fixtures 5,800 lumens @ $30.21 per year $332.31

**Incidental Expenses**  
Project Management Costs, 41 lots @ $8 per lot $328.00  
15% Reserve Fund $778.07

**Estimated Cost Per Year** $5,965.16

**Estimated July 1, 2004 Fund Balance** $3,114.84

**2004-2005 Assessment** $5,965.16

**District No. 20 - West View Place**  
2004 - 2005  
CPI Approved 2002  

**Lighting**  
3 fixtures 5,800 lumens @ $30.20 per year $90.60
1 fixture 9,500 lumens @ $36.29 per year 36.29

**Incidental Expenses**
- Project Management Costs, 10 lots @ $8 per lot $80.00
- Reserve Fund $36.26

Estimated Cost Per Year $243.15

Estimated July 1, 2004 Fund Balance ($280.99)

2004-2005 Assessment $243.15

**District No. 21 - Orchard Ridge Phase 7**
2004 - 2005
CPI Approved 2002

**Landscape and Irrigation (District #21 and District #24)**
Turf, trees, shrubs and irrigation - 5,950 sq. ft. @ .3616 per sq. ft. = $2,151.92. There are 30 lots in District #21 and 44 lots in District #24
Cost for Dist. #21 = 30 x $2,151.92 = $872.40

**Lighting**
6 fixtures 5,800 lumens @ $32.50 per year $195.00

**Incidental Expenses**
- Project Management Costs, 30 lots @ $8 per lot $240.00
- Reserve Fund $191.90

Estimated Cost Per Year $1,499.30

Estimated July 1, 2004 Fund Balance ($824.52)

2004-2005 Assessment $1,499.30

**District No. 22 - Meadowood Phase 2**
2004 - 2005
CPI Approved 2002

**Landscape and Irrigation**
Landscaping, Shrub area 4,940 sq. ft. @ .26¢ per sq. ft. $1,284.40
Trees, 7 eac @ $15.50 per tree $108.50
Water 4,940 sq. ft. @ .36¢ per sq. ft. $1,778.40

Electricity and Lighting
2 fixtures, 16,000 lumens @ $47.47 per year $94.94
14 fixtures, 5,800 lumens @ $30.20 per year $422.80
3 fixtures, 9,500 lumens @ $36.29 per year $108.87

Incidental Expenses
Project Manage Costs, 55 lots @ $8 per lot $440.00
Reserve Fund $623.69

Estimated Cost Per Year $4,861.60
Estimated July 1, 2004 Fund Balance $2,521.83
2004-2005 Assessment $4,861.60

District No. 23 - River View Estates Phase 3
2004 - 2005
CPI Approved 2002

Lighting
11 fixtures, 5,800 lumens @ $30.21 per year $332.31
Incidental Expenses
Project Management Costs, 36 lots @ $8 per lot $288.00
Reserve Fund $93.05

Estimated Cost Per Year $713.36
Estimated July 1, 2004 Fund Balance $665.47
2004-2005 Assessment $713.36

District No. 24 - Orchard Ridge, Phase Eight
2004-2005
CPI Approved 2003

Landscape Area
Turf, trees, shrubs and irrigation - 5,950 sq. ft. @.3616¢ per sq. ft. = $2,151.92. There are 30 lots in District No. 21; and, 44 in District 24.
\[ \frac{44}{74} \times 2,151.92 = 1,279.52 \]

**Lighting**

11 fixtures 5,800 lumens @ $30.20 per year $332.20

**Incidental Expenses**

Project Management Costs, 44 lots @ $8 per lot $352.00

Reserve Fund $295.69

**Estimated Cost Per Year** $2,259.41

**Estimated July 1, 2004 Fund Balance** $200.98

**2004-2005 Assessment** $2,259.41

**District 25 - Casas Del Rio Subdivision**

2004-2005

CPI Approved 2003


**Landscape and Recreation Area Improvements**

(turf, irrigation, and play equipment)

Turf, trees, shrubs and irrigation - 55,950 sq. ft.

X .33148 per sq. ft. $18,546.31

Water Costs = $239 per month x 12 months $2,868.00

One time clean-up maintenance fee for entire area $1,500.00

Maintenance of basketball courts and playground $1,200.00

**Incidental Expenses**

Project Management Costs, 118 lots @ $8 per lot $944.00

Reserve Fund $3,666.02

**Estimated Cost Per Year** $28,724.33

**Estimated July 1, 2004 Fund Balance** $(2,903.55)

**2004-2005 Assessment** $28,724.33

**District No. 26 - Orchard Ridge, Phase Nine**

2004-2005

CPI Approved 2004

**Lighting**

10 fixtures 5,300 lumens @ $30.20 per year $302.10
Incidental Expenses

Project Management Costs, 47 lots @ $8.20 per lot $385.40
Reserve Fund $103.12

Estimated Cost Per Year $790.62

Estimated July 1, 2004 Fund Balance ($180.20)

2004-2005 Assessment $790.62

District No. 27 - New Expressions, Phase 3 Subdivision  
2004-2005  
CPI Approved 2004

Landscaped Area
Berm and wall 748 L.F. @ .42¢ per L.F. $314.16
Playground (30% of $1,870.00) $561.00

Electricity/Lighting
11 fixtures 5,800 lumens @ $30.21 per year $332.31

Incidental Expenses
50 lots @ $8.20 per lot $410.00
Reserve Fund $242.62

Estimated Cost Per Year $1,860.09
Estimated July 1, 2004 Fund Balance ($175.96)

2004-2005 Assessment $1,860.09

District No. 28 - Meadowood, Phase Three Subdivision  
2004-2005  
CPI Approved 2004

Electricity/Lighting
17 fixtures 5,800 lumens @ $30.21 per year $531.57
6 fixtures, 9,500 lumens @ $36.30 per year $217.80

Incidental Expenses
78 lots @ $8.20 per lot $639.60
Reserve Fund $205.64

Estimated Cost Per Year $1,576.61
Estimated July 1, 2004 Fund Balance   ($332.84)

2004-2005 Assessment          $1,576.61

SECTION 6. Assessment Diagram

Copies of the assessment diagrams were attached to each individual Engineer's Reports and were labeled "Exhibit A". An Index Map is attached to this report identifying the location of the original district and each annexation.

SECTION 7. Assessment

The City Council, in forming Landscape and Lighting Maintenance District No. 1 and in annexing territories to the district, has maintained the philosophy that the subdivider or developer is responsible for the plantings, irrigation system and the maintenance of the improvements until they become well established. The assessments for maintenance thus only include anticipated costs incurred subsequent to the acceptance of the system by the City Council on behalf of the Maintenance District.

An exception to this philosophy is at Annexation No. 1, Airport Industrial Park, where the owners and the City will share costs for the plantings and irrigation system and the maintenance of improvements.

The maintenance of the landscaping is vital for the protection of both economic and humanistic values of the development. The City Council has heretofore determined that for the preservation of values incorporated within developments adjacent to landscaped areas, the landscaped areas should be included in a maintenance district to ensure satisfactory levels of maintenance. The establishment of the assessment for each development must be on a unit by unit basis which will preserve the integrity of each project. There should be a review of each annexation to determine the effect upon the other units that have been developed. These possible effects will have to be considered when determining the annual assessments.

The determination of benefit for the lots within the district takes into consideration the following facts for the original district and all annexations thereto:

Original District-Westwood Estates Unit 1, 2 and 3

1. The purpose of the landscaping is to provide an aesthetic
impression for the area.

2. The maintained landscaping benefits all properties in the development.

3. Each lot benefits equally from the other's landscaped area and therefore each lot will share the combined costs equally.

4. The benefit to the lots in the landscaped annexed area benefit by the uniform maintenance and appearance. All lots benefit equally.

5. The landscaping on Westwood Avenue is oriented away from the units adjacent to the landscaped area.

FORMULA FOR ASSESSMENT

\[ A = \frac{T}{L} \]

where:

- \( A \) = Assessment per lot
- \( L \) = Number of lots
- \( T \) = Total annual cost

The 2004-2005 assessment will be spread based upon the total lots. Total lot count is 126 lots.

Estimated 2004-2005 Assessment

\[ A = \frac{T}{L} = \frac{13,608.96}{126} = 108.00 \text{ per lot} \]

Annexation No. 1 - Airport Industrial Park

1. The purpose of the landscaping is to provide an aesthetic impression for the area.

2. The maintained landscaping benefits all properties in the development.

3. The benefit to the lots not adjacent to the landscaped area benefit by the uniform maintenance and appearance. All lots not abutting the landscaped area benefit equally.

4. It is proposed that the assessment be divided among the property owners based on their lot size in the assessment area.

5. The area along the south side of Hope Avenue will be included for maintenance until such time that the adjacent property to the
south is developed.

6. The following parcels are exempt from fees since they were sold and/or developed prior to annexation to Maintenance District No. 1.

A. Parcel 1 on Parcel Map No. 3503
B. Parcel 1 on Parcel Map No. 3684
C. Parcels 1 and 4 on Parcel Map No. 3735

Formula for Assessment:

\[
\text{Total Landscape Maintenance Costs} \div \text{Total Net Assessable Square Feet} = \text{Cost per Sq. Ft.}
\]

\[
\frac{\$3,833}{1,024,967 \text{ sq. ft.}} = \$0.00374 \text{ per sq. ft.}
\]

Assess \$0.00374 per sq. ft. annual charge for landscape construction and maintenance for 2004-2005 fiscal year.

- Parcel 2 on P.M. No. 3813 = \$156.82
- Parcel 1 on P.M. No. 3503 = No Fee
- Parcel 1 on P.M. No. 3641 = \$261.47
- Parcel 1 on P.M. No. 3648 = No Fee
- Parcels 1 to 4 on P.M. No. 3735 = No Fee

Remaining property owner - COP = \$3,414.71

Total = \$3,833.00

Annexation No. 2 - Jasmine Ranch

1. The purpose of the landscaping is to provide an aesthetic impression for the area.
2. The maintained landscaping benefits all properties in the development.
3. Each lot benefits equally from the other landscaped areas, therefore, each lot will share the combined cost equally.
4. The landscape and pedestrian easement is now abandoned and is eliminated from the Landscape and Lighting Maintenance District No. 1, Annexation #2, no other changes are proposed.
Formula for Assessment

\[ A = \text{Assessment per lot} = \frac{\text{Total Assessment} - F}{L} \]
\[ F = \text{Assessment for remainder parcel} \]

The 2004-2005 assessment will be spread based upon the above formula. There are 22 lots in Unit One. The 47.89 acre remainder parcel is included on the final subdivision map and will be assessed 20% of the total estimated cost for landscaping maintenance until it is developed at which time it will be combined with the other completed units and assessed fully.

Estimated 2004-2005 Assessment

\[ F = 8,000 \times 0.20 = 1,600.00 \text{ for remainder} \]
\[ A = \frac{8000 - 1600}{22} = 290.92 \text{ per lot in Unit One} \]

Annexation No. 3 - Porter Creek Subdivision

1. The purpose of the landscaping is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping benefits all properties in the development.
3. The lots not adjacent to the landscaped area benefit from the uniform appearance of the landscaping. All lots not adjacent to the landscaped area benefit equally.

Formula for Assessment

\[ A = \text{Assessment Per Lot} \]
\[ L = \text{Number of Lots} \]
\[ T = \text{Total Annual Cost} \]

The 2004-2005 assessment will be spread based upon the total lots. Total lot count is 177 lots.

\[ A = \frac{T}{L} = \frac{23,643.46}{177} = 133.58 \]

Estimated 2004-2005 Assessment
A = $133.58

Based on benefit to the property in the district, the estimated 2004-2005 assessment will be spread based on the preceding formulae. Total assessable developed lot count is 177 lots.

Annexation No. 4 - LaVida Park Subdivision

1. The purpose of the landscaping is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping benefits all properties in the development.
3. The lots not adjacent to the landscaped area benefit from the appearance of the landscaping. All lots not adjacent to the landscaping benefit equally.

Formula for Assessment

\[ A = \frac{T}{L} = \frac{2,469.42}{17} = \frac{145.26}{1} \]

A = $145.26

Annexation No. 5 - Westwood Estates Unit Four, Unit Five (Phase 1)

1. The purpose of the landscaping is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping benefits all properties in the development.
3. The lots not adjacent to the landscaped area benefit from the uniform appearance of the landscaping. All lots not adjacent to the landscaped area benefit equally. Trees in the front yard right-of-way are included in the District on White Chapel Avenue.

The cost of planting and installing improvements is to be paid by the developer and no assessment is to be made therefore.

It is proposed that Lots 1 through 34 be assessed for maintenance of the landscaped area. It has been determined that the relative benefit of developed lots as compared to the reminder parcel is as shown in the formulae below.
Formula for Assessment

\[ A = \text{Assessment per lot} \]
\[ L = \text{Number of lots} \]
\[ T = \text{Total annual cost} \]

\[
A = \frac{T}{L} = \frac{\$5,833.38}{47} = \$124.10
\]

Estimated 2004-2005 Assessment

\[ A = \$124.10 \]

Annexation No. 6 - Northpointe

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.

Formula for Assessment

\[ P = \text{Portion to be assessed to developed lots} \]
\[ TA = \text{Total Assessment (\$)} \]
\[ L = \text{Assessment for each developed lot (\$)} \]
\[ N = \text{Number of assessable lots in Phase One (81)} \]

\[
P = \frac{TA}{N} = \frac{\$1,722.52}{81} = \$21.28 \text{ per lot}
\]

Estimated Assessment 2004-2005

\[ TA = \$1,722.52 \]
\[ N = 81 \text{ lots} \]

Estimated Assessment 2004-2005

\[ P = \$21.28 \]

Annexation No. 7 - Quail Park Phase II

1. The purpose of the landscaping and lighting is to provide a favorable
aesthetic appearance of the area.

2. Properly maintained landscaping and lighting benefits all properties in the development.

3. All lots benefit equally from the landscaping and lighting.

**Formula for Assessment**

\[
\text{Assessment (A)} = \frac{\text{Cost (C)}}{\text{Number of Lots (L)}}
\]

\[
A = \$410.40 = \$34.20 \text{ per lot per year}
\]

\[
12
\]

**Estimated Assessment 2004-2005**

\[
A = \$34.20
\]

**Annexation No. 8 - Westwood Park Unit Three**

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.

2. Properly maintained landscaping and lighting benefits all properties in the development.

3. All lots benefit equally from the landscaping and lighting.

**Formula for Assessment**

\[
\text{Assessment (A)} = \frac{\text{Cost (C)}}{\text{Number of Lots (L)}}
\]

\[
A = \$2,481.27 = \$68.94 \text{ per lot, per year}
\]

\[
36
\]

**Estimated Assessment 2004-2005**

\[
A = \$68.94
\]

**Annexation No. 9 - Parcel Map 4132**

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.

2. Properly maintained landscaping and lighting benefits all properties in the development.

3. All lots benefit equally from the landscaping and lighting.
Formula for Assessment

It has been determined that the relative benefit of Parcel 2 as compared to Parcel 1 (developed parcel) is as shown below.

\[ P_2 = \frac{AE \times A_1}{T} = \frac{349 \times 4.81}{6.61} = 253.96 \]

\[ P_1 = AE - P_2 + L = 349 - 253.96 + 47.47 = 142.52 \]

Based on benefit in the district, the estimated 2004-2005 assessment will be spread based on the preceding formula.

Estimated 2004-2005 Assessment

\[ P_2 = 253.96 \]

\[ P_1 = 142.52 \]

Annexation No. 10 - Westview Subdivision

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.

Formula for Assessment

Assessment (A) = \frac{\text{Cost (C)}}{\text{Number of Lots (L)}}

\[ A = \frac{1,824.30}{16} = 114.02 \text{ per lot, per year} \]

Annexation No. 11 - New Horizons Phase One
1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.

**Formula for Assessment**

\[
\text{Assessment} = \frac{\text{Cost (C)}}{\text{Number of Lots (L)}}
\]

\[
A = \frac{\$1,045.80}{63} = \$16.60 \text{ per lot, per year}
\]

Total developed lot count is 63 lots.

**Estimated Assessment 2004-2005**

\[
A = \$16.60
\]

**Annexation No. 12 - Sunrise Estates Phase Six**

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.

**Formula for Assessment**

\[
\text{Assessment (A)} = \frac{\text{Cost (C)}}{\text{Number of Lots (L)}}
\]

\[
A = \frac{\$1,429.00}{32} = \$44.66 \text{ per lot, per year}
\]

**Estimated Assessment 2004-2005**

\[
A = \$44.66
\]

**Annexation No. 13 - Prospect Garden**
No Map recorded.

Annexation No. 14 - Wisconsin Manor

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.

**Formula for Assessment**

\[
\text{Assessment (A)} = \frac{\text{Cost (C)}}{\text{Number of Lots (L)}}
\]

\[
A = \frac{1,824.69}{8} = $228.00\ \text{per lot, per year}
\]

**Estimated Assessment 2004-2005**

\[
A = $228.08
\]

Annexation No. 15 - Northpointe Phase II

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.

**Formula for Assessment**

\[
\text{Assessment (A)} = \frac{\text{Cost (C)}}{\text{Number of Lots (L)}}
\]

\[
A = \frac{2,816.00}{59} = $47.72\ \text{per lot, per year}
\]

**Estimated Assessment 2004-2005**
A = $47.72

Annexation No. 16 - New Horizons Phase II

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.

**Formula for Assessment**

\[ \text{Assessment (A)} = \frac{\text{Cost (C)}}{\text{Number of Lots (L)}} \]

\[ A = \frac{1,803.34}{81} = $22.26 \text{ per lot, per year} \]

**Estimated Assessment 2004-2005**

\[ A = $22.26 \]

Annexation No. 17 - TRED Industrial Park

Formation will occur in 2004-2005.

Annexation No. 18 - Westwood Village Mobile Home Park

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.

**Formula for Assessment**

\[ \text{Assessment (A)} = \frac{\text{Cost (C)}}{\text{Number of Lots (L)}} \]

\[ A = \frac{787.35}{1} = $787.35 \text{ per lot, per year} \]

**Estimated Assessment 2004-2005**

\[ A = $787.35 \]
Assessment No. 19 - Castle Woods Phase I Subdivision

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.

Formula for Assessment

\[
A = \frac{\text{Cost (C)}}{\text{Number of Lots (L)}}
\]

\[
A = \frac{\$919.20}{30} = \$30.64 \text{ per lot, per year}
\]

Estimated Assessment 2004-2005

\[
A = \$30.64
\]

District No. 2 - North Creek Subdivision
CPI Approved 1998

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.

Formula for Assessment

\[
A = \frac{\text{Cost (C)}}{\text{Number of Lots}}
\]

\[
A = \frac{\$12,611.04}{104} = \$121.26 \text{ per lot}
\]

Estimated Assessment 2004-2005

\[
A = \$121.26
\]

District No. 3 - New Expressions, Phase 1
CPI Approved 1998

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.

Formula for Assessment

\[
Assessment (A) = \frac{\text{Cost (C)}}{\text{Number of Lots}}
\]

\[
A = \frac{\$963.42}{56} = \$17.20 \text{ per lot, per year}
\]

Estimated Assessment 2004-2005

\[
A = \$17.20
\]

District No. 4 - River Springs, Phase 1

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.

Formula for Assessment

\[
Assessment (A) = \frac{\text{Cost (C)}}{\text{Number of lots (L)}}
\]

\[
A = \frac{\$2,719.14}{51} = 53.32 \text{ per lot, per year}
\]

Estimated Assessment

\[
A = \$53.32
\]

District No. 5 - Castle Woods Phase 2

CPI Approved 2002

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.

Formula for Assessment

\[
\text{Assessment (A)} = \frac{\text{Cost (C)}}{\text{Number of lots (L)}}
\]

\[
A = \frac{\$890.24}{19} = \$46.84 \text{ per lot, per year}
\]

2004-2005 Estimated Assessment

\[
A = \$46.84
\]

District No. 6 - Creek View
CPI Approved 1999

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.

Formula for Assessment

\[
\text{Assessment (A)} = \frac{\text{Cost (C)}}{\text{Number of lots (L)}}
\]

\[
A = \frac{\$4,240.96}{19} = \$223.20 \text{ per lot, per year}
\]

2004-2005 Estimated Assessment

\[
A = \$223.20
\]

District No. 7 - Ford Estates Phase 1
(CPI Approved 1998)

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.

**Formula for Assessment**

\[
\text{Unit Cost} = \frac{\text{Cost (C)}}{\text{Number of front feet}}
\]

\[
\text{Phase 1} = \frac{\$2,163.40}{311.72 \text{ feet}} = \$6.94 \text{ per foot}
\]

**Ultimate cost to maintain entire Westwood Street frontage:**

\[
1,065.95 \text{ feet} \times \$6.94 \text{ per foot} = \$7,397.91
\]

**Ultimate cost per lot to maintain entire Westwood Street frontage:**

\[
\frac{\$7,397.91}{109 \text{ lots}} = \$67.88 \text{ per lot}
\]

**Estimated Assessment 2002-2003**

\[
\$2,163.40 - (\$67.88 \times 20) = \$805.80 = \text{remainder parcel assessment}
\]

**Phase 1 Assessment = $67.88 per lot**

**Remainder Parcel Assessment = $805.80**

**District No. 8 - River Breeze**

**2004-2005**

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.

2. Properly maintained landscaping and lighting benefits all properties in the development.

3. All lots benefit equally from the landscaping and lighting.

**Formula for Assessment**

\[
\text{Assessment (A)} = \frac{\text{Cost (C)}}{\text{Number of Lots (L)}}
\]

\[
A = \frac{\$4,374.93}{37} = \$118.24 \text{ per lot per year}
\]
Estimated Assessment 2004-2005

A = $118.24

District No. 9 - Orchard Ridge Phase 3
CPI Approved 2000

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.

Formula for Assessment

Assessment (A) = \( \frac{\text{Cost (C)}}{\text{Number of Lots}} \)

A = \( \frac{\$985.03}{56} \) = $17.58 per lot, per year

Estimated Assessment 2004-2005
A = 17.58

District No. 10 - Orchard Ridge Phase 4
CPI Approved 2000

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.

Formula for Assessment

Assessment (A) = \( \frac{\text{Cost (C)}}{\text{Number of Lots (L)}} \)

A = \( \frac{\$312.28}{19} \) = $16.44 per lot, per year

Estimated Assessment 2004-2005
A = $16.44
District No. 11 - Orchard Ridge Phase 5
CPI Approved 2000

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.

Formula for Assessment

\[
Assessment \ (A) = \frac{\text{Cost} \ (C)}{\text{Number of Lots} \ (L)}
\]

\[
A = \frac{\$1,151.92}{76} = \$15.16 \text{ per lot, per year}
\]

Estimated Assessment 2004-2005

\[
A = \$15.16
\]

District No. 12 - Westwood Estates Unit 5, Phase 2
CPI Approved 2000

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.

Formula for Assessment

\[
Assessment \ (A) = \frac{\text{Cost} \ (C)}{\text{Number of Lots} \ (L)}
\]

\[
A = \frac{\$7,368.84}{34} = 216.72 \text{ per lot, per year}
\]

Estimated Assessment 2004-2005

\[
A = \$216.72
\]

District No. 13 - River Ranch No. 3 Subdivision
CPI Approved 2000
1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.

Formula for Assessment

Assessment (A) = \[ \frac{\text{Cost (C)}}{\text{Number of Lots (L)}} \]

\[ A = \frac{2,150.40}{35} = 61.44 \text{ per lot per year} \]

Estimated Assessment for 2004-2005

\[ A = 61.44 \]

District No. 14 - River Springs, Phase 2 Subdivision
CPI Approved 2000

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.

Formula for Assessment

Assessment (A) = \[ \frac{\text{Cost (C)}}{\text{Number of Lots (L)}} \]

\[ A = \frac{1,040.41}{50} = 20.80 \text{ per lot per year} \]

Estimated Assessment for 2004-2005

\[ A = 20.80 \]

District No. 15 - Meadowood, Phase 1 Subdivision
CPI Approved 2001

1. The purpose of the landscaping and lighting is to provide a favorable...
aesthetic appearance of the area.

2. Properly maintained landscaping and lighting benefits all properties in the development.

3. All lots benefit equally from the landscaping and lighting.

\[
\text{Assessment (A)} = \frac{\text{Cost (C)}}{\text{Number of Lots (L)}}
\]

\[A = \frac{\$6,810.24}{48} = \$141.88 \text{ per lot per year}\]

Estimated Assessment for 2004-2005

\[A = \$141.88\]

**District No. 16 - New Expressions, Phase 2 Subdivision**

**CPI Approved 2001**

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.

2. Properly maintained landscaping and lighting benefits all properties in the development.

3. All lots benefit equally from the landscaping and lighting.

**Formula for Assessment**

\[
\text{Assessment (A)} = \frac{\text{Cost (C)}}{\text{Number of Lots (L)}}
\]

\[A = \frac{\$5,580.07}{54} = \$103.34 \text{ per lot per year}\]

Estimated Assessment for 2004-2005

\[A = \$103.34\]

**District No. 17 - Orchard Ridge Phase 6**

**CPI Approved 2001**

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.

2. Properly maintained landscaping and lighting benefits all properties in the development.

3. All lots benefit equally from the landscaping and lighting.

**Formula for Assessment**
Assessment (A) = \frac{\text{Cost (C)}}{\text{Number of Lots}}

A = \$549.41 = \$17.18 \text{ per lot, per year}
\quad 32

Estimated Assessment for 2004-2005

A = \$17.18

District No. 18 - Ohio North
CPI 2002

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.

Formula for Assessment

\begin{align*}
\text{Assessment (A)} & = \frac{\text{Cost (C)}}{\text{Number of Lots}} \\
A & = \$165.03 = \$16.50 \text{ per lot, per year} \\
\quad 10
\end{align*}

Estimated Assessment for 2004 - 2005

A = \$16.50

District No. 19 - Williams Ranch Phase 1
CPI Approved 2002

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.

Formula for Assessment

\begin{align*}
\text{Assessment (A)} & = \frac{\text{Cost (C)}}{\text{Number of Lots}}
\end{align*}
A = $5,965.16 = $145.50 per lot, per year

Estimated Assessment for 2004-2005

A = $145.50

District No. 20 - West View Place
CPI Approved 2002

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.

Formula for Assessment

\[
\text{Assessment (A)} = \frac{\text{Cost (C)}}{\text{Number of Lots}}
\]

A = $243.15 = $24.32

10

Total Assessment for 2004-2005

A = $24.32

District No. 21 - Orchard Ridge Phase 7
CPI Approved 2002

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.

Formula for Assessment

\[
\text{Assessment (A)} = \frac{\text{Cost (C)}}{\text{Number of Lots}}
\]

A = $1,459.30 = $49.98

30
Estimated Assessment for 2004-2005

A - $49.98

District No. 22 - Meadowood Phase 2
CPI Approved 2002

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.

Formula for Assessment

\[
\text{Assessment (A)} = \frac{\text{Cost (C)}}{\text{Number of Lots}}
\]

\[A = \frac{4,861.60}{55} = \$88.38 \text{ per lot, per year}\]

Estimated Assessment for 2004-2005

\[A = \$88.38\]

District No. 23 - River View Estates Phase 3
CPI Approved 2002

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.

Formula for Assessment

\[
\text{Assessment (A)} = \frac{\text{Cost (C)}}{\text{Number of Lots}}
\]

\[A = \frac{713.36}{36} = \$19.01\]

Estimated Assessment for 2004-2005

\[A = \$19.01\]
1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.

**Formula for Assessment**

\[
A = \frac{\text{Cost (C)}}{\text{Number of Lots}}
\]

\[
A = \frac{2,259.41}{44} = 51.36 \text{ per lot, per year}
\]

**Estimated Assessment for 2004-2005**

\[
A = 51.36
\]

**District 25 - Casas Del Rio Subdivision**

CPI Approved 2003

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.
4. The District will not be billed until 2004-2005 when all improvements are completed.

**Formula for Assessment**

\[
A = \frac{\text{Cost (C)}}{\text{Number of Lots}}
\]

\[
A = \frac{23,724.30}{113} = 243.43 \text{ per lot, per year}
\]

**Estimated Assessment for 2004-2005**

\[
A = 243.43
\]

**District 26 - Orchard Ridge, Phase Nine Subdivision**

CPI Approved 2004

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.
4. The District will not be billed until 2004-2005 when all improvements are completed.

**Formula for Assessment**

\[
\text{Assessment (A)} = \frac{\text{Cost (C)}}{\text{Number of Lots}}
\]

\[
A = \frac{5790.50}{47} = \$16.82 \text{ per lot, per year}
\]

Estimated Assessment for 2004-2005

\[
A = \$16.82
\]

**District 27 - New Expressions, Phase Three Subdivision**

CPI Approved 2004

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.
4. The District will not be billed until 2004-2005 when all improvements are completed.

**Formula for Assessment**

\[
\text{Assessment (A)} = \frac{\text{Cost (C)}}{\text{Number of Lots}}
\]

\[
A = \frac{1860.09}{50} = \$37.20 \text{ per lot, per year}
\]

Estimated Assessment for 2004-2005

\[
A = \$37.20
\]

**District 28 - Meadowood, Phase Three Subdivision**

CPI Approved 2004

1. The purpose of the landscaping and lighting is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. All lots benefit equally from the landscaping and lighting.
4. The District will not be billed until 2004-2005 when all improvements are completed.
Assessment (A) = \frac{\text{Cost (C)}}{\text{Number of Lots}}

A = \frac{\$1,576.31}{78} = \$20.20 \text{ per lot, per year}

Estimated Assessment for 2004-2005

A = \$20.20

Michael K. Reed, City Engineer
RESOLUTION NO.:_______


The City Council of the City of Porterville, pursuant to the provisions of the Landscaping and Lighting Act of 1972, being Division 15 of the Streets and Highways Code of the State of California, does resolve as follows:

DESCRIPTION OF WORK

SECTION 1. That the public interest and convenience requires it is the intention of the City Council of the City of Porterville, California, to order the following work be done, to wit:

1. Maintenance and servicing of facilities and landscaping as authorized by Section 22525 of the Streets and Highways Code.

2. Any and all work and materials appurtenant thereto or which are necessary or convenient for the maintenance and servicing thereof.

LOCATION OF WORK

SECTION 2. The foregoing described work is to be located within the following areas:

1. Right-of-way and easement along the Westwood Street frontage of Unit I and II of Westwood Estates, more particularly described on maps which are on file in the City Clerk’s office entitled “Landscape and Lighting Maintenance District No. 1.”
2. Right-of-way and easements along street frontage along Hope Avenue, Newcomb Street, Thunderbolt Drive and Corsair Drives of the Airport Industrial Park, more particularly described on maps which are on file in the City Clerk's office entitled "Annexation No. 1 to Landscape and Lighting Maintenance District No. 1".

3. Hillcrest Street right-of-way, fire access road, Jasmine Drive entries; south perimeter west of fire access road, west perimeter including the parcel on which the water tank is located, viewpoint look-out parcel at the northwest corner of Jasmine Ranch Subdivision, and the pedestrian access to each cul-de-sac from Hillcrest Street, more particularly described on maps which are on file in the City Clerk's office entitled "Annexation No. 2 to Landscape and Lighting Maintenance District No. 1".

4. Porter Creek Avenue right-of-way to the bank of the Porter Slough median entry, 15' landscape area between Porter Creek Subdivision block wall to Westwood Street, the pedestrian access bridge over Porter Slough and all of the maintenance area to the center line Porter Slough, more particularly described on maps which are on file in the City Clerk's office entitled "Annexation No. 3 to Landscape and Lighting Maintenance District No. 1".

5. LaVida Park green belt, east on Plum Way Street and the entries east along Beverly street, more particularly described on maps which are on file in the City Clerk's office entitled "Annexation No. 4 to Landscape and Lighting Maintenance District No. 1".

6. Westwood Estates #4, along the north and south entries adjacent to the block wall on Westwood Street and the median divider on White Chapel Lane including all trees in front yard planting strip, more particularly described on maps which are on file in the City Clerk's office entitled "Annexation No. 5 to Landscape and Lighting Maintenance District No. 1".

7. Northpointe includes subdivision lighting located south of Westfield Avenue and east of Matthew Street, more particularly described on maps which are on file in the City Clerk's office entitled "Annexation No. 6 to Landscape and Lighting Maintenance District No. 1".

8. Quail Park Phase II Subdivision includes payment of street lighting, more particularly described on maps
which are on file in the City Clerk's office entitled "Annexation No. 7 to Landscape and Lighting Maintenance District No. 1".

9. Westwood Park Unit Three Subdivision includes the east side of Westwood street and the fire access road on the south side of the subdivision, more particularly described on maps which are on file in the City Clerk's office entitled "Annexation No. 8 to Landscape and Lighting Maintenance District No. 1".

10. Map No. 4132 includes lighting, more particularly described on maps which are on file in the City Clerk's office entitled "Annexation No. 9 to Landscape and Lighting Maintenance District No. 1".

11. Westview Subdivision includes street lighting and landscaping on the east side of Cobb Street, more particularly described on maps which are on file in the City Clerk's office entitled "Annexation No. 10 to Landscape and Lighting Maintenance District No. 1".

12. New Horizons Phase One Subdivision includes lighting, more particularly described on maps which are on file in the City Clerk's office entitled "Annexation No. 11 to Landscape and Lighting Maintenance District No. 1".

13. Sunrise Estates Phase Six Subdivision includes landscape maintenance, more particularly described on maps which are on file in the City Clerk's office entitled "Annexation No. 12 to Landscape and Lighting Maintenance District No. 1".

14. Prospect Gardens - No map has been filed by developer.

15. Wisconsin Manor I Subdivision includes landscape and lighting maintenance, more particularly described on maps which are on file in the City Clerk's office entitled "Annexation No. 14 to Landscape and Lighting District No. 1."

16. Northpointe Phase II Subdivision includes lighting maintenance, more particularly described on maps which are on file in the City Clerk's office entitled "Annexation No. 15 to Landscape and Lighting District No. 1."

17. New Horizon's Phase II Subdivision includes lighting
maintenance, more particularly described on maps which are on file in the City Clerk's office entitled "Annexation No. 16 to Landscape and Lighting District No. 1."

18. TREDC Industrial Park has not been annexed to Landscape and Lighting Maintenance District No. 1 at this time.

19. Westwood Mobile Home Park includes landscape and lighting maintenance more particularly described on maps which are on file in the City Clerk's office entitled "Annexation No. 18 to Landscape and Lighting District No. 1."

20. Castle Woods Phase I Subdivision includes landscape and lighting maintenance more particularly described on maps which are on file in the City Clerk's office entitled "Annexation No. 19 to Landscape and Lighting District No. 1."

21. District No. 2 = North Creek Estates Subdivision located on Westwood north of Westfield includes landscape and lighting maintenance and more particularly described on maps which are on file in the City Clerk’s office entitled District No. 2.

22. District No. 3 = New Expressions Phase I Subdivision located along Indiana Street between Springville Avenue and Cleo Avenue includes lighting maintenance and more particularly described on maps which are on file in the City Clerk’s office entitled District No. 3.

23. District No. 4 = River Springs Phase I Subdivision located along Newcomb Street includes landscape and lighting maintenance and more particularly described on maps which are on file in the City Clerk’s office entitled District No. 4.

24. District No. 5 = Castle Woods Phase II Subdivision located on Castle Avenue, Salisbury Street, and Median Avenue includes landscape and lighting maintenance and more particularly described on maps which are on file in the City Clerk’s office entitled District No. 5.

25. District No. 6 = Creek View Estates located between Porter Creek Avenue and the property line in Porter Slough includes landscape and lighting maintenance and
more particularly described on maps which are on file in the City Clerk’s office entitled District No. 6.

26. District No. 7 = Ford Estates located on the corner of Roby and Westwood Avenue includes landscape and lighting maintenance and more particularly described on maps which are on file in the City Clerk’s office entitled District No. 7.

27. District No. 8 = River Breeze Subdivision located on Newcomb Street, Patsy Street and Springs Street includes landscape and lighting maintenance and more particularly described on maps which are on file in the City Clerk’s Office entitled District No. 8.

28. District No. 9 = Orchard Ridge Phase 3 Subdivision located on Mathew Street, Nancy Avenue, Cheryll Avenue and Belmont Street includes lighting maintenance and more particularly described on maps which are on file in the City Clerk’s Office entitled District No. 9.

29. District No. 10 = Orchard Ridge Phase 4 Subdivision located on LaVida Court and Carmelo Street includes lighting maintenance and more particularly described on maps which are on file in the City Clerk’s Office entitled District No. 10.

30. District No. 11 = Orchard Ridge Phase 5 Subdivision located on Mathew Street, LaVida Avenue, Michael Street and Julieann Avenue includes lighting maintenance and more particularly described on maps which are on file in the City Clerk’s office entitled District No. 11.

31. District No. 12 = Westwood Estates Unit 5, Phase 2, located along Henderson Avenue and Brandy Way includes landscape and lighting maintenance and more particularly described on maps which are on file in the City Clerk’s office entitled District No. 12.

32. District No. 13 = River Ranch 3, located along Newcomb Street, Lloyd Avenue and Patsy Street includes landscape and lighting maintenance and more particularly described on maps which are on file in the City Clerk’s office entitled District No. 13.

33. District No. 14 = River Springs, Phase 2 Subdivision located on River Avenue, Beverly Street, Date Avenue and River Springs Drive includes lighting maintenance and
more particularly described on maps which are on file in the City Clerk’s office entitled District No. 14.

34. District No. 15 = Meadowood, Phase 1 Subdivision located on Newcomb Street, Cheryl Avenue and York Street includes landscape and lighting maintenance and more particularly described on maps which are on file in the City Clerk’s office entitled District No. 15.

35. District No. 16 = New Expressions, Phase 2 Subdivision located on the Lybarger Avenue Cul de Sac at the entry of the Tule River Parkway Trail includes landscape and lighting maintenance and more particularly described on maps which are on file in the City Clerk’s office entitled District No. 16.

36. District No. 17 = Orchard Ridge Phase 6 Subdivision located north of Westfield Avenue between Michael Street and Lombardi Street on Julieann Avenue and Michael Street includes lighting maintenance and more particularly described on maps which are on file in the City Clerk’s office entitled District No. 15.

37. District No. 18 = Ohio North Subdivision located on Ohio Way Street includes lighting maintenance and more particularly described on maps which are on file in the City Clerk’s office entitled District No. 18.

38. District No. 19 = Williams Ranch, Phase One located south of Westfield Avenue on Silver Maple Street, Wall Court and San Lucia Court includes landscape and lighting maintenance and more particularly described on maps which are on file in the City Clerk’s office entitled District No. 19.

39. District No. 20 = West View Place Subdivision located on Median Avenue includes lighting maintenance and more particularly described on maps which are on file in the City Clerk’s office entitled District No. 20.

40. District No. 21 = Orchard Ridge Phase Seven Subdivision located on Pioneer Avenue, Michael Street and Mathew Street includes landscape and lighting maintenance and more particularly described on maps which are on file in the City Clerk’s office entitled District No. 21.

41. District No. 22 = Meadowood Phase Two Subdivision located on Newcomb Street, Pioneer Avenue, Julieann Avenue,
Greenfield Street, York Street, and Birch Street includes landscape and lighting maintenance and more particularly described on maps which are on file in the City Clerk's office.

42. District No. 23 = Riverview Estates Phase Three Subdivision located on Roby Avenue, Belmont Street, Orange Avenue and Parkwest Street includes lighting maintenance and more particularly described on maps which are on file in the City Clerk's office entitled District No. 23.

43. District No. 24 = Orchard Ridge, Phase Eight Subdivision located on Mathew Street, Michael Street, Pamela Avenue, and Santa Maria Avenue includes landscape and lighting maintenance and more particularly described on maps which are on file in the City Clerk's office entitled District No. 24.

44. District No. 25 = Casas Del Rio Subdivision located on Date Street, Casas Del Rio Avenue, Presidio Avenue, Rio Bonito Street, Alamo Court, Camellia Street, Tule Court and Rio Vista Avenue includes landscape and recreation area maintenance and more particularly described on maps which are on file in the City Clerk's office entitled District No. 25.

45. District No. 26 = Orchard Ridge, Phase Nine Subdivision located on Belmont Street, Pamela, Santa Maria and Pioneer Avenues includes lighting maintenance and more particularly described on maps which are on file in the City Clerk's office entitled District No. 26.

46. District No. 27 = New Expressions Phase 3 Subdivision located on Springville Avenue, Cleo Avenue and McIntire Avenue along Wisconsin Street includes landscape and lighting maintenance and more particularly described on maps which are on file in the City Clerk's office entitled District No. 27.

47. District No. 28 = Meadowood Phase Three Subdivision located on Westfield Avenue, Cheryll Avenue, Salisbury Street, Julieann Avenue and Pioneer includes lighting maintenance and more particularly described on maps which are on file in the City Clerk's office entitled District No. 28.
48. District No. 29 - River Springs Phase Three Subdivision located on Date Avenue, River Springs Drive and Atkins Court includes lighting maintenance and more particularly described on maps which are on file in the City Clerk's office entitled District No. 28.

Reference is hereby made to said maps for further, full and more particular description of said assessment district, and the same maps so on file shall govern for all details as to the extent of said assessment district.

DESCRIPTION OF ASSESSMENT DISTRICT

SECTION 3. That the contemplated work, in the opinion of said City Council, is to be of more than local or ordinary public benefit, and the said City Council hereby makes the expense of the said work chargeable upon a district, which said district is described as follows:

1. All that certain territory of the City of Porterville, included within the exterior boundary line shown upon that certain "Map of Landscape and Lighting Maintenance District No. 1," heretofore approved by the City Council of said City by Resolution No. 26-89, indicating by said boundary line the extent of the territory included within the assessment district and which map is on file in the Office of the City Clerk of said City.

2. All that certain territory of the City of Porterville, included within the exterior boundary line shown upon that certain "Map of Annexation No. 1 to Landscape and Lighting Maintenance District No. 1," heretofore approved by the City Council of said City by Resolution No. 146-89, indicating by said boundary line the extent of the territory included within the assessment district and which map is on file in the Office of the City Clerk of said City.

3. All that certain territory of the City of Porterville, included within the exterior boundary line shown upon that certain "Map of Annexation No. 2 to Landscape and Lighting Maintenance District No. 1," heretofore approved by the City Council of said City by Resolution No. 42-92, indicating by said boundary line the extent of the territory included within the assessment district and which map is on file in the Office of the City Clerk of said City.
4. All that certain territory of the City of Porterville, included within the exterior boundary line shown upon that certain "Map of Annexation No. 3 to Landscape and Lighting Maintenance District No. 1," heretofore approved by the City Council of said City by Resolution No. 69-93, indicating by said boundary line the extent of the territory included within the assessment district and which map is on file in the Office of the City Clerk of said City.

5. All that certain territory of the City of Porterville, included within the exterior boundary line shown upon that certain "Map of Annexation No. 4 to Landscape and Lighting Maintenance District No. 1," heretofore approved by the City Council of said City by Resolution No. 100-93, indicating by said boundary line the extent of the territory included within the assessment district and which map is on file in the Office of the City Clerk of said City.

6. All that certain territory of the City of Porterville, included within the exterior boundary line shown upon that certain "Map of Annexation No. 5 to Landscape and Lighting Maintenance District No. 1," heretofore approved by the City Council of said City by Resolution No. 144-93, indicating by said boundary line the extent of the territory included within the assessment district and which map is on file in the Office of the City Clerk of said City.

7. All that certain territory of the City of Porterville, included within the exterior boundary line shown upon that certain "Map of Annexation No. 5 to Landscape and Lighting Maintenance District No. 1," heretofore approved by the City Council of said City by Resolution No. 54-94 indicating by said boundary line the extent of the territory included within the assessment district and which map is on file in the Office of the City Clerk of said City.

8. All that certain territory of the City of Porterville, included within the exterior boundary line shown upon that certain "Map of Annexation No. 7 to Landscape and Lighting Maintenance District No. 1," heretofore approved by the City Council of said City by Resolution No. 45-95 indicating by said boundary line the extent of the territory included within the assessment district and which map is on file in the Office of the City Clerk of
said City.

9. All that certain territory of the City of Porterville, included within the exterior boundary line shown upon that certain "Map of Annexation No. 8 to Landscape and Lighting Maintenance District No. 1," heretofore approved by the City Council of said City by Resolution No. 97-94 indicating by said boundary line the extent of the territory included within the assessment district and which map is on file in the Office of the City Clerk of said City.

10. All that certain territory of the City of Porterville, included within the exterior boundary line shown upon that certain "Map of Annexation No. 9 to Landscape and Lighting Maintenance District No. 1," heretofore approved by the City Council of said City by Resolution No. 51-95 indicating by said boundary line the extent of the territory included within the assessment district and which map is on file in the Office of the City Clerk of said City.

11. All that certain territory of the City of Porterville, included within the exterior boundary line shown upon that certain "Map of Annexation No. 10 to Landscape and Lighting Maintenance District No. 1," heretofore approved by the City Council of said City by Resolution No. 46-95 indicating by said boundary line the extent of the territory included within the assessment district and which map is on file in the Office of the City Clerk of said City.

12. All that certain territory of the City of Porterville, included within the exterior boundary line shown upon that certain "Map of Annexation No. 11 to Landscape and Lighting Maintenance District No. 1" heretofore approved by the City Council of said City by Resolution No. 79-95 indicating by said boundary line the extent of the territory included within the assessment district and which map is on file in the Office of the City Clerk of said City.

13. All that certain territory of the City of Porterville, included within the exterior boundary shown upon that certain "Map of "Annexation No. 12 to Landscape and Lighting Maintenance District No. 1" heretofore approved by the City Council of said City by Resolution No. 30-95 indicating by said boundary line the extent of the
territory included within the assessment district and which map is on file in the Office of the City Clerk of said City.

14. Prospect Gardens - No map has been filed by developer.

15. All that certain territory of the City of Porterville, included within the exterior boundary shown upon that certain "Map of Annexation No. 14 to Landscape and Lighting Maintenance District No. 1" heretofore approved by the City Council of said City by Resolution No. 24-96 indicating by said boundary line the extent of the territory included within the assessment district and which map is on file in the office of the City Clerk of said City.

16. All that certain territory of the City of Porterville, included within the exterior boundary shown upon that certain "Map of Annexation No. 15 to Landscape and Lighting Maintenance District No. 1" heretofore approved by the City Council of said City by Resolution No. 140-95 indicating by said boundary line the extent of the territory included within the assessment district and which map is on file in the office of the City Clerk of said City.

17. All that certain territory of the City of Porterville, included within the exterior boundary shown upon that certain "Map of Annexation No. 16 to Landscape and Lighting Maintenance District No. 1" heretofore approved by the City Council of said City by Resolution No. 33-96 indicating by said boundary line the extent of the territory included within the assessment district and which map is on file in the office of the City Clerk of said City.

18. No map filed for Annexation No. 17.

19. All that certain territory of the City of Porterville, included within the exterior boundary shown upon that certain "Map of Annexation No. 18 to Landscape and Lighting Maintenance District No. 1" heretofore approved by the City Council of said City by Resolution No. 50-96 indicating by said boundary line the extent of the territory included within the assessment district and which map is on file in the office of the City Clerk of said City.

20. All that certain territory of the City of Porterville,
included within the exterior boundary shown upon that
certain "Map of Annexation No. 19 to Landscape and
Lighting Maintenance District No. 1" heretofore approved
by the City Council of said City by Resolution No. 56-96
indicating by said boundary line the extent of the
territory included within the assessment district and
which map is on file in the office of the City Clerk of
said City.

21. All that certain territory of the City of Porterville,
included within the exterior boundary line shown upon
that certain "Map of Landscape and Lighting District No. 2"
h heretofore approved by the City Council of said City
by Resolution No. 126-98 indicating by said boundary line
the extent of the territory included within the
assessment district and which map is on file in the
office of the City Clerk of said City.

22. All that certain "Map of Landscape and Lighting District
No. 3" heretofore approved by the City Council of said
City by Resolution No. 127-98 indicating by said boundary line
the extent of the territory included with the
assessment district and which map is on file in the
office of the City Clerk of said City.

23. All that certain "Map of Landscape and Lighting District
No. 4" heretofore approved by the City Council of said
City by Resolution No. 128-98 indicating by said boundary line
the extent of the territory included with the
assessment district and which map is on file in the
office of the City Clerk of said City.

24. All that certain "Map of Landscape and Lighting District
No. 5" heretofore approved by the City Council of said
City by Resolution No. 129-2002 indicating by said boundary line the extent of the territory included with the
assessment district and which map is on file in the
office of the City Clerk of said City.

25. All that certain "Map of Landscape and Lighting District
No. 6" heretofore approved by the City Council of said
City by Resolution No. 89-99 indicating by said boundary line the extent of the territory included with the
assessment district and which map is on file in the
office of the City Clerk of said City.

26. All that certain "Map of Landscape and Lighting District
No. 7" heretofore approved by the City Council of said
City by Resolution No. 87-99 indicating by said boundary line the extent of the territory included with the
assessment district and which map is on file in the
office of the City Clerk of said City.

27. All that certain "Map of Landscape and Lighting District No. 8" heretofore approved by the City Council of said City by Resolution No. 120-99 indicating by said boundary line the extent of the territory included with the assessment district and which map is on file in the office of the City Clerk of said City.

28. All that certain "Map of Landscape and Lighting District No. 9" heretofore approved by the City Council of said City by Resolution No. 15-2000 indicating by said boundary line the extent of the territory included with the assessment district and which map is on file in the office of the City Clerk of said City.

29. All that certain "Map of Landscape and Lighting District No. 10" heretofore approved by the City Council of said City by Resolution No. 28-2000 indicating by said boundary line the extent of the territory included with the assessment district and which map is on file in the office of the City Clerk of said City.

30. All that certain "Map of Landscape and Lighting District No. 11" heretofore approved by the City Council of said City by Resolution No. 22-2000 indicating by said boundary line the extent of the territory included with the assessment district and which map is on file in the office of the City Clerk of said City.

31. All that certain "Map of Landscape and Lighting District No. 12" heretofore approved by the City Council of said City by Resolution No. 65-2000 indicating by said boundary line the extent of the territory included with the assessment district and which map is on file in the office of the City Clerk of said City.

32. All that certain "Map of Landscape and Lighting District No. 13" heretofore approved by the City Council of said City by Resolution No. 133-2000 indicating by said boundary line the extent of the territory included with the assessment district and which map is on file in the office of the City Clerk of said City.

33. All that certain "Map of Landscape and Lighting District No. 14" heretofore approved by the City Council of said City by Resolution No. 156-2000 indicating by said boundary line the extent of the territory included with the assessment district and which map is on file in the office of the City Clerk of said City.
34. All that certain "Map of Landscape and Lighting District No. 15" heretofore approved by the City Council of said City by Resolution No. 55-2001 indicating by said boundary line the extent of the territory included with the assessment district and which map is on file in the office of the City Clerk of said City.

35. All that certain "Map of Landscape and Lighting District No. 16" heretofore approved by the City Council of said City by Resolution No. 91-2001 indicating by said boundary line the extent of the territory included with the assessment district and which map is on file in the office of the City Clerk of said City.

36. All that certain "Map of Landscape and Lighting District No. 17" heretofore approved by the City Council of said City by Resolution No. 114-2001 indicating by said boundary line the extent of the territory included with the assessment district and which map is on file in the office of the City Clerk of said City.

37. All that certain "Map of Landscape and Lighting District No. 18" heretofore approved by the City Council of said City by Resolution No. 22-2002 indicating by said boundary line the extent of the territory included with the assessment district and which map is on file in the office of the City Clerk of said City.

38. All that certain "Map of Landscape and Lighting District No. 19" heretofore approved by the City Council of said City by Resolution No. 23-2002 indicating by said boundary line the extent of the territory included with the assessment district and which map is on file in the office of the City Clerk of said City.

39. All that certain "Map of Landscape and Lighting District No. 20" heretofore approved by the City Council of said City by Resolution No. 30-2002 indicating by said boundary line the extent of the territory included with the assessment district and which map is on file in the office of the City Clerk of said City.

40. All that certain "Map of Landscape and Lighting District No. 21" heretofore approved by the City Council of said City by Resolution No. 44-2002 indicating by said boundary line the extent of the territory included with the assessment district and which map is on file in the office of the City Clerk of said City.
41. All that certain "Map of Landscape and Lighting District No. 22" heretofore approved by the City Council of said City by Resolution No. 93-2002 indicating by said boundary line the extent of the territory included with the assessment district and which map is on file in the office of the City Clerk of said City.

42. All that certain "Map of Landscape and Lighting District No. 23" heretofore approved by the City Council of said City by Resolution No. 94-2002 indicating by said boundary line the extent of the territory included with the assessment district and which map is on file in the office of the City Clerk of said City.

43. All that certain "Map of Landscape and Lighting District No. 24" heretofore approved by the City Council of said City by Resolution No. 191-2002 indicating by said boundary line the extent of the territory included with the assessment district and which map is on file in the office of the City Clerk of said City.

44. All that certain "Map of Landscape and Lighting District No. 25" heretofore approved by the City Council of said City by Resolution No. 58-2003 indicating by said boundary line the extent of the territory included with the assessment district and which map is on file in the office of the City Clerk of said City.

45. All that certain "Map of Landscape and Lighting District No. 26" heretofore approved by the City Council of said City by Resolution No. 59-2004 indicating by said boundary line the extent of the territory included with the assessment district and which map is on file in the office of the City Clerk of said City.

46. All that certain "Map of Landscape and Lighting District No. 27" heretofore approved by the City Council of said City by Resolution No. 60-2004 indicating by said boundary line the extent of the territory included with the assessment district and which map is on file in the office of the City Clerk of said City.

47. All that certain "Map of Landscape and Lighting District No. 28" heretofore approved by the City Council of said City by Resolution No. 61-2004 indicating by said boundary line the extent of the territory included with the assessment district and which map is on file in the
office of the City Clerk of said City.

REPORT OF ENGINEER

SECTION 4. The City Council of said City by Resolution No. ... has approved the report of the Engineer of Work, which report indicates the amount of the proposed assessment, the district boundary, detailed description of improvements, and the method of assessment. The report titled "Engineer's Report, Landscape and Lighting Maintenance District No. 1 through District No. 46 2004-2005 Fiscal Year" is on file in the Office of the City Clerk of said City, and was prepared for the 2004-2005 fiscal year in accordance with the Landscaping and Lighting Act of 1972. Reference to said report is hereby made for all particulars for the amount and extent of the assessments and for the extent of the work.

COLLECTION OF ASSESSMENTS

SECTION 5. The assessment shall be collected at the time and in the same manner as County taxes are collected. The Engineer of Work shall file a report annually with the City Council of said City and said Council will annually conduct a hearing upon said report at their second regular meeting in June, at which time assessments for the next fiscal year will be determined.

TIME AND PLACE OF HEARING

SECTION 5. Notice is hereby given that on the 3rd day of August, 2004, at the hour of 7:00 p.m. in the City Council Chambers at 291 North Main, in the City of Porterville, any and all persons having any objections to the work or extent of the assessment district, may appear and show cause why said work should not be done or carried out in accordance with this Resolution of Intention. The City Council will consider all oral and written protests.

LANDSCAPING AND LIGHTING ACT OF 1972

SECTION 6. All the work herein proposed shall be done and carried through in pursuance of an act of the legislature of the State of California designated The Landscaping and Lighting Act of 1972, being Division 15 of the Streets and Highways Code of the State of California.
PUBLICATION OF RESOLUTION OF INTENTION

SECTION 7. Published notice shall be made pursuant to Section 6061 of the Government Code. The publication of the Notice of Hearing shall be completed at least 10 days prior to the date of hearing.

CERTIFICATION

SECTION 8. The City Clerk shall certify to the adoption of this Resolution.


__________________________
Pedro R. Martinez, Mayor

ATTEST:

John Longley, City Clerk

__________________________
Georgia Hawley, Deputy Clerk
SUBJECT: APPROVAL FOR COMMUNITY CIVIC EVENT
CITY OF PORTERVILLE PARKS & LEISURE SERVICES DEPARTMENT
"KIDS' DAY IN THE PARK," AUGUST 7, 2004

SOURCE: Administrative Services - Finance Division

COMMENT: City of Porterville Parks & Leisure Services Department is requesting approval
to hold its annual "Kids Day In The Park" on Saturday, August 7, 2004, from
9:00 a.m. to 12:00 p.m. The following are the street closures requested:

   Street closures: Murry Park Drive, from Park Drive to Putnam Avenue.

This request is made under the Community Civic Events Ordinance No. 1326,
as amended. The application has been routed according to the ordinance
regulations and reviewed by all departments involved. The requirements are
listed on the attached copy of the application, agreement and Exhibit "A," and
a map indicating the desired street closures is included.

RECOMMENDATION: That the Council approve the attached Community Civic Event
Application and Agreement submitted by the City of Porterville
Parks & Leisure Services Department, subject to the stated
requirements contained in Exhibit "A."

ATTACHMENT: Community Civic Event Application, Agreement and Exhibit "A"

DD _____ Appropriated/Funded _____ CM _____ Item No. 13
## REQUIREMENTS FOR COMMUNITY CIVIC EVENT

**CITY OF PORTERVILLE PARKS & LEISURE SERVICES DEPARTMENT**

**"KIDS' DAY IN THE PARK"**

AUGUST 7, 2004

<table>
<thead>
<tr>
<th>Position</th>
<th>Notes</th>
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</table>
| Business License Supervisor:  
  *K. Maxwell*                             | Council approval required.                 |
| Public Works Director:  
  *B. Rodriguez*                            | No comment                                 |
| Community Development Director:  
  *B. Dunlap*                               | Obtain Council approval for use of park.   |
| Field Services Manager:  
  *B. Styles*                                | No comment.                                |
| Fire Chief:  
  *F. Guyton*                               | No comment.                                |
| Parks and Leisure Services Director:  
  *M. Stowe, Acting*                         | No comment.                                |
| Police Chief:  
  *S. Rodriguez*                            | For participants safety, close street.     |
| Risk Manager:  
  *D. Pyle*                                  | Self insured.                              |

EXHIBIT "A"
CITY OF PORTERVILLE
APPLICATION AND AGREEMENT FOR A PERMIT TO HOLD A
COMMUNITY CIVIC EVENT OR OTHER ACTIVITY TO BE HELD ON PUBLIC PROPERTY

Application date: 4/28/04  Event date: 8/07/04

Name of Event: "Kids' Day In The Park"

Sponsoring organization: Parks & Leisure Services
Address: 291 N. Main St.
Authorized representative: Milt Stone
Address: Same as above

Event chairperson:

Location of event (location map must be attached): Murry Park

Type of event/method of operation: Fun Day for Children in the Community, Rides, Games & Special Activities.

Nonprofit status determination:

City services requested (any fees associated with these services will be billed separately):

Barricades (quantity):_________  Street sweeping  Yes _____  No _____
Police protection  Yes _____  No _____  Refuse pickup  Yes _____  No _____
Other: ____________________________

Parks facility application required: Yes  ☑  No _____
Assembly permit required: Yes  ☑  No _____

STAFF COMMENTS (list special requirements or conditions for event):

Approve  Deny
_________  ________  Bus Lic Spvr
_________  ________  Pub Works Dir
_________  ________  Comm Dev Dir
_________  ________  Field Svcs Mgr
_________  ________  Fire Chief
_________  ________  Parks Dir
_________  ________  Police Chief
_________  ________  Risk Manager
CITY OF PORTERVILLE

APPLICATION AND AGREEMENT FOR A PERMIT TO HOLD A COMMUNITY CIVIC EVENT OR OTHER ACTIVITY TO BE HELD ON PUBLIC PROPERTY

Authorization: This permit must be submitted 30 days PRIOR to the date of the event in order to obtain City Council approval.

City Code requirements:

At least 48" must remain clear on sidewalks for pedestrian traffic.
Do not block any entrance to or exit from buildings.
Area must be accessible to emergency and safety personnel and vehicles.
Electrical cords must be approved and installation checked by the Fire Department.

Liability insurance: The sponsoring organization/applicant agrees to provide and keep in force during the term of this permit a policy of liability and property damage insurance against liability for personal injury, including accidental death, as well as liability for property damage which may arise in any way during the term of this permit. The City of Porterville shall be named as additional insured. The amounts of such insurance and any additional requirements are listed in Exhibit "A."

Alcohol liability insurance: Organization/Applicant will obtain an alcohol permit if any alcoholic beverages are to be served. The insurance policy shall be endorsed to include full liquor liability in an amount not less than one million dollars ($1,000,000) per occurrence. The City of Porterville shall be named as additional insured against all claims arising out of or in connection with the issuance of this permit or the operation of the permittee, his/her agents or representatives pursuant the permit. Claims-made policies are not acceptable.

Health permit: Organization/Applicant will obtain or ensure that all participants obtain a health permit(s) from the County of Tulare Department of Health if any food is to be served in connection with this Community Civic Event.

First aid station: Organization/Applicant will establish a first aid station to provide basic emergency care, such as ice/hot packs, bandages, and compresses.

Agreement: The sponsoring organization/applicant agrees to comply with all provisions of the Community Civic Event Ordinance 1326, as amended, and the terms and conditions set forth by City Council and stated in Exhibit "A." The sponsoring organization/applicant agrees, during the term of this permit, to secure and hold the City free and harmless from all loss, liability, and claims for damages, costs and charges of any kind of character arising out of, relating to, or in any way connected with his/her performance of this permit. Said agreement to hold harmless shall include and extend to any injury to any person or persons, or property of the kind whatsoever and to whomever belonging, including, but not limited to, said organization/applicant, and shall not be liable to the City for any injury to persons or property which may result solely or primarily from the action or non-action of the City or its directors, officers, or employees.

[Signature]

Date
Name of event: **Kids' Day In The Park**

Sponsoring organization: **City of Porterville**

Location: **Murry Park**

Event date: **8/07/04**

List all firms, individuals, organizations, etc., that will engage in selling at or participate in the above-named event. **NO PERMIT WILL ISSUED WITHOUT THIS INFORMATION.** This form should be completed at the time of application, but must be submitted one week prior to the event.

<table>
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<tr>
<th>Vendor name</th>
<th>Address</th>
<th>Telephone</th>
<th>Type of Activity</th>
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<tbody>
<tr>
<td>St. Anne's Youth Group</td>
<td>1746 W. Date Ave</td>
<td>783-1693</td>
<td>Hotdog Sales &amp; Soft Drinks</td>
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<tr>
<td>Monache Cheerleaders</td>
<td></td>
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<td>Face Painting &amp; Snow Cone Sales</td>
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<tr>
<td>Emblem Club</td>
<td>P.O. Box 808</td>
<td>781-4271</td>
<td>Water &amp; Cotton Candy Sales</td>
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</tbody>
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CITY OF PORTERVILLE

REQUEST FOR STREET CLOSURES AND PUBLIC PROPERTY USAGE IN CONNECTION WITH THE APPLICATION AND AGREEMENT FOR A PERMIT TO HOLD A COMMUNITY CIVIC EVENT OR OTHER ACTIVITY TO BE HELD ON PUBLIC PROPERTY

Name of event: "Kids’ Day In the Park"

Sponsoring organization: Parks & Leisure Services

Event date: 8/07/04 Hours: 9:00 am - 12:00 pm

ATTACH MAP MARKING AREAS TO BE CLOSED OR USED

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<tr>
<th>Street Name</th>
<th>From</th>
<th>To</th>
<th>Activity</th>
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<tbody>
<tr>
<td>Murry Park Dr</td>
<td>PARK Dr</td>
<td>PUTNAM Ave</td>
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<th>Street Name</th>
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<td>Parking lots and spaces</td>
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CITY OF PORTERVILLE

OUTSIDE AMPLIFIER PERMIT
(City Ordinances #13-14 & 16-9)

This application must be submitted 10 days prior to the date of the event. A copy of this permit must be at the operating premises of the amplifying equipment for which this registration is issued.

1. Name and home address of the applicant:

   City of Porterville Parks & Leisure Services
   291 N. Main Street, Porterville
   Phone # 782-7461

   Contact - Jeannie Greenwood

2. Address where amplification equipment is to be used:

   Mummy Park, Porterville
   Phone # 333-0331

3. Names and addresses of all persons who will use or operate the amplification equipment:

   City Staff - Milt Stove, Jeannie Greenwood, Dannie Moore

4. Type of event for which amplification equipment will be used:

   Kid's Day in the Park

5. Dates and hours of operation of amplification equipment:

   August 7, 2004  9-12

6. A general description of the sound amplifying equipment to be used:

   Public Address system / entertainment / music
I hereby certify that all statements and answers on this registration form are true and correct.

Jeannie Lunnwood
Applicant

Jan. 9, 2004
Date

Silver Rodriguez
Chief of Police

Jan. 26, 2004
Date

Section 18-14 City Ordinance Outside Amplifiers; permit required.
It shall be unlawful for any person to maintain, operate, connect, or suffer or permit to be maintained, operated, or connected any loud-speaker or sound amplifier in such a manner as to cause any sound to be projected outside of any building or out of doors in any part of the city, without having first procured a permit from the Chief of Police.

Section 18-9 City Ordinance, Radios, record players, etc.
It shall be unlawful for any person within the city to use or operate or cause to be operated or to play any radio, phonograph, juke box, record player, loudspeaker musical instrument, mechanical device, machine, apparatus, or instrument for intensification or amplification of the human voice or any sound or noise in a manner so loud as to be calculated to disturb the peace and good order of the neighborhood or sleep of ordinary persons in nearby residences or so loud as to unreasonably disturb and interfere with the peace and comfort of the occupants of nearby residences.

California Penal Code Section 415
Any person who maliciously and willfully disturbs another person by loud and unreasonable noise, is guilty of a misdemeanor.

THIS OUTSIDE AMPLIFIER PERMIT HAS BEEN APPROVED. HOWEVER, WE URGE YOU TO REMAIN CONSIDERATE OF THE GENERAL PEACE AND ORDER OF THE NEIGHBORS IN THE AREA. FAILURE TO ABIDE BY THESE REGULATIONS CAN RESULT IN REVOCATION OF THE PERMIT.

Watch Commander DPA
CITY OF PORTERVILLE
PARKS & LEISURE SERVICES DEPARTMENT
REQUEST FOR USE OF FACILITIES

PLEASE PRINT CLEARLY - PRESS HARD

FACILITY REQUESTED:

☑ Murry Park  ☐ Community Center  ☐ Sports Complex  ☐ Burton Ballfields
☐ Veterans Park  ☐ Library  ☐ Hayes Fields  ☐ Zalud Garden
☐ Zalud Park  ☐ Municipal Ballpark  ☐ College Ballfields  ☐ Other

Area/Room: #1, #2, #3

Nature of Use: Kids Day in the Park  Are fees being charged? Yes

Date of Event: Sat. Aug 7, 2004  Time: 0700 To: 1400

Amplified Equipment/Music: ☑ Yes  ☐ No

Bounce House: ☑ Yes  ☐ No  Bounce House Company:

Attendance: 500  Will food or drink be served: ☑ Yes  ☐ No

Will Alcohol be Served: ☐ Yes  ☑ No  Number of Drinking Adults ($2 per person): 0

Requested Requirements:

will coordinate w/ Parks Division

***************

Organization: City of Porterville Parks & Leisure Services

Name: Jeannie Greenwood

Mailing and/or Billing Address: 291N. Main Street, Porterville

Phone: Day/Work: x7522  Cell No.:  ******  Evening/Home:

Applicant hereby agrees to hold the City of Porterville, their employees, agents and officers free and harmless from any loss, damage, liability, cost or expense that may arise during or be caused in any way by such use or occupancy of said facilities. The applicant agrees to furnish such liability or other insurance for the protection of the public and the City as the City shall require. Applicant agrees to leave the facility in the same condition as found before use. Any damages, misuse or destruction of City property or equipment is the responsibility of the applicant. Applicant agrees to reimburse City for all charges. The CITY OF PORTERVILLE does not provide accident, medical, liability or any other insurance for facility users. In the event staff is taking photos of the park and/or the recreational activities it affords on the day of my event, I give my permission for the City to use said photos in promotional materials. I have read, understand and agree to the rules and regulations that are listed on the back of this form.

SIGNATURE: Jeannie Greenwood  Date: Jan 9, 2004

*** FOR OFFICE USE ONLY ***

APPROVED:  DATE: 1/9/04

POLICE DEPT.:  DATE:

RENTAL CHARGE:

ALCOHOL PERMIT CHARGE:  DATE PAID:  Received By:

SECURITY/KEY DEPOSIT:

ENTERTAINMENT CHARGE:  DATE PAID:  Received By:

INSURANCE REQUIRED:

SPECIAL DEPARTMENT NOTATIONS:

PARK IN DESIGNATED AREAS ONLY

Distribution: Original - Dept; Green - Parks; Blue - Police; Yellow - Applicant
291 NORTH MAIN STREET, PORTERVILLE, CA 93257, PHONE (559) 782-7461
FAX (559) 791-7854. Park/facility information available @ www.ci.porterville.ca.us

SEE BACK PAGE FOR RULES, REGULATIONS AND POLICIES
SUBJECT: APPROVAL FOR COMMUNITY CIVIC EVENT - TULE RIVER INDIAN TRIBAL COUNCIL CALIFORNIA INDIAN DAY POWWOW SEPTEMBER 24 - 26, 2004

SOURCE: Administrative Services - Finance Division

COMMENT: The Tule River Tribal Council is requesting approval to hold a California Indian Day Powwow at the Porterville Fairgrounds on Friday, September 24, 2004, through Sunday, September 26, 2004. The event consists of arts and crafts, information, and food booths, cultural events, and Native American dancing and drum groups competition. No street closures are requested, however, the exclusive use of the parking lot south of the fairgrounds, west of the shopping center, is requested for recreational vehicle use. Overnight camping has been requested in the horse arena.

This request is made under the Community Civic Events Ordinance No. 1326, as amended. The application has been routed according to the ordinance regulations and reviewed by all departments involved. The requirements are listed on the attached copy of the application, agreement and Exhibit "A."

RECOMMENDATION: That the Council approve the attached Community Civic Event Application and Agreement submitted by the Tule River Tribal Council, subject to the stated requirements contained in Application, Agreement, and Exhibit "A."

ATTACHMENT: Community Civic Event Application, Agreement and Exhibit "A"
REQUIREMENTS FOR COMMUNITY CIVIC EVENT

TULE RIVER INDIAN TRIBAL COUNCIL

CALIFORNIA INDIAN DAY POWWOW

SEPTEMBER 24 - 26, 2004

Business License Supervisor:  
K. Maxwell

Council approval required. Complete vendor list.

Public Works Director:  
B. Rodriguez

Requires approved traffic control plan. Submittal necessary.

Community Development Director:  
B. Dunlap

Obtain Council approval for street closure, if needed.

Field Services Manager:  
B. Styles

No comments.

Fire Chief:  
F. Guyton

No comments.

Parks and Leisure Services Director:  
M. Stowe, Acting

Fill out use permit for South Municipal Park.

Police Chief:  
S. Rodriguez

Provide adequate security at event; make efforts to improve safety for attendees crossing Olive Avenue on foot.

Risk Manager:  
D. Pyle

See Page 2.
REQUIREMENTS FOR COMMUNITY CIVIC EVENT

Sponsor: Tule River Indian Tribal Council
Event: California Indian Day Powwow
Event Chairman: Charmaine McDarment
Location: Porterville Fairgrounds
Date of Event: September 24 - 26, 2004

RISK MANAGEMENT: Conditions of Approval

That the Tule River Indian Tribal Council provide a Certificate of Commercial General Liability Insurance Coverage evidencing coverage of not less than $1,000,000 per occurrence, and having the appropriate Endorsement naming the City of Porterville, its Officers, Employees, Agents and Volunteers as “Additional Insured” against all claims arising from, or in connection with, the Permittee’s operation and sponsorship of the aforementioned Community Civic Event

A. Said Certificate of Insurance shall be an original (fax and xerographic copies not acceptable), the Certificate shall be signed by an agent authorized to bind insurance coverage with the carrier, and the deductible, if any, shall not be greater than $1,000.

B. Said insurance shall be primary to the insurance held by the City of Porterville, be with a company having an A.M. Best Rating of no less that A:VII, and the insurance company must be an “admitted” insurer in the State of California.
CITY OF PORTERVILLE
APPLICATION AND AGREEMENT FOR A PERMIT TO HOLD A
COMMUNITY CIVIC EVENT OR OTHER ACTIVITY TO BE HELD ON PUBLIC PROPERTY

Application date: June 21, 2004  Event date: September 24, 25, 26, 2004

Name of Event: Porterville Powwow

Sponsoring organization: Title River Tribal Council  PHONE #: 781-4271
Address: P.O. Box 589, Porterville, CA 93258

Authorized representative: Vincent Burrough  PHONE #: 781-4271
Address:

Event chairperson: Charmaine McDarman  PHONE #: 781-4271

Location of event (location map must be attached):
Porterville Fairgrounds - 300 Olive Avenue.

Type of event/method of operation: Powwow

Nonprofit status determination: YES

City services requested (any fees associated with these services will be billed separately):

Barricades (quantity): N/A  Street sweeping: Yes ___  No ___
Police protection: Yes ___  No X  Refuse pickup: Yes ___  No X
Other: 

Parks facility application required: Yes ___  No ___
Assembly permit required: Yes ___  No ___

STAFF COMMENTS (list special requirements or conditions for event):

Approve Deny

Bus Lic Spvr
Pub Works Dir
Comm Dev Dir
Field Svcs Mgr
Fire Chief
Parks Dir
Police Chief
Risk Manager

Fill out Use Permit for South Muni Park
CITY OF PORTERVILLE

APPLICATION AND AGREEMENT FOR A PERMIT TO HOLD A COMMUNITY CIVIC EVENT OR OTHER ACTIVITY TO BE HELD ON PUBLIC PROPERTY

Authorization: This permit must be submitted 30 days PRIOR to the date of the event in order to obtain City Council approval.

City Code requirements:

At least 48" must remain clear on sidewalks for pedestrian traffic.
Do not block any entrance to or exit from buildings.
Area must be accessible to emergency and safety personnel and vehicles.
Electrical cords must be approved and installation checked by the Fire Department.

Liability insurance: The sponsoring organization/applicant agrees to provide and keep in force during the term of this permit a policy of liability and property damage insurance against liability for personal injury, including accidental death, as well as liability for property damage which may arise in any way during the term of this permit. The City of Porterville shall be named as additional insured. The amounts of such insurance and any additional requirements are listed in Exhibit "A."

Alcohol liability insurance: Organization/Applicant will obtain an alcohol permit if any alcoholic beverages are to be served. The insurance policy shall be endorsed to include full liquor liability in an amount not less than one million dollars ($1,000,000) per occurrence. The City of Porterville shall be named as additional insured against all claims arising out of or in connection with the issuance of this permit or the operation of the permittee, his/her agents or representatives pursuant the permit. Claims-made policies are not acceptable.

Health permit: Organization/Applicant will obtain or ensure that all participants obtain a health permit(s) from the County of Tulare Department of Health if any food is to be served in connection with this Community Civic Event.

First aid station: Organization/Applicant will establish a first aid station to provide basic emergency care, such as ice/hot packs, bandages, and compresses.

Agreement: The sponsoring organization/applicant agrees to comply with all provisions of the Community Civic Event Ordinance 1326, as amended, and the terms and conditions set forth by City Council and stated in Exhibit "A." The sponsoring organization/applicant agrees, during the term of this permit, to secure and hold the City free and harmless from all loss, liability, and claims for damages, costs and charges of any kind of character arising out of, relating to, or in any way connected with his/her performance of this permit. Said agreement to hold harmless shall include and extend to any injury to any person or persons, or property of the kind whatsoever and to whomever belonging, including, but not limited to, said organization/applicant, and shall not be liable to the City for any injury to persons or property which may result solely or primarily from the action or non-action of the City or its directors, officers, or employees.

[Signatures and dates]

Tule River Tribal Council
(Name of organization)

(Date)

(Signature)
CITY OF PORTERVILLE

VENDOR/PARTICIPANT LIST IN CONNECTION WITH THE APPLICATION AND AGREEMENT FOR A PERMIT TO HOLD A COMMUNITY CIVIC EVENT OR OTHER ACTIVITY TO BE HELD ON PUBLIC PROPERTY

Name of event: **Porterville Powwow**

Sponsoring organization: **Tule River Tribal Council**

Location: **Porterville Fairgrounds**

Event date: **September 24, 25, 26, 2004**

List all firms, individuals, organizations, etc., that will engage in selling at or participate in the above-named event. **NO PERMIT WILL ISSUED WITHOUT THIS INFORMATION.** This form should be completed at the time of application, but must be submitted one week prior to the event.

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<th>Vendor name</th>
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CITY OF PORTERVILLE

REQUEST FOR STREET CLOSURES AND PUBLIC PROPERTY USAGE IN CONNECTION WITH THE
APPLICATION AND AGREEMENT FOR A PERMIT TO HOLD A COMMUNITY CIVIC EVENT OR OTHER
ACTIVITY TO BE HELD ON PUBLIC PROPERTY

Name of event: Porterville Powwow

Sponsoring organization: Tule River Tribal Council

Event date: September 24, 25, 26, 2004

Hours: 24th: 8am-11pm / 25th: 8am-11pm /
26th: 8am-8pm

ATTACH MAP MARKING AREAS TO BE CLOSED OR USED

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<th>Parking lots and spaces</th>
<th>Location</th>
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<td>South Fair lot (PUSD)</td>
<td>South of Fairgrounds entrance</td>
<td>Parking / RV Parking</td>
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4 of 4
FACILITY REQUESTED:
- ☐ Murry Park
- ☐ Community Center
- ☐ Sports Complex
- ☐ Burton Ballfields
- ☐ Veterans Park
- ☐ Library
- ☐ Hayes Fields
- ☐ Zalud Garden
- ☐ Zalud Park
- ☐ Municipal Ballpark
- ☐ College Ballfields
- ☐ Other

Area/Room: North Municipal Park - (Horse Arena)

Nature of Use: Overnight Camping

Date of Event: 04/24/04

Time: Evening To: Morning

Are fees being charged? No

Amplified Equipment/Music: Yes ☐ No ☐

Bounce House: Yes ☐ No ☐

Bounce House Company: 

Attendance:

Will Alcohol be Served: Yes ☐ No ☐

Number of Drinking Adults ($2 per person):

Requested Requirements: We are requesting use of the park for camping for our vendors, dancers, drum groups. We will designate an area for tailing, generators and no vehicle or RV parking will be allowed.

Organization: Tulare Tri Valley Council

Name: Neil Peyron, Phil Hunter, or Vincent Burroughs

Mailing and/or Billing Address: P.O. Box 589, Porterville, CA 93258

Phone: Day/Work: 781.4271

Cell No.: 30/3161

Applicant hereby agrees to hold the City of Porterville, their employees, agents and officers free and harmless from any loss, damage, liability, cost or expense that may arise during or be caused in any way by such use or occupancy of said facilities. The applicant agrees to furnish such liability or other insurance for the protection of the public and the City as the City shall require. Applicant agrees to leave the facility in the same condition as found before use. Any damages, misuse or destruction of City property or equipment is the responsibility of the applicant. Applicant agrees to reimburse City for all charges. The CITY OF PORTERVILLE does not provide accident, medical, liability or any other insurance for facility users. In the event staff is taking photos of the park and/or the recreational activities it affords on the day of my event, I give my permission for the City to use said photos in promotional materials. I have read, understand and agree to the rules and regulations that are listed on the back of this form.

SIGNATURE: [Signature]

Date: 06-21-04

*** FOR OFFICE USE ONLY ***

APPROVED: [Signature]

DATE: 06-21-04

POLICE DEPT.: 

DATE:

RENTAL CHARGE:

DATE:

ALCOHOL PERMIT CHARGE: Date Paid: Received By:

SECURITY/KEY DEPOSIT: Date Paid: Received By:

ENTERTAINMENT CHARGE: Date Paid: Received By:

INSURANCE REQUIRED: Date Submitted: Received By:

SPECIAL DEPARTMENT NOTATIONS:

PARK IN DESIGNATED AREAS ONLY
This application must be submitted 10 days prior to the date of the event. A copy of this permit must be at the operating premises of the amplifying equipment for which this registration is issued.

1. Name and home address of the applicant:
   Tule River Tribal Council
   P.O. Box 589, Porterville, CA 93258
   Phone # 781.4871

2. Address where amplification equipment is to be used:
   Porterville Fairgrounds, 300 Olive Ave.
   Phone #

3. Names and addresses of all persons who will use or operate the amplification equipment:
   Rio Productions, 1406 E. Sierra Ave, Tulare, CA 93274

4. Type of event for which amplification equipment will be used:
   Powwow

5. Dates and hours of operation of amplification equipment:
   September 24; 7pm-11pm / 25: 11am-11pm / 26: 11am-5pm

6. A general description of the sound amplifying equipment to be used:
   Speakers & microphones
I hereby certify that all statements and answers on this registration form are true and correct.

[Signature]
Applicant: Vice-Chair

[Signature]
Chief of Police

06-21-04
Date

6-24-2004
Date

Section 18-14 City Ordinance Outside Amplifiers; permit required.
It shall be unlawful for any person to maintain, operate, connect, or suffer or permit to be maintained, operated, or connected any loud-speaker or sound amplifier in such a manner as to cause any sound to be projected outside of any building or out of doors in any part of the city, without having first procured a permit from the Chief of Police.

Section 18-9 City Ordinance, Radios, record players, etc.
It shall be unlawful for any person within the city to use or operate or cause to be operated or to play any radio, phonograph, juke box, record player, loud-speaker musical instrument, mechanical device, machine, apparatus, or instrument for intensification or amplification of the human voice or any sound or noise in a manner so loud as to be calculated to disturb the peace and good order of the neighborhood or sleep of ordinary persons in nearby residences or so loud as to unreasonably disturb and interfere with the peace and comfort of the occupants of nearby residences.

California Penal Code Section 415
Any person who maliciously and willfully disturbs another person by loud and unreasonable noise, is guilty of a misdemeanor.

THIS OUTSIDE AMPLIFIER PERMIT HAS BEEN APPROVED. HOWEVER, WE URGE YOU TO REMAIN CONSIDERATE OF THE GENERAL PEACE AND ORDER OF THE NEIGHBORS IN THE AREA. FAILURE TO ABIDE BY THESE REGULATIONS CAN RESULT IN REVOCATION OF THE PERMIT.

cc: Watch Commander PPD

[Signature]
SUBJECT: CALTRANS GRANT RESOLUTION MODIFICATION

SOURCE: AIRPORT

COMMENT: At the Council Meeting of August 19, 2003, Council approved the submission of a Caltrans Grant to fund 5% of the City's 10% matching requirements for FAA Grant No. 3-06-0190-06.

State law recently changed (AB 2630) which allows the State to provide all the local match for Federally funded security projects at small general aviation airports. Because $27,000 of the original $450,000 grant is designated for security gates, a new resolution is required for the State to pay the additional $1,350.

RECOMMENDATION: That the City Council:

1. Approve the attached resolution.

ATTACHMENTS: Draft Resolution

Dir. □ Funded □ C/M □ Approp. Item No. 15
RESOLUTION NO. ________

A RESOLUTION OF THE CITY OF PORTERVILLE CITY COUNCIL AUTHORIZING THE SUBMITTAL OF AN APPLICATION, ACCEPTANCE OF AN ALLOCATION OF FUNDS, AND EXECUTION OF A GRANT AGREEMENT WITH THE CALIFORNIA DEPARTMENT OF TRANSPORTATION, FOR A MATCHING GRANT FOR FEDERAL AVIATION ADMINISTRATION (FAA) APPROVED PROJECT UNDER AIRPORT IMPROVEMENT PROGRAM NO. 3-06-0190-06.

WHEREAS, pursuant to Section 21683.1 of the Public Utilities code (PUC) the California Transportation Commission (CTC) is authorized to allocate funds for a portion of the local match for AIP grants.

WHEREAS, the California Department of Transportation, acting on the authority of the California Transportation Commission, may provide five percent (5%) for that portion of the FAA grant which is for airport and aviation purposes.

WHEREAS, pursuant to AB 2630, the California Department of Transportation, acting on the authority of the California Transportation Commission, may provide the “full” match for Federally funded security projects at small general aviation airports.

WHEREAS, the City of Porterville is submitting an application for matching funds for general FAA projects, and security projects that are included in the State’s Capital Improvement Program (CIP), at the Porterville Municipal Airport,

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Porterville, State of California:

1. Authorizes filing the application for all matching funds for the FAA Grant No. 3-06-0190-06 project.

2. Authorizes accepting the allocations of funds for the projects at the Porterville Municipal Airport.

3. Authorizes execution of the Grant Agreement; and

BE IT FURTHER RESOLVED, that the City Council of the City of Porterville does hereby authorize S. Frank Guyton, Fire Chief, City of Porterville, to sign any documents required to apply for and accept these subject funds on behalf of the City of Porterville.

________________________________________
Pedro R. Martinez, Mayor

ATTEST:

John Longley, City Clerk

By ______________________________
Georgia Hawley, Deputy City Clerk
SUBJECT: CHANGE IN TRUSTEE FOR DEBT ISSUES

SOURCE: Department of Finance - Administration

COMMENT: In October 2003, the City entered into a Section 108 loan guarantee agreement with the U.S. Department of Housing and Urban Development (HUD). As part of that contract, trustee services were required and at HUD's suggestion, services were established with Union Bank of California (UBOC). The administrative fees were considerably lower (49 - 55%) than those charged by U.S. Bank, the trust agent for the City's five outstanding Certificates of Participation (COPs). Currently, the annual cost for trust services on the five COPs with U.S. Bank is $22,175; those same services at UBOC will cost $9,000, an annual savings of $13,175.

UBOC is the fourth-largest commercial bank in California, and has been providing commercial banking services to the City for over 8 years. It is staff's recommendation that these trust services be moved to UBOC from U.S. Bank to consolidate services and for cost savings. To facilitate that transaction, Council will need to adopt a resolution approving the change. This resolution was prepared by the City's bond attorney, Brian Quint of Quint and Timmig, who expressed no disapproval of the City's election to change trustee.

RECOMMENDATION: That Council authorize the removal of U. S. Bank as trustee for the City's debt issuances and install Union Bank of California as trustee for the current and any future issues.

Attachment: Resolution approving the change in trustee
CITY OF PORTERVILLE

RESOLUTION NO. ______

RESOLUTION APPROVING THE REMOVAL OF THE TRUSTEE APPOINTED IN CONNECTION WITH CERTAIN OF THE CITY’S CERTIFICATES OF PARTICIPATION FINANCINGS, APPROVING THE APPOINTMENT A SUCCESSOR TRUSTEE AND AUTHORIZING AND DIRECTING EXECUTION OF DOCUMENTS NECESSARY IN CONNECTION WITH SUCH REMOVAL AND APPOINTMENT

RESOLVED, by the City Council of the City of Porterville (the “City”), as follows:

WHEREAS, the City has heretofore caused the authorization, execution and delivery of the following certificates of participation (collectively, the “Certificates”):

(a) $7,410,000 Certificates of Participation (2002 Sewer System Refunding Project), evidencing direct, undivided fractional interests of the owners thereof in installment payments to be made by the City as the purchase price for certain property pursuant to an installment sale agreement with the Porterville Public Financing Authority (the “Authority”);

(b) $6,920,000 Certificates of Participation (2002 Water System Refunding Project), evidencing direct, undivided fractional interests of the owners thereof in installment payments to be made by the City as the purchase price for certain property pursuant to an installment sale agreement with the Authority;

(c) $5,440,000 Certificates of Participation (2002 Public Buildings Refunding Project), evidencing direct, undivided fractional interests of the owners thereof in lease payments to be made by the City as the rental for certain property pursuant to a lease agreement with the Authority;

(d) $20,000,000 Certificates of Participation (1998 Infrastructure Financing Project) evidencing direct, undivided fractional interests of the owners thereof in lease payments to be made by the City as the rental for certain property pursuant to a lease agreement with the Authority; and

(e) $14,425,000 Certificates of Participation (1997 Sewer System Refinancing Project), evidencing direct, undivided fractional interests of the owners thereof in installment payments to be made by the City as the purchase price for certain property pursuant to an installment sale agreement with the Authority

WHEREAS, U.S. Bank National Association currently acts as the trustee for all of the Certificates (the “Trustee”); and

WHEREAS, the City proposes to remove the Trustee and to appoint Union Bank of California, N.A., San Francisco, California, as successor trustee (the “Successor Trustee”); and

WHEREAS, the trust agreement relating to each of the Certificates (collectively, the “Trust Agreements”) permits such removal and substitution, so long as such removal and substitution
are made in accordance with the provisions of the Trust Agreements and the successor trustee is a bank or trust company meeting the requirements set forth in the Trust Agreements;

NOW, THEREFORE, it is hereby ORDERED and DETERMINED, as follows:

Section 1. Approval of Removal of the Trustee. Removal of the Trustee as trustee under the Trust Agreements by the City in accordance with the Trust Agreements is hereby approved by the City.

Section 2. Approval of Appointment of Successor Trustee. Appointment of the Successor Trustee as successor trustee, under the Trust Agreements is hereby approved by the City.

Section 3. Official Actions. The Mayor, the Vice Mayor, the City Manager, the Finance Director, the City Clerk and any and all other officers of the City, are each hereby authorized and directed to execute such agreements, documents and certificates as may be necessary to effect the purposes of this resolution and the removal and substitution herein authorized.

Section 4. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

*****

I, the undersigned City Clerk of the City of Porterville, hereby certify that the foregoing is a full, true and correct copy of a resolution adopted by the City Council of the Porterville at a meeting thereof on the ____ day of __________, 2004, by the following vote of the members thereof:

AYES:

NOES:

ABSTAIN:

ABSENT:

______________________________
City Clerk

-2-
PUBLIC HEARING

SUBJECT: MODIFICATION OR REVOCATION OF CONDITIONAL USE PERMIT 6-1982 COLONIAL MOBILEHOME PARK

SOURCE: COMMUNITY DEVELOPMENT DEPARTMENT - PLANNING DIVISION

BACKGROUND: Conditional Use Permit 6-1982 was approved by the Planning Commission on May 10, 1982 to permit the development of a mobilehome park to be located on the northeast corner of Westwood Street and Morton Avenue. The approved design of the mobilehome park included a six foot concrete block wall and substantial landscaping improvements, consisting of shrubs, street trees and ground cover, along Morton Avenue and Westwood Street. The resolution of approval includes Condition Nos. 1 and 7 which read:

1. That all future on-site development shall conform to applicable City of Porterville codes.

7. That the owner of the mobilehome park be responsible for maintenance of the landscaping in the Westwood Street and Morton Avenue parkway.

City Staff has been made aware of a violation of these conditions. Landscaping and soil have been removed from the parkway area between the sidewalk and the concrete block wall along Westwood Street. This action exposed the footings of the wall, reducing its structural stability. In addition, the shrubs and street trees have been removed from the parkway area along Morton Avenue.

On April 13, 2004 and June 17, 2004, the City of Porterville sent notices of violation to the owners of the Colonial Mobilehome Park. To date, no significant effort has been made to resolve the issue. It appears that a modest amount of soil has been placed on the site and has been loosely mounded against the footings of the wall. This is not sufficient to meet either the building code or the Conditional Use Permit requirements.

As a consequence of the violation, Council has directed Staff to set a Public Hearing for this date to consider modification or revocation of the Conditional Use Permit as described in Article 31 of the Zoning Ordinance.

ITEM NO. 17
COMMENT: City Staff is concerned that the property owner has not adequately responded to a violation which creates both a potential safety hazard and a visual blight. The nature of the violation itself appears to indicate a lack of interest in the neighborhood and a low priority with regard to basic upkeep and maintenance. Under such circumstances, it may be necessary to raise the awareness of the property owners. In order to achieve this goal without unduly burdening the existing residents, Staff is proposing a modification to Conditional Use Permit 6-1982 as to add three conditions of approval as follows:

11. The developer/applicant and all subsequent owners and operators of the facility shall operate and maintain the establishment in such a manner as to preserve the public safety, health and welfare, to prevent the use from becoming a nuisance and in compliance with all laws, ordinances and regulations regarding the operation and maintenance of a mobilehome park.

12. The developer/applicant and all subsequent owners and operators of the facility shall comply with all conditions of approval of Conditional Use Permit 6-1982 approved by Planning Commission Resolution 1343 and any of the conditions of approval of any other permits, approvals or authorizations applicable to the mobilehome park.

13. Until such time as the Community Development Director and the Chief Building Official certify that adequate soil has been replaced along the Westwood Street frontage of the subject site to comply with the California Building Code and the landscaping along Morton Avenue and Westwood Street have been restored to its originally approved condition, no additional or replacement mobilehomes may be placed on the subject property and no new tenants shall be permitted to occupy existing mobilehomes. Vacated mobilehomes or mobilehome spaces shall not be re-occupied for any purpose while this condition is in effect, nor shall the owner or management of the subject site purchase or otherwise make available for rent any existing mobilehomes within the mobilehome development. Unless an alternate, equivalent landscaping plan is approved by the Community Development Director, landscaping shall be restored as shown in the set of plans for Colonial Park prepared by R.L. Schafer & Associates Inc., and dated 1-82, and on file with the City of Porterville (see especially Sheet 13 of 14).

It is Staff's intent in preparing the proposed Conditions of Approval to ensure that correction of the violations becomes a high priority for the owners of the mobilehome park. It should be noted that the prohibition on new tenants has the potential to interfere with tenants who may wish to sell their units. It is Staff's understanding that the tenants are generally willing to accept this restriction in order to expedite the desired improvements. If comments to the contrary are
received during the Public Hearing, it may be appropriate to modify the proposed Condition. Staff has confirmed that the Colonial Mobilehome Park leases spaces (lots) but does not currently rent mobilehomes to their tenants. One space is currently vacant. The proposed restriction can be policed through utility billing. Currently, the Finance Department charges a flat rate to all of the various tenants. Should the Condition of Approval be adopted as proposed, the Finance Department would be requested to refrain from issuing any new utility service accounts within the Colonial Mobilehome Park.

OPTIONS:

1. Modify Conditional Use Permit 6-1982 by adding the proposed Conditions. The mobilehome park would continue to operate, however, vacated spaces would remain vacant as long as the violation continues.

2. Propose alternative Modifications or Revoke the Conditional Use Permit.

3. Take no action. The Conditional Use Permit would remain in effect. Staff would undertake alternative means to secure compliance.

RECOMMENDATION: That the City Council modify Conditional Use Permit 6-1982 as proposed.

Attachments:

1. Resolution Approving Conditional Use Permit 6-1982
2. Draft Resolution Modifying Conditional Use Permit 6-1982
WHEREAS: The City of Porterville Planning Commission at its regularly scheduled meeting of May 10, 1982, conducted a public hearing to consider Conditional Use Permit 6-82 and Specific Development Plans for a mobilehome park for that site located along the northeast corner of Westwood Street and Morton Avenue, and

WHEREAS: The P-D Zone requires that the applicant submit Specific Development Plans, which shall be in conformance with the approved General Development Plans, and

WHEREAS: The Specific Development Plans show that the applicant proposes a mobilehome park within the boundaries of the P-D Zone, and

WHEREAS: The Planning Commission received testimony from all interested parties relative to the Conditional Use Permit and Specific Development Plans, and

WHEREAS: The Planning Commission made the following findings:

1. That the proposed project is consistent with adopted general and specific plans.

2. That the design or improvement of the proposed project is consistent with adopted general and specific plans.

ATTACHMENT
ITEM NO. 1
3. That the site is physically suitable for the type of development.

4. That the site is physically suitable for the proposed density of development of the project.

5. That the design of the project or the proposed improvements are not likely to cause substantial environmental damage.

6. That a Mitigated Negative Declaration was prepared for the project.

7. That the proposed location of the Planned Unit Development is in accordance with the objectives of the zone plan, and the purpose of the district in which the site is located.

8. That the proposed location of the Planned Unit Development and the proposed conditions under which it would be operated or maintained will not be detrimental to the public health, safety, or welfare, or materially injurious to properties or improvements in the vicinity.

9. That the standards of population density, site area dimensions, site coverage, yard spaces, heights of structures, distance between structures, off-street parking and off-street loading facilities and landscaped areas will produce an environment of stable and desirable character consistent with the objectives of the Zoning Ordinance.

10. That the standards of population density, site area dimensions, site coverage, yard spaces, height of structures, distances between structures and off-street loading facilities will be such that the development will not generate more traffic than the streets in the vicinity can carry without congestion and will not overload utilities.

NOW, THEREFORE, BE IT RESOLVED: That the Porterville Planning Commission does hereby approve Conditional Use Permit 6-82 Specific Development Plan subject to the following conditions:

1. That all future development shall conform to applicable City of Porterville codes.
1. That all future on-site development shall conform to the City's Zoning Ordinance.

2. That all future on-site uses shall conform to the City’s Fire Department Standards.

3. That the requirements of the City Engineer shall be complied with (conditions attached).

4. That the mobilehome park shall be developed substantially as shown on Exhibits 1-20 except where conditions of approval require changes or where changes do not substantially vary from the General Development Plans.

5. That emergency ingress/egress be provided as determined by the Fire Chief and City Engineer.

6. That the owner of the mobilehome park be responsible for maintenance of the landscaping in the Westwood Street and Morton Avenue Parkway.

7. That fire flow requirements shall be 1,000 gallons per minute at 20 pounds per square inch.

8. That the mitigation measures of the Environmental Review Committee be incorporated into the project. (The potential impact concerns of the Environmental Review Committee and mitigation measures are attached.)

9. To allow a 6' redwood interior fence and that the owner be responsible for maintenance.

MOVED BY COMMISSIONER BONDS
AND CARRIED
SECONDED BY COMMISSIONER

AYES:
Bonds, Attenbury, Gifford, McCracken

NOES:
None

ABSTAIN:
None

ABSENT:
Cotera

DATED: May 10, 1982

ATTEST: Pete V. McCracken, Chairman
Porterville Planning Commission
RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE CONTAINING FINDINGS AND CONDITIONS IN SUPPORT OF MODIFICATION OF CONDITIONAL USE PERMIT 6-1982 WHICH PERMITTED THE ESTABLISHMENT OF THE COLONIAL MOBILEHOME PARK

WHEREAS: Conditional Use Permit 6-1982 was originally approved by Planning Commission Resolution No. 1343 on May 10, 1982 to adopt specific development plans within a Planned Development and to permit the establishment of the Colonial Mobilehome Park on the northeast corner of Morton Avenue and Westwood Street; and

WHEREAS: Pursuant to Article 31 of the Porterville Zoning Ordinance, the City Council of the City of Porterville at its regularly scheduled meeting of July 20, 2004, conducted a public hearing to consider modification or revocation of Conditional Use Permit 6-1982; and

WHEREAS: The development plans of the Colonial Mobilehome Park include a six foot concrete block wall and a landscaped parkway including ground cover, shrubs and street trees along Morton Avenue and Westwood Street; and

WHEREAS: Condition No. 1 of Planning Commission Resolution No. 1343 reads as follows:

"That all future on-site development shall conform to applicable City of Porterville codes. "; and
WHEREAS: Condition No. 7 of Planning Commission Resolution No. 1343 reads as follows:

"That the owner of the mobilehome park be responsible for maintenance of the landscaping in the Westwood Street and Morton Avenue Parkway."

WHEREAS: Site inspection has indicated that landscaping and soil has been removed from the Westwood Street parkway, and landscaping has been removed from the Morton Avenue Parkway; and

WHEREAS: Removal of soil has exposed the footings of a concrete block wall in violation of the California Uniform Codes, which have been adopted by the City Council as a component of the municipal codes; and

WHEREAS: The City Council received testimony from all interested parties relative to said modification or revocation of Conditional Use Permit 6-1982; and

WHEREAS: The City Council made the following findings:

1. The removal of soil from the Westwood Street parkway and the associated exposure of the footings of a concrete block wall constitute a violation of the municipal code and Condition Nos. 1 and 7 of Conditional Use Permit 6-1982.

2. The exposure of the footings of the concrete block wall has reduced the stability of the structure as it was originally designed, approved, and inspected and, therefore, constitutes a potential hazard to the public health and safety.

3. The removal of required landscaping has significantly exposed the public to a visual blighted condition.

4. The circumstances leading to the violation indicate a willingness to operate without due regard to the public health, safety and welfare.
NOW, THEREFORE, BE IT RESOLVED: That the City Council of the City of Porterville does hereby modify Conditional Use Permit 1-1982 to add condition Nos. 11, 12 and 13 as follows:

11. The developer/applicant and all subsequent owners and operators of the facility shall operate and maintain the establishment in such a manner as to preserve the public safety, health and welfare, to prevent the use from becoming a nuisance and in compliance with all laws, ordinances and regulations regarding the operation and maintenance of a mobilehome park.

12. The developer/applicant and all subsequent owners and operators of the facility shall comply with all conditions of approval of Conditional Use Permit 6-1982 approved by Planning Commission Resolution 1343 and any conditions of approval of any other permits, approvals or authorizations applicable to the mobilehome park.

13. Until such time as the Community Development Director and the Chief Building Official certify that adequate soil has been replaced along the Westwood Street frontage of the subject site to comply with the California Building Code and the landscaping along Morton Avenue and Westwood Street have been restored to its originally approved condition, no additional or replacement mobilehomes may be placed on the subject property and no new tenants shall be permitted to occupy existing mobilehomes. Vacated mobilehomes or mobilehome spaces shall not be re-occupied for any purpose while this condition is in effect, nor shall the owner or management of the subject site purchase or otherwise make available for rent any existing mobilehomes within the mobilehome development. Unless an alternate, equivalent landscaping plan is approved by the Community Development Director, landscaping shall be restored as shown in the set of plans for Colonial Park prepared by R.L. Schafer & Associates Inc., and dated 1-82, and on file with the City of Porterville (see especially Sheet 13 of 14).

__________________________
Pedro R. Martinez, Mayor

ATTEST:

John Longley, City Clerk

__________________________
Georgia Hawley, Deputy
SUBJECT: PROPOSED FEE FOR THE ASSUMPTION OF A LEASE AGREEMENT AT THE PORTERVILLE MUNICIPAL AIRPORT

SOURCE: Fire Department / Airport Division

COMMENT: The standard airport lease agreement between the City and a lease holder allows for a third party to assume a valid lease upon mutual agreement between the City Council and the original lease holder. The City currently does not have a fee authorized to capture the direct costs incurred by the City for processing a lease assumption request.

A new ordinance was adopted by Council on April 4, 2004 allowing the City to charge fees for services at the Porterville Municipal Airport. On April 20, 2004, Council adopted a resolution setting the appropriate fees for various services. Staff is recommending a modification to the adopted resolution adding a fee of $150.00 for the assumption of a valid lease agreement between the City of Porterville and a leaseholder at the Porterville Municipal Airport. The proposed fee will cover the direct costs incurred by the City in the processing of an assumption request.

RECOMMENDATION: That the City Council conduct the public hearing and adopt the proposed fee.

ATTACHMENTS: Draft Resolution

Dir. □ Funded □ C/M □ Approp. Item No. 18
RESOLUTION NO. _____-2004

A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF PORTERVILLE SETTING FEES FOR ACTIVITIES
AT THE PORTERVILLE MUNICIPAL AIRPORT

Whereas, on April 20, 2004, the City Council did adopt Ordinance No. 1652 adopting
Chapter 4, Airport, which governs the rules and regulations at the Porterville Municipal Airport,
and which includes the authority to adopt, by resolution, various fees for activities at the Airport;
and

Whereas, on April 20, 2004, the City Council did adopt Resolution No. 40-2004 which set
the fees for airport activities effective May 20, 2004; and

Whereas, it is recommended that a modification be made to the adopted schedule adding a
fee for the assumption of a valid lease agreement between the City of Porterville and a leaseholder
at the Porterville Municipal Airport allowing for a third party to assume said lease upon mutual
agreement between the City Council and the original lease holder. The proposed fee will cover the
direct costs incurred by the City in the processing of the assumption request.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Porterville,
that the Fee Schedule for the Porterville Municipal Airport shall be modified to include the
following:

| Lease Assumption Fee | $150.00 |

ADOPTED this _____________ day of _____________, 2004.

Pedro R. Martinez, Mayor

ATTEST:

Georgia Hawley, Deputy City Clerk
PUBLIC HEARING

SUBJECT:  
PUBLIC HEALTH GOAL REPORT

SOURCE:  
Public Works Department - Field Services Division

COMMENT:  
SB 1307 added new provisions to the California Health and Safety Code specifying that larger (greater than 10,000 service connections) water utilities prepare a special report if their water quality measurements have exceeded any Public Health Goals (PHGs). Established by the California Environmental Protection Agency (Cal-EPA), Office of Environmental Health Hazard Assessment (OEHHA), PHGs are non-enforceable standards; and no action to meet them is mandated. The law also requires that where OEHHA has not adopted a PHG for a constituent, the water suppliers are to use the maximum contaminant level goals (MCLGs) adopted by United States Environmental Protection Agency (USEPA). A public hearing is required for the purpose of accepting and responding to public comment on the report.

The attached report is intended to provide information to the public in addition to the Consumer Confidence Report mailed to each customer in June. The City of Porterville’s water system complies with all of the health-based drinking water standards and maximum contaminant levels (MCLs) required by the California Department of Health Services and the USEPA.

RECOMMENDATION:  
That City Council conduct a public hearing to solicit comments on the Public Health Goal Report.

ATTACHMENT:  
City of Porterville Public Health Goal Report

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CITY OF PORTERVILLE
PUBLIC HEALTH GOAL REPORT

The California Health and Safety Code Section 116470(b), (c) and (f) specifies that on July 1, 1998, and every three years thereafter, public water systems serving more than 10,000 service connections shall prepare a report intended to inform the public concerning any Public Health Goal (PHG) that is exceeded.

PHGs are set by the California Office of Environmental Health Hazard Assessment (OEHHA) which is part of the California Environmental Protection Agency (Cal-EPA) and are based solely on public health risk considerations. None of the practical risk-management factors that are considered by the United States Environmental Protection Agency (USEPA) or the California Department of Health Services (CDHS) in setting drinking water standards, Maximum Contaminant Levels (MCLs), are considered in setting PHGs. These factors include analytical detection capability, treatment technology available, benefits, and costs. The PHGs are not enforceable and are not required to be met by any public water system. Maximum Contaminant Level Goals (MCLGs) are the federal equivalent to PHGs. As long as drinking water complies with all MCLs, it is considered safe to drink, even if some contaminants exceed PHG levels. A PHG represents a health-protective level for a contaminant that DHS and California’s public water systems should strive to achieve if it is feasible to do so. However, a PHG is not a boundary line between a “safe” and “dangerous” level of a contaminant.

OEHHA typically establishes the PHG for cancer causing contaminants at the “one-in-one million” risk level. However, a “ten-in-one million” risk is widely considered by health and scientific authorities to be acceptable as long as it is not feasible to further reduce risk. State law would allow DHS to set the MCL for the contaminant at the level posing a “ten-in-one million” risk of cancer if it were not feasible to set the standard at a lower level. In this case, levels of the chemical exceeding the PHG and below the MCL would be considered acceptable for protection of public health.

The following constituents were detected in our drinking water sources at levels above the PHG:

Tetrachloroethylene (PCE): The PHG for PCE is 0.06 ppb, with a MCL of 5 ppb. Detection levels in 6 wells range from 0.9 to 3.8 ppb. These levels were below the MCL at all times. The category of health risk associated with PCE is that people who drink water containing PCE above the MCL throughout their lifetime could experience liver problems and may have an increased risk of getting cancer. CDHS says that “Drinking water which meets the MCL is associated with little to none of this risk and should be considered safe with respect to PCE.” The numerical health risk for a PHG of 0.06 ppb is 1 in 1,000,000. The numerical health risk for a MCL of 5 ppb is 8 in 100,000.

A PCE treatment facility is being proposed as a future Capital Improvement Project.
Lead and/or Copper: There is no MCL for Lead or Copper. Instead the 90th percentile value of all samples taken from household taps in the distribution system cannot exceed an Action Level of 15 ppb for lead, and 1300 ppb for copper. The PHG for lead is 2 ppb and the PHG for copper is 170 ppb. All of our source water samples for lead and copper in 2003 were less than the PHG. Based on samples taken from household taps in 2001, our 90th percentile value for lead was 2.4 ppb and 165 ppb for copper. The City of Porterville’s water system is in full compliance with the Federal and State Lead and Copper Rule. The category of health risk for lead is damage to kidneys or nervous system of humans. Numerical health risk information on lead has not been provided to OEHHA, the State agency responsible for providing that information.

Definitions:

**Public Health Goals (PHG):** The level of a contaminant in drinking water below which there is no known or expected risk to health. PHGs are set by the California Environmental Protection Agency.

**Maximum Contaminant Level Goal (MCLG):** The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs are set by the U. S. Environmental Protection Agency.

**Maximum Contaminant Level (MCL):** The highest level of a contaminant that is allowed in drinking water. Primary MCLs are set as close to the PHGs (or MCLGs) as is economically and technologically possible. Secondary MCLs are set to protect the odor, taste, and appearance of drinking water.

**Action Level:** The concentration of which, if exceeded, triggers treatment or other requirements which a water system must follow.

**ppb:** Parts per billion.
PUBLIC HEARING
(CONTINUED)

SUBJECT: CONSIDERATION TO REMAIN IN PHASE II OF THE WATER CONSERVATION PLAN AND CONTINUATION OF PUBLIC HEARING

SOURCE: Public Works Department - Field Services Division

COMMENT: At the April 6, 2004 City Council meeting, City Council adopted the Water Conservation Plan and approved moving into Phase II. At the June 1 and July 6, 2004 City Council meetings, staff reported on the continuing water conservation efforts conducted by City staff. In addition, a media campaign continues with newspaper and radio messages and web site information. As per Council direction, additional water conservation tips were provided at the utility payment counter, and water conservation posters were placed in various City facilities.

Summer temperatures were mild for the month of June and continue to be below average for the first half of July. This mild weather has reduced the stress on the water system.

Phase III of the Water Conservation Plan applies during periods when there is a severe water supply shortage. At that time, the utility billing system will begin to notify customers of restrictions on water use. A 20% rate increase on all residential and landscape accounts will go into effect. All City parks, median islands and public facility landscapes will continue to be watered during the late nights or early morning hours to confine impact on the water system to off-peak usage hours. Watering of City parks and median islands may be suspended and evaluated each day.

Projections for the next month indicate an adequate supply to meet the fire safety demands on the system. Some isolated low pressure events may occur during the peak usage periods of 5 am to 10 am and 5 pm to 10 pm. Residents are strongly encouraged to avoid water uses during these periods.

The water system status is marginally improved from last year. Production capabilities have improved slightly. One well was successfully rehabilitated and returned to active status. Construction of the new Well No. 27 is nearing completion and may be in operation later this summer.
It is staff's recommendation that we remain in Phase II of the Water Conservation Plan and that City Council continue the Public Hearing until August 3, 2004, with staff providing status on the water system at that time.

RECOMMENDATION: That City Council:

1. Open the Public Hearing to receive comment; and

ATTACHMENT: Phase II Requirements from the Water Conservation Plan
               Phase III Requirements from the Water Conservation Plan
               Monthly Production Graph

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PHASE II

Applies during periods when there is a water supply shortage

When water supply conditions start to deteriorate it would be incumbent upon the City to implement mandatory water conservation provisions.

ACTIONS BY THE CITY:

I. Public Information Program

The City will pursue a more aggressive distribution of information than its efforts initiated in Phase I to promote public awareness of the need to conserve water with a stronger emphasis on the water shortage condition.

II. Water System Pressure Reduction

The City’s water system may experience reduced water pressures during high usage periods. This may deter water use for nonessential activities and encourage scheduling of landscape watering to late nights or early mornings.

III. City Landscapes and Watering Schedules

All City parks, median islands and public facility landscapes will be watered during the late night or early morning hours to reduce impact on the water system during peak usage hours.

IV. Leak Detection - Water Waste

The City will continue in its proactive plan to audit water supply usage. All City staff will be reminded of the necessity of reporting any evidence of leaks or water waste for immediate action. There will be an emphasis on coordinated community efforts to reduce water waste.

V. Waste of Water Notices

City staff will be equipped to issue “Waste of Water” notices to consumers identified as misusing water.
ACTIONS BY THE GENERAL PUBLIC:

I. Conservation Efforts:

The general public will be strongly encouraged to utilize those water conservation measures contained within the City's public information program.

II. Restaurants:

Notices will be sent to all restaurants within the City limits requesting support of water conservation efforts by serving water to customers upon request only.

III. Lawn and Landscaping Watering:

All residential, commercial and industrial landscape watering should be reduced to a minimum and avoid watering between the hours of 5 a.m. to 10 a.m. and 5 p.m. to 10 p.m.

IV. Vehicle Washing and Sidewalk Hosing:

A. Vehicle washing should be accomplished either by automatic car washes that recycle water or with buckets and hoses equipped with a shut-off nozzle.

B. Per Section 25-5 of the City Municipal Code, "The consumer shall use reasonable care to prevent the waste of water, shall not allow water to run or waste from his property onto streets or highways, shall not use water in washing sidewalks, building entrances or lobbies or other properties to such excess that water shall flow in street gutters beyond the frontage of the properties occupied by them."
PHASE III

Applies during periods when there is a severe water supply shortage

ACTIONS BY THE CITY:

I. Public Information Program:

The utility billing system will begin to notify customers of restrictions on water use. The program to promote public awareness will be intensified with emphasis placed on communicating the mandatory water conservation requirements to the public.

II. Rate Structure Enhancement:

A 20% rate increase on all residential and landscape accounts will go into effect. This rate increase will encourage water conservation and will also serve as a provision to recover the lost revenues from water conservation.

III. City Landscapes and Watering Schedules

All City parks, median islands and public facility landscapes will continue to be watered during the late nights or early morning hours to confine impact on the water system to off-peak usage hours. If it becomes necessary, watering of City parks and median islands will be suspended and evaluated each day.

ACTIONS BY THE GENERAL PUBLIC:

A. Landscape watering shall not be done between the hours of 5 a.m. to 10 a.m. and 5 p.m. to 10 p.m.

B. Sidewalk and driveway washing will be prohibited.
SUBJECT: SECOND READING - ORDINANCE NO. 1653, ZONE CHANGE NO. 2-2004 (CITY OF PORTERVILLE)

SOURCE: Administrative Services Department/City Clerk Division

COMMENT: Ordinance No. 1653 approved Zone Change No. 2-2004. It was a change of zone from City C-2 (Central Commercial) to City OA (Open Area) for the southerly two-thirds of a 26,000± square foot site located on the east side of North Main Street, between Cleveland Avenue and Thurman Avenue. The ordinance was given a First Reading on June 15, 2004, and has been printed.

RECOMMENDATION: That Council give Second Reading to Ordinance No. 1653, waive further reading, and adopt said ordinance.

ATTACHMENT: Ordinance No. 1653

Item No. 21

[Signature]
Dir. / Appro. / CM
Funded
N/A
ORDINANCE NO. 1653

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE
APPROVING ZONE CHANGE 2-2004 BEING A CHANGE OF ZONING FROM C-2
(CENTRAL COMMERCIAL TO OA (OPEN AREA) FOR THE SOUTHERLY TWO-THIRDS
OF A 26,000± SQUARE FOOT SITE LOCATED ON THE EAST SIDE OF NORTH MAIN
STREET BETWEEN CLEVELAND AND THURMAN AVENUES

WHEREAS: The City Council of the City of Porterville at its regularly scheduled meeting
of June 15, 2004, conducted a public hearing to consider Zone Change 2-2004, being a change of
zone from C-2 (Central Commercial) to OA (Open Space) for the southerly two-thirds of a 26,000
square foot site located on the east side of North Main Street between Cleveland and Thurman
Avenues; and

WHEREAS: The City Council of the City of Porterville at its regularly scheduled meeting
of June 15, 2004, conducted a public hearing to consider General Plan Amendment 4-2004(a), to
change the Land Use Element designation from General Commercial to Recreation and Open Space
for the southerly two-thirds of that 26,000± square foot site located on the east side of North Main
Street between Cleveland and Thurman Avenues and to allow for the addition of the Park to the
existing list of Parks in the Parks and Recreation Element of the General Plan; and

WHEREAS: The City Council of the City of Porterville, after proceedings duly had and
taken, and after due and legal notice having been given, as prescribed by Ordinance 1198 of the City
of Porterville, and the laws of the State of California, has determined that the public interest would
best be served by approval of the proposed Zone Change 2-2004; and

WHEREAS: The City Council made the following findings in support of the approval of
Zone Change 2-2004:

1. The Land Use Element of the General Plan allows for public and private parks.

2. That the proposed zoning will conform with the Land Use Designation of the
General Plan as amended by a simultaneous action from General Commercial to
Recreation and Open Space.

3. Pursuant to Section 1301 A-1 of the Porterville Zoning Ordinance, public and
private parks are allowed in the OA (Open Area) Zone.

4. That a Negative Declaration was approved for this project in accordance with the
California Environmental Quality Act and mitigation measures incorporated into
the approval will be precedent to project implementation.

5. That this zoning designation will ensure that any future development of the
subject site will be in conformance with existing plans and policies and will not
adversely impact the surrounding area.
NOW, THEREFORE, BE IT ORDAINED: That the City Council of the City of Porterville does ordain as follows:

Section 1: That the following described property in the City of Porterville, County of Tulare, State of California, known as Zone Change 2-2004, is hereby re-zoned from C-2 (Central Commercial) to OA (Open Space) for the southerly two-thirds of a 26,000± square foot site located on the east side of North Main Street between Cleveland and Thurman Avenues, more particularly shown on the attached map, incorporated herein by this reference as Exhibit “A”; and

Section 2: It is further ordained that all records of the City of Porterville, together with the official zoning map of the City of Porterville, shall be changed to show that all of the above described real property is rezoned from C-2 (Central Commercial) to OA (Open Space) for the southerly two-thirds of a 26,000± square foot site located on the east side of North Main Street between Cleveland and Thurman Avenues; and

Section 3: That a lot line adjustment to reflect the proposed OA Zoning and remaining C-2 Zoning shall be recorded prior to the second reading of the ordinance.

Section 4: This ordinance shall be in full force and effect thirty (30) days from and after its publication and passage.

______________________________
Pedro R. Martinez, Mayor

ATTEST:

John Longley, City Clerk

By ______________________________
  Georgia Hawley, Deputy
ZONE CHANGE NO. 2–2004

PROPOSED CHANGE
R–4 (D) TO C–2 (D)

CITY COUNCIL
ORDINANCE NO. 1653

EXHIBIT "A"
SUBJECT: SECOND READING - ORDINANCE 1656, AMENDING CHAPTER 18, OFFENSES - MISCELLANEOUS, OF THE CODE OF THE CITY OF PORTERVILLE

SOURCE: Administrative Services Department/City Clerk Division

COMMENT: Ordinance No. 1656, Amending Chapter 18, Offenses - Miscellaneous, of the Code of the City of Porterville, adding Article III, Sale and Use of Tobacco Products, for Regulating the Sale, Acquisition, or Possession of Tobacco Products Facilitated by Self-service Displays, was given First Reading on July 6, 2004, and has been printed.

RECOMMENDATION: That Council give Second Reading to Ordinance No. 1656 and waiving further reading, and adopt said ordinance.

Attachment: Ordinance No. 1656

Item No. 22
ORDINANCE NO. 1656

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE AMENDING CHAPTER 18, OFFENSES - MISCELLANEOUS, OF THE CODE OF THE CITY OF PORTERVILLE, ADDING ARTICLE III, SALE AND USE OF TOBACCO PRODUCTS, FOR REGULATING THE SALE, ACQUISITION, OR POSSESSION OF TOBACCO PRODUCTS FACILITATED BY SELF-SERVICE DISPLAYS

THE CITY COUNCIL OF THE CITY OF PORTERVILLE DOES ORDAIN AS FOLLOWS:

1. Chapter 18, Offenses - Miscellaneous, of the Code of the City of Porterville, is hereby amended to include Article III, Sale and Use of Tobacco Products, Section 18-46 through 18-49, as follows:

18-46. Legislative Purpose:

The City of Porterville has determined that in order to protect the health, safety, and welfare of those citizens within the city and metropolitan area, under the age of eighteen (18) years, it is necessary to regulate the sale, acquisition, or possession of tobacco products facilitated by self-service displays.

18-47. Definitions:

As used in this chapter, those terms identified in this section shall, unless the contexts indicates otherwise, be ascribed the meaning contained herein.

“Employee” means any person in the service of another under any contract of hire, express or implied, oral or written, where the employer has the power or right to control and direct the employee in the material details of how the work is to be performed. Employee also includes any person volunteering his or her time or service.

“Minor” means any person under eighteen (18) years of age.

“Tobacco product” means any tobacco, cigarette, cigar, pipe tobacco, smokeless tobacco, chewing tobacco, or any other form of tobacco which may be utilized for smoking, chewing, inhaling, snuffing, or other manner of ingestion or absorption in the human body.

“Tobacco shop” means a business establishment in which fifty (50) percent or more of any one or more of the following is devoted to or attributable to the sale of tobacco products:

1. Wall space or any other display area such as tables, racks, or display structures; or
2. Gross revenues.
“Wholesale retailer” means any large-scale retail establishment with supporting goods and services designated to service a regional service trade area.

18-48. Use of Tobacco By Minor:

No minor shall, in the streets or in any public place, smoke a cigar, pipe, cigarette, or shall use tobacco in any form.

18-49. Display of Tobacco Products:

It shall be unlawful for any person, firm, corporation, business, partnership, or other entity doing business within the City of Porterville to store, stock, keep, or display for sale or transfer any tobacco product in any area other than a place that is locked and secured, or is otherwise made inaccessible to the public and which is accessible only to the employees of the business. This prohibition shall not apply to “tobacco shops” or “wholesale retailers.”

2. This ordinance and code amendment shall be in full force and effect thirty (30) days from and after its publication and passage.

_________________________
Pedro R. Martinez, Mayor

ATTEST:

_________________________
Georgia Hawley, Deputy City Clerk
SUBJECT: AN ORDINANCE AMENDING THE METHOD OF REGULATING BUSINESSES SELLING ALCOHOL

SOURCE: COMMUNITY DEVELOPMENT DEPARTMENT – PLANNING

COMMENT: On October 7, 2003, the City Council accepted both a majority and a minority report from the Ad Hoc Alcohol Regulations Advisory Committee. That Committee had met for several months to consider potential amendments to the Zoning Ordinance sections which regulate the establishment of businesses which sell alcohol. At that time, the City Council directed the preparation of a Zoning Ordinance Amendment to enact the recommendations of the majority of the Committee.

The Zoning Ordinance currently requires that all establishments seeking to sell alcohol under an “On-Sale” license must secure a Conditional Use Permit. Those seeking to sell alcohol under an “Off-Sale” license must secure a Conditional Use Permit if they are within 600 feet of a school, church or park. Off-Sale of alcohol more than 600 feet from a school, church or park is allowed “by right” with no individualized review. Regardless of the Zoning Ordinance restrictions, State Law gives the City Council the opportunity to review proposals for the Off-Sale of alcohol in areas defined as “overconcentrated.” In those cases, an Off-Sale license may only be granted if the City Council approves a “Letter of Public Convenience or Necessity.”

The amendments recommended by the majority of the committee and directed by the City Council are as follows:

A Conditional Use Permit would no longer be required for bona fide eating establishments (restaurants), which do not have either a separate bar area or live entertainment. In conjunction with this change, the conditions most often applied to such uses in the past will be imposed automatically on all such uses by writing them directly into the Zoning Ordinance. Additional restrictions would be imposed automatically when the bona fide eating establishment is within 600 feet of a sensitive use.

The second proposed change is to better define sensitive uses which would trigger the requirement for a Conditional Use Permit for the Off-Sale of Alcohol and would trigger additional automatic regulations for bona-fide eating establishments which would not require a Conditional Use Permit.
COMMITTEE ACTIONS: On July 1, 2004, the Ad Hoc Alcohol Regulations Advisory Committee recommended approval of the draft Ordinance.

RECOMMENDATION: That the City Council:

1. Approve the proposed Ordinance; and

2. Give first reading to the Ordinance amending Article 21 of the Zoning Ordinance pertaining to the regulation of businesses which sell alcohol.

ATTACHMENTS: Exhibit A, Outlining proposed changes
Draft Ordinance
EXHIBIT A

ARTICLE TWENTY-ONE

SPECIAL USES

SECTION 2100: Special Uses Explained.

A. The uses mentioned in this article are uses which for reasons of the public necessity are sometimes required to be permitted in zones other than in which regularly classified, or are sometimes not included within any specific zone, or sometimes require the imposition of certain conditions upon design, installation, and subsequent operation in order to carry out the purposes of this Ordinance and to protect the public health and welfare because of the unique and special characteristics of such uses.

B. Sales of Alcoholic Beverages.

1) For the purposes of this Article, certain terms and words are defined as follows:

a) "Sensitive Use" means any religious institution; school; public park; or boys' club, girls' club, or similar youth organization.

b) "Religious Institution" means any church, synagogue, mosque, temple or building which is primarily used for religious worship and related religious activities, as identified on the latest equalized tax roll.

c) "School" means any public or private educational facility including, but not limited to nursery schools, preschools, kindergartens, elementary schools, primary schools, intermediate schools, junior high schools, middle schools, high schools, vocational schools, secondary schools, continuation schools, special education schools, junior colleges, and universities. School includes the school grounds, but does not include the facilities used primarily for another purpose and only incidentally as a school.

d) "Public Park" or "Recreation Area" means public land which has been designated for park or recreational activities including, but not limited to a park, playground, nature trails, swimming pool, reservoir, athletic field, basketball or tennis courts, open space wilderness areas, or similar public land within the city which is under the control, operation, or management of the city park and recreation authorities.
e) "Boys' Club, Girls' Club, or Similar Youth Organization" means any building which is primarily or substantially used for the youth-related activities of a registered, nonprofit, youth-oriented recreational, educational or service organization.

2) Any use involving the sale of alcoholic beverages under an on-sale license shall be subject to obtaining approval of a Conditional Use Permit as follows: except bona fide eating establishments (restaurants) that comply with all of the following:

a) No separate bar area is provided for patrons.

b) No live entertainment is provided.

c) The sale of alcoholic beverages is allowed only in conjunction with the serving of meals.

d) The off-sale of alcohol in conjunction with the eating establishment is prohibited.

e) Outdoor security lighting is provided to the satisfaction of the Zoning Administrator or his designee.

f) Where such a use is within 600 linear feet of the nearest property line of any sensitive use, the outdoor advertising of alcoholic beverages shall be prohibited.

3) An existing non-conforming use operating under an on-sale license without a Conditional Use Permit as required above, shall secure a Conditional Use Permit when any of the following occur:

1) Any new establishment proposing to sell alcoholic beverages under an on-sale license whether in conjunction with the serving of meals or not;

2) a) A change in the type of on-sale license to a more permissive type;

2) b) The discontinuance of an existing use and re-establishment of such; i.e. an establishment legally operating under an existing on-sale license prior to adoption of the Ordinance Amendment requiring approval of a Conditional Use Permit to allow such is closed for a period of 30 days or more. Said uses shall also be subject to the provisions of Article 25 of this Ordinance.

4) c) There is a significant change in the mode or character of the establishment.

5) d) The suspension of on-sale license by the State of California.
C. Off-Sale Liquor Establishment Defined

An off-sale liquor establishment shall mean any establishment wherein alcoholic beverages are sold or given away for consumption off the premises which is applying for or has obtained an off-sale license from the California Department of Alcoholic Beverage Control, including license types 20 and 21.

D. Sales of Alcoholic Beverages, Off-Sale

Any use involving the sale of alcoholic beverages under an off-sale license within 600 linear feet of the nearest property line of any sensitive use as defined in this article shall be subject to obtaining approval of a Conditional Use Permit.

No off-sale liquor establishment proposed after February 1, 1991, shall be located within 600 linear feet of the nearest property line of any school (public or private, approved pursuant to the provisions of Article 29 of the Zoning Ordinance), public park and/or playground, or legally established church (approved pursuant to the provisions of Articles 21 and 29 of the Zoning Ordinance without first having obtained approval of a Conditional Use Permit.

Any duly licensed off-sale liquor establishment in operation on February 1, 1991; July 20, 2004, shall be subject to the provisions of Article 25 of this Ordinance.
ORDINANCE NO.________

AN ORDINANCE OF THE CITY COUNCIL OF THE
CITY OF PORTERVILLE AMENDING ORDINANCE NO. 1198,
BEING THE ZONING ORDINANCE OF THE PORTERVILLE
MUNICIPAL CODE, PERTAINING TO THE ESTABLISHMENT
OF BUSINESSES SELLING ALCOHOL

WHEREAS: On October 7, 2003, the City Council accepted majority and
minority reports from the Ad Hoc Alcohol Regulation Advisory Committee, and directed
preparation of a Zoning Ordinance Amendment to enact the recommendations contained
in the majority report; and

WHEREAS: The City Council of the City of Porterville at its regularly scheduled
meeting of July 20, 2004, conducted a public hearing to consider General Amendment of
the Zoning Ordinance 2-2004, amending provisions of Article 21 of the Zoning Ordinance
of the City of Porterville; and

WHEREAS: The proposed General Amendment of the Zoning Ordinance will
amend the sections regulating the establishment of businesses which sell alcohol by
amending the definitions of a “sensitive use” and by relieving some bona-fide eating
establishments from the requirement to secure a Conditional Use Permit to allow the on-
sale of alcohol.

NOW, THEREFORE, BE IT ORDAINED: That the City Council of the City of
Porterville does hereby amend Ordinance No. 1198 as follows:

SECTION 1: Article 21 is hereby amended to read as follows:

SECTION 2100: Special Uses Explained

A. The uses mentioned in this article are uses which for reasons of the public
necessity are sometimes required to be permitted in zones other than in
which regularly classified, or are sometimes not included within any
specific zone, or sometimes require the imposition of certain conditions
upon design, installation, and subsequent operation in order to carry out the purposes of this Ordinance and to protect the public health and welfare because of the unique and special characteristics of such uses.

B. Sales of Alcoholic Beverages.

1) For the purposes of this Article, certain terms and words are defined as follows:

   a) “Sensitive Use” means any religious institution; school; public park; or boys’ club, girls’ club, or similar youth organization.

   b) “Religious Institution” means any church, synagogue, mosque, temple or building which is primarily used for religious worship and related religious activities, as identified on the latest equalized tax roll.

   c) “School” means any public or private educational facility including, but not limited to nursery schools, preschools, kindergartens, elementary schools, primary schools, intermediate schools, junior high schools, middle schools, high schools, vocational schools, secondary schools, continuation schools, special education schools, junior colleges, and universities. School includes the school grounds, but does not include the facilities used primarily for another purpose and only incidentally as a school.

   d) “Public Park” or “Recreation Area” means public land which has been designated for park or recreational activities including, but not limited to a park, playground, nature trails, swimming pool, reservoir, athletic field, basketball or tennis courts, open space wilderness areas, or similar public land within the city which is under the control, operation, or management of the city park and recreation authorities.

   e) "Boys' Club, Girls' Club, or Similar Youth Organization" means any building which is primarily or substantially used for the youth-related activities of a registered, nonprofit, youth-oriented recreational, educational or service organization.

2) Any use involving the sale of alcoholic beverages under an on-sale license shall be subject to obtaining approval of a Conditional Use Permit except bona fide eating establishments (restaurants) that comply with all of the following:
a) No separate bar area is provided for patrons.

b) No live entertainment is provided.

c) The sale of alcoholic beverages is allowed only in conjunction with the serving of meals.

d) The off-sale of alcohol in conjunction with the eating establishment is prohibited.

e) Outdoor security lighting is provided to the satisfaction of the Zoning Administrator or his designee.

f) Where such a use is within 600 linear feet of the nearest property line of any sensitive use, the outdoor advertising of alcoholic beverages shall be prohibited.

3) An existing non-conforming use operating under an on-sale license without a Conditional Use Permit as required above, shall secure a Conditional Use Permit when any of the following occur:

a) A change in the type of on-sale license to a more permissive type;

b) The discontinuance of an existing use and re-establishment of such; i.e. an establishment legally operating under an existing on-sale license prior to adoption of the Ordinance Amendment requiring approval of a Conditional Use Permit to allow such is closed for a period of 30 days or more. Said uses shall also be subject to the provisions of Article 25 of this Ordinance.

c) There is a significant change in the mode or character of the establishment.

d) The suspension of on-sale license by the State of California.

C. Off-Sale Liquor Establishment Defined

An off-sale liquor establishment shall mean any establishment wherein alcoholic beverages are sold or given away for consumption off the premises which is applying for or has obtained an off-sale license from the California Department of Alcoholic Beverage Control, including license types 20 and 21.
D. Sales of Alcoholic Beverages, Off-Sale

Any use involving the sale of alcoholic beverages under an off-sale license within 600 linear feet of the nearest property line of any sensitive use as defined in this article shall be subject to obtaining approval of a Conditional Use Permit.

Any duly licensed off-sale liquor establishment in operation on July 20, 2004, shall be subject to the provisions of Article 25 of this Ordinance.

SECTION 2: This ordinance shall be in full force and effect thirty (30) days from and after its publication and passage.

Pedro R. Martinez, Mayor

ATTEST:

John Longley, City Clerk

Georgia Hawley, Deputy City Clerk
SUBJECT: HIRING OF CONTRACT ENGINEER

SOURCE: Public Works Department - Engineering Division

COMMENT: Engineering has and continues to work on a significant number of projects. Some of these projects are grant funded with "expenditure" time limits drawing to an end. In January, 2004, City Council recognized Engineering’s work load and authorized the hiring of an Assistant Engineer to help manage and design some of these time sensitive projects. A list of some of the grant funded projects is included as "Exhibit A".

Unfortunately, the newly hired Assistant Engineer left after 3 months for a better paying position. The Assistant Engineer’s position is the entry level of the engineering classification series. In the course of the Assistant Engineer’s three-month tenure, it became readily apparent that the projects required a more "experienced" engineer.

It is the Pubic Works Director and the City Engineer’s opinion that a "contract engineer" is needed for approximately six (6) months to continue making progress on the grant funded projects as well as on other capital projects deemed important by the City Council. Over the course of the next six months, Public Works will advertise with the goal of hiring someone with a minimum five years experience in municipal engineering.

If so authorized, the City Engineer will interview and negotiate for the services of a contract engineer cognizant of the fact that funding from the unfilled Assistant Engineer’s position will pay for the contract engineer and, will pay for the remaining months of a permanent hire, if one can be found.

RECOMMENDATION: That the City Council:

1. Authorize the hiring of a "Contract Engineer" for six (6) months; and

2. Authorize Human Resources to advertise for the services of an Assistant Engineer with a minimum five years experience in municipal engineering or related private engineering experience.

ATTACHMENT: Exhibit "A"

Y:\Engineering\Council Items\Hiring of Contract Engineer.wpd

Dir Appropiated/Funded CM Item No. 24
EXHIBIT A

GRANT FUNDED & COUNCIL PRIORITY PROJECTS

1. Rails to Trails - CMAQ Grant
2. Lighted Crosswalks Project - Pedestrian Safety Grant
3. Traffic Signal No. 8 (Plano Avenue @ Mulberry Street) - Safe Routes to School Grant
4. Tule River Parkway Phase 2 - EEM Grant
5. Plano Street Bridge Widening Project - HBRR
6. Jaye Street Bridge Widening Project - HBRR
7. Henderson Street Reconstruction (SJVRR to Jaye Street) - STIP
8. Eastside/Hillside Water Development Projects
9. WDR/CDO Various Projects - CIEDB Loan
CITY COUNCIL AGENDA

July 20, 2004

SUBJECT: Consideration of Options Regarding Mosquito Abatement in The Porterville Area

SOURCE: CITY MANAGER

A request has been received from a Council member and from members of the public to consider organizational approaches to address the issue of mosquito abatement. The vector borne disease West Nile Virus is approaching the area of Tulare County and members of the community have expressed concern about this.

The City of Porterville, along with Southeastern Tulare County is not served by a mosquito abatement district. The City itself does some mosquito abatement in City facilities that pond water.

The options to organize additional mosquito abatement follow:

The City could staff up to provide mosquito abatement or contract for services.

Pro: Some additional effort would be undertaken

Con: Funding for a significant effort has not been programmed and would require other basic service programs to be curtailed; A local effort limited to City limits would likely not be effective.

The City could take actions to form an Areawide Mosquito Abatement District

Pro: A Mosquito or Vector Control District provide the best organizational approach to mosquito control.

Con: Significant organizational effort would be required and it would likely take some time and significant local effort; Additional cost would be assessed to local property owners in and outside the City of Porterville

The City Attorney has provided a memorandum, which has been attached, providing a basic outline of the requirements for initiating the formation of a Mosquito Abatement District.

Appropriation CM Item No. 25
Annex to An Existing Mosquito Control District

Pro: Mosquito or Vector Control Districts provide the best organizational approach to mosquito control

Con: There is normally complexity associated with negotiating an annexation to a District; Additional monies would be required from local residents by an assessment or a voter approved tax.

Options for Council action include:

Consider direction for a possible program when the City Management’s work program is formulated in December, 2004

and/or

Consult with County officials to determine any County action for possible district formation in Southeastern Tulare County and report to the City Council

and/or

Have the City Attorney prepare a detailed implementation program for district formation and the establishment of an assessment for services or an election for a special tax; Coordinate with the County and seek the County’s joint sponsorship before initiating action.

and/or

Consult with other vector control agencies about possibilities for annexation and the establishment of a new, special assessment or tax and report to the City Council.

and/or

Another option

RECOMMENDATION:

Provide direction to staff about how the Council wishes to proceed
Per your request, the following is a basic outline of the requirements for initiating the formation of a Mosquito Abatement District.

Formation and organization of Mosquito Abatement Districts is governed by Health and Safety Code Section 2000 et seq. as well as the Cortese-Knox-Hertzberg Act (Government Code Section 56000 et seq., "LAFCO.") Formation of such Districts may be initiated by Petition or by a Resolution of a legislative body.

A Resolution of Application must contain the following: 1) the territory proposed to be included in the District, 2) the proposed method(s) of financing the District, 3) the proposed name for the district, and 4) the size of the District's Board of Trustees (not less than 5 per statute) and the method of appointment. Prior to the adoption of the Resolution, the City Council must hold a public hearing, with notice (form as specified by law) published at least once and mailed to LAFCO's executive officer at least 20 days prior to the hearing. If the Resolution of Application is adopted, a certified copy of the Resolution must be filed with LAFCO.

LAFCO then proceeds with its review pursuant to Government Code Section 56650 et seq. If LAFCO, pursuant to the laws that govern it, approves the proposal, it will generally require that protest proceeding will be required to be conducted. If majority protest exists, LAFCO shall terminated the proceedings. If no majority protest exists, LAFCO can either order formation of the district without an election, order the formation subject to approval by the voters (if a special tax is proposed), or order approval by the property owners (if there is to be a special benefit assessment).

If you have any questions, please feel free to contact me.
SUBJECT: PRESENTATION OF OPTIONS REGARDING HEALTHCARE COVERAGE

SOURCE: Administrative Services

COMMENT: The City of Porterville has been self-insured for medical benefits since January 1, 1979. The program is funded through departmental contributions to cover the cost of the employee, and employee contributions to cover the cost of dependant coverage. For an eight year period beginning in the mid-1990's, no changes were made to the rate structure of the program. This period of rate stagnation resulted in the program becoming underfunded over the past few years, as the cost of healthcare continues to rise.

As this situation became apparent, the City Manager established a Healthcare Task Force. This task force is made up of representatives from each department and reflects the demographics of the workforce. Each bargaining unit is also represented on this task force. The group began to meet approximately eighteen months ago to tackle the problem of growing program deficits. A two-pronged approach was undertaken by the group. The first of which was a review of the existing rate structure. From this activity came the recommendation to initiate rate increases on both the City contribution and the employee contribution for dependants. That recommendation was implemented through the meet and confer process, and became effective on November 1, 2003. The impact of that action is reflected in the attached analysis.

The second approach was to search for alternative healthcare programs. Staff searched the market for a fully-insured healthcare plan in hopes that a more cost effective program could be identified. The City did not find in the market place a provider that will improve the City's rate structure. Searching for another option, the City worked through the Central San Joaquin Valley Risk Management Joint Powers Authority (RMA) to create a pooled healthcare program. This became a nine month process that resulted in an alternative healthcare program that appears to be a more cost-effective solution than our current self-insured plan.

This program information and rate structure was provided and discussed with the Healthcare Task Force over the past several weeks. The consultant utilized by the RMA to create the program was invited to speak
to the Healthcare Task Force to discuss program details and to answer questions. The conclusion of this series of meetings is a recommendation from the Healthcare Task Force that the City participate in the pooled healthcare program established by the RMA in an effort to control costs and gain rate stabilization.

Implementation of this program change will be allowed by the pool during two separate enrollment periods, with effective dates in October of 2004, and January of 2005. After these two periods, the pool participants will become selective on which new cities will be allowed to participate in the program. Given the immediate nature of the monthly savings that can be achieved by moving to the RMA plan, staff is recommending that Council authorize the preparation of documents necessary to begin implementation during the October enrollment period.

The City Management encourages the Council to undertake an immediate process of conferring with employee organizations so an implementation may be achieved by October 2004. In this regard, the following information is provided:

1. A summary defining the self-insured plans over the past four fiscal years is attached. For the past year, some relief has been achieved, but it is far from balancing the cost against the City’s Risk Management Reserve.

2. A specification of rates paid by the City and employee for the current year and proposed rates for the RMA plan and those extrapolated, should the City maintain its current plan and not further erode the Risk Management Reserve.

3. A summary of the RMA plan compared with the current plan is provided.

RECOMMENDATION: That the City Council:

(1) Direct staff to move forward with the implementation of the RMA healthcare program with the October enrollment as the target, including the meet and confer process.

(2) Direct staff to discontinue the current self-insured healthcare program once enrollment in the RMA plan is achieved.

ATTACHMENTS: As described above.
# SUMMARY OF HEALTH INSURANCE COSTS

City of Porterville

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<p>| <strong>EXPENDITURES</strong>     |         |         |         |         |                |            |                       |
| Administrative Fees  | $59,548 | $63,689 | $66,107 | $67,687 | $8,140         | 13.67%     | 4.56%                 |
| Excess Coverage      | $213,941| $302,424| $290,868| $347,468| $133,528       | 62.41%     | 20.80%                |
| Admin (City Staff Cost) | $15,908 | $16,653 | $25,519 | $28,425 | $12,517       | 78.68%     | 26.23%                |
| Medical PPO          | $168,782| $239,333| $308,057| $286,002| $117,221       | 69.45%     | 23.15%                |
| Medical Non-PPO      | $145,248| $103,059| $146,121| $140,326| ($4,922)       | -3.99%     | -1.13%                |
| Lab/Xray PPO         | $36,046 | $39,598 | $58,954 | $62,526 | $26,560        | 73.46%     | 24.49%                |
| Lab/Xray Non-PPO     | $21,814 | $16,928 | $21,400 | $25,220 | $3,405         | 15.61%     | 5.20%                 |
| Hospital PPO         | $245,128| $372,521| $690,170| $597,604| $352,476       | 143.79%    | 47.93%                |
| Hospital Non-PPO     | $40,652 | $4,752  | $45,706 | $26,853 | ($13,793)      | -33.94%    | -11.31%               |
| Prescription Drug    | $162,644| $211,549| $229,486| $253,355| $90,711        | 55.77%     | 18.59%                |
| <strong>TOTAL</strong>            | $1,109,711| $1,370,504| $1,782,388| $1,835,467| $725,756 | 65.40%     | 21.80%                |
| Excess Reimbursement/Refunds| ($29,705) | ($40,243) | ($207,491) | ($207,288) | ($177,583) | 59.72%     | 199.27%               |
| <strong>TOTAL COST</strong>       | $1,080,006| $1,330,261| $1,574,897| $1,628,179| $548,173 | 50.76%     | 16.92%                |
| <strong>BALANCE</strong>          | ($231,264) | ($425,431) | ($609,206) | ($551,696) |             |            |                       |</p>
<table>
<thead>
<tr>
<th>Services</th>
<th>RMA</th>
<th>City</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Medical</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Calendar Yr. Deductible</td>
<td>*$150/$300</td>
<td>$150/$300</td>
<td>* Out-of-Network does not apply toward deductible</td>
</tr>
<tr>
<td>Ann. Out-of-Pocket Max (in-netwrk)</td>
<td>$1,500/Member</td>
<td>$1,000/Member</td>
<td></td>
</tr>
<tr>
<td>Ann. Out-of-Pocket Max (Out-netwk)</td>
<td>*Does Not Apply</td>
<td>Included</td>
<td>*Claims do not apply &amp; are paid at 60% instead of 80%. Exception: If no provider within a 50 mi. radius, claims would be pd. at 80% but at Blue Cross rate, so patient would also pay the difference, if billed charges are higher.</td>
</tr>
<tr>
<td>Lifetime Maximum</td>
<td>$1,000,000</td>
<td>$1,000,000</td>
<td></td>
</tr>
</tbody>
</table>
| In-patient Hospital/Ambulatory Surgery Center | $80% (1)          | 80% (2)         | (1) Non-network pd. at 60%  
(2) Pd. at 80% of usual, customary & reasonable charges. TPA negotiates claim if non-network so patient does not pay difference. |
| Emergency Room                                | *$100 Copay       | 80%             | *Waived if actually admitted                                            |
| Accident Benefit                              | *100% to $500     | 100% to $500    | *There is a separate co-payment of $100 if treated at hospital emergency room. |
| Surgeon                                       | *80%              | 80%             | *Non-network pd. at 60%                                                 |
| Anesthetist                                   | 80% (1)           | 80% (3)         | Same as (1) Most anesthesiologists are non-contracted.  
(3) Pd. at 80% of usual, customary & reasonable charges. Network providers have agreed to accept a discounted rate and patient is assured of not paying more than the UCR. (See Note below) |
<p>| Office visits/Physician Services              | 80% (1)           | 80% (3)         | Same as (1) &amp; (3) above                                                 |
| Preventive Care (age 0-25)                    | 80% (1)           | Not covered     | Same as (1) above                                                       |
| Routine Exam-Employee &amp; Spouse                | 80% (1)           | Not covered     | Same as (1) above                                                       |</p>
<table>
<thead>
<tr>
<th>Service</th>
<th>Cost 1</th>
<th>Cost 3</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diagnostic X-Ray &amp; Lab</td>
<td>80% (1)</td>
<td>80% (3)</td>
<td>Same as (1) &amp; (3) above</td>
</tr>
<tr>
<td>Durable Medical Equipment</td>
<td>80% (1)</td>
<td>80% (3)</td>
<td>Same as (1) &amp; (3) above</td>
</tr>
<tr>
<td>Ambulance</td>
<td>80% (1)</td>
<td>80% (3)</td>
<td>Same as (1) &amp; (3) above</td>
</tr>
<tr>
<td>Chiropractic Services</td>
<td>80% - 20 visits (1)</td>
<td>80% - 20 visits (3)</td>
<td>Same as (1) &amp; (3) above</td>
</tr>
<tr>
<td>Cosmetic/Plastic Surgery</td>
<td>*No covered</td>
<td>*Not covered</td>
<td>*Except for reconstructive surgery</td>
</tr>
<tr>
<td>Infertility Services</td>
<td>Not covered</td>
<td>Not covered</td>
<td>Same as (1) &amp; (3) above</td>
</tr>
<tr>
<td>Home Health Care</td>
<td>80% - 100 days (1)</td>
<td>80% - 60 visits (3)</td>
<td>Same as (1) &amp; (3) above</td>
</tr>
<tr>
<td>Hospice Care</td>
<td>Up to 50 days</td>
<td>Max. $10,000</td>
<td></td>
</tr>
<tr>
<td>Convalescent Care/Skilled Nursing</td>
<td>Max. 100 days (4)</td>
<td>Max. 60 days/yr. (5)</td>
<td>(4) Once it becomes custodial it is no longer covered. (5) Not to exceed 50% of avg. semi-private rate, following 5 consecutive days of hospital confinement or surgery.</td>
</tr>
<tr>
<td>Mental Health Care (In-patient Hospital)</td>
<td>80% - 30 days</td>
<td>80% - 30 days*</td>
<td>*Per Lifetime</td>
</tr>
<tr>
<td>Mental Health Care (Out-patient Professional)</td>
<td>80% - 50 visits (1)</td>
<td>*50% - 20 visits</td>
<td>Same as (1) *of billed charges</td>
</tr>
<tr>
<td>Substance Abuse (In-patient Hospital)</td>
<td>80% - 30 days (1)</td>
<td>Not covered</td>
<td>Same as (1) above</td>
</tr>
<tr>
<td>Substance Abuse (Out-patient Professional)</td>
<td>80% - 50 visits (1)</td>
<td>Not covered</td>
<td>Same as (1) above</td>
</tr>
<tr>
<td>Prescription Drugs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retail Generic Rx</td>
<td>$10 Co-pay</td>
<td>80%</td>
<td></td>
</tr>
<tr>
<td>Retail Brand Rx</td>
<td>$15 Co-pay</td>
<td>*80%</td>
<td>*Dispensed Generic unless physician specifies no substitution.</td>
</tr>
<tr>
<td>Non-Formulary Brand Rx</td>
<td>$45 Co-pay</td>
<td>80%</td>
<td></td>
</tr>
<tr>
<td>Dental</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diagnostic &amp; Preventive, Restorative, Periodontic, Surgical, Endodontic</td>
<td>70/80/90%</td>
<td>70/80/90%</td>
<td>Incentive plan - pays 70% first yr., 80% second yr., and 90% third and remaining yrs.</td>
</tr>
<tr>
<td>Prosthetic</td>
<td>50%</td>
<td>50%</td>
<td></td>
</tr>
<tr>
<td>------------</td>
<td>-----</td>
<td>-----</td>
<td></td>
</tr>
<tr>
<td>Use of Out-of-Network Providers</td>
<td>60th Percentile (6)</td>
<td>70/80/90% (7)</td>
<td></td>
</tr>
</tbody>
</table>

(6) Claims are pd. at the 60th percentile, and patient would pay the difference.
(7) No network providers, however if billed amount is more than UCR’s, patient would pay the difference.

<table>
<thead>
<tr>
<th>Health Plan Issues:</th>
<th>Contact Person (Questions re: coverage)</th>
<th>HR Personnel</th>
<th>HR Personnel</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Contact Person (Assistance with claims processing/issues with coverage)</td>
<td>*RMA TPA</td>
<td>HR Personnel</td>
</tr>
<tr>
<td></td>
<td><strong>Concerns or issues re: payment of claims or claims processing would be directed to the Third Party Administrator for the RMA.</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Determination of whether claim is covered and processed for payment</td>
<td>RMA TPA</td>
<td>HR Administrator</td>
</tr>
<tr>
<td>Enrollment/Changes for Dep. Coverage</td>
<td>Open (8)</td>
<td>None (9)</td>
<td></td>
</tr>
</tbody>
</table>

(8) Once each yr., i.e., May through June w/cov. eff. 7/1
(9) 90-day waiting period for late enrollments, unless due to loss of job for additions; and at the end of any pay period for deletions.

Note: Under the City’s current health plan, claims are paid at the highest percentile of the usual, customary and reasonable charges, which is at the 95th percentile, and also if the charges are still within $5, that amount is also waived., so that the patient does not have to pay an additional amount.
## CALCULATION WORKSHEET DEFINING COMPARATIVE COSTS AND ASSUMPTIONS

### CITY OF PORTERVILLE HEALTH CARE

<table>
<thead>
<tr>
<th>Description</th>
<th>Employed Users</th>
<th>City Payment</th>
<th>Employee Payment</th>
<th>Total City + Employee</th>
<th>Total City Payments</th>
<th>Total Employee Payments</th>
<th>Total City + Employee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee</td>
<td>92</td>
<td>$257.00</td>
<td>$0.00</td>
<td>$257.00</td>
<td>$23,644.00</td>
<td>$0.00</td>
<td>$23,644.00</td>
</tr>
<tr>
<td>Employee +1</td>
<td>57</td>
<td>$257.00</td>
<td>$105.50</td>
<td>$362.50</td>
<td>$14,649.00</td>
<td>$8,013.50</td>
<td>$20,662.50</td>
</tr>
<tr>
<td>Employee +2</td>
<td>23</td>
<td>$257.00</td>
<td>$156.40</td>
<td>$413.40</td>
<td>$5,911.00</td>
<td>$3,597.20</td>
<td>$9,508.20</td>
</tr>
<tr>
<td>Employee +3</td>
<td>66</td>
<td>$257.00</td>
<td>$166.40</td>
<td>$423.40</td>
<td>$16,962.00</td>
<td>$10,982.40</td>
<td>$27,944.40</td>
</tr>
<tr>
<td>Risk Management Cash</td>
<td>238</td>
<td>$37.50</td>
<td>$0.00</td>
<td>$37.50</td>
<td>$8,925.00</td>
<td>$0.00</td>
<td>$8,925.00</td>
</tr>
</tbody>
</table>

**Monthly Payments Current Plan (Not Calculating Risk Mgt Fund Loss)**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly Payments</td>
<td>$70,091.00</td>
</tr>
<tr>
<td>Yearly Payments</td>
<td>$841,092.00</td>
</tr>
<tr>
<td>Balancing for Payment from Risk Management Reserve ($37.50)</td>
<td>$107,100.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee</td>
<td>$24,348.72</td>
</tr>
<tr>
<td>EE + Spouse</td>
<td>$14,554.32</td>
</tr>
<tr>
<td>EE + Children</td>
<td>$7,089.12</td>
</tr>
<tr>
<td>EE + Family</td>
<td>$31,200.00</td>
</tr>
</tbody>
</table>

**Monthly Payments for RMA Plan (Balanced for 9 months)**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly Payments</td>
<td>$77,192.16</td>
</tr>
<tr>
<td>Yearly Payments</td>
<td>$926,305.92</td>
</tr>
<tr>
<td>Cost Comparison</td>
<td>$192,313.92</td>
</tr>
</tbody>
</table>

**Monthly Payments for City Health Plan (With Est. 18% Cost Increase)**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly Payments</td>
<td>$75,635.38</td>
</tr>
<tr>
<td>Yearly Payment</td>
<td>$907,624.56</td>
</tr>
<tr>
<td>Cost Comparison</td>
<td>$173,632.56</td>
</tr>
</tbody>
</table>

### Estimated City Plan Cost for 2004/05

- **Base City + Employee Premium + Retiree Amount**: $966,684
- **Allocated Premium for One Year from Risk Management Plan Loss for 2003/04**: $109,800
- **Plan Loss for 2003/04**: $551,696
- **SUBTOTAL 1 ESTIMATED FOR 2003/04 FY RATES**: $1,628,180

### Estimated Retiree Payments for 2003/04 FY

- **$94,509**

### SUBTOTAL 2 ESTIMATED FOR 2003/04 FY RATES

**FOR EMPLOYEES**: $1,533,671

- **Estimated 18% Increase in Cost**: $276,061

**ESTIMATED TOTAL 2004/05**: $1,809,732
SUBJECT: QUARTERLY PORTFOLIO SUMMARY

SOURCE: Administrative Services - Finance Division

COMMENT: During the 1995 Legislative Session, the State adopted SB 564 and SB 866 which became effective January 1, 1996. These pieces of legislation set formal requirements for annual reaffirmation of the Investment Policy by Council, as well as for quarterly portfolio updates to Council. These quarterly updates are to be delivered no later than 30 days after the end of each quarter.

Items identified in the summary that are requirements under SB 564 and SB 866 include the fact that all current holdings are in compliance with the current Investment Policy and that all City cash needs will be met. The date of the next update has also been identified.

RECOMMENDATION: That City Council accept the quarterly Portfolio Summary in accordance with SB 564 and SB 866.

ATTACHMENTS: Quarterly Portfolio Summary

D.D. Appropriated/Funded C.M. Item No. 27
# CITY OF PORTERVILLE
## PORTFOLIO SUMMARY AS OF 06/30/2004

<table>
<thead>
<tr>
<th>INVESTMENT OR CUSIP NUMBER</th>
<th>INSTITUTION</th>
<th>PURCHASE PRICE</th>
<th>BLOOMBERG MARKET PRICE</th>
<th>COUPON INTEREST RATE</th>
<th>PURCHASE DATE</th>
<th>MATURITY DATE</th>
<th>DAYS TO MATURITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>1006</td>
<td>LOCAL AGENCY INVESTMENT FUND</td>
<td>$3,675,695</td>
<td>$3,675,695</td>
<td>1.469%</td>
<td>DAILY</td>
<td>DAILY</td>
<td>1</td>
</tr>
<tr>
<td>1006</td>
<td>LOCAL AGENCY INVESTMENT FUND</td>
<td>5,223,597</td>
<td>5,223,597</td>
<td>1.469%</td>
<td>DAILY</td>
<td>DAILY</td>
<td>1</td>
</tr>
<tr>
<td>1007</td>
<td>CSJVRMA INVESTMENT FUND</td>
<td>5,867,985</td>
<td>5,765,399</td>
<td>4.570%</td>
<td>DAILY</td>
<td>DAILY</td>
<td>1</td>
</tr>
<tr>
<td>1009</td>
<td>TULARE COUNTY INVESTMENT POOL</td>
<td>8,048,000</td>
<td>8,048,000</td>
<td>2.220%</td>
<td>DAILY</td>
<td>DAILY</td>
<td>1</td>
</tr>
<tr>
<td>1008</td>
<td>MONEY MARKET</td>
<td>15,601</td>
<td>15,601</td>
<td>0.160%</td>
<td>DAILY</td>
<td>DAILY</td>
<td>1</td>
</tr>
<tr>
<td>3136F3WW2</td>
<td>FEDERAL HOME LOAN BANK</td>
<td>500,000</td>
<td>484,220</td>
<td>3.000%</td>
<td>06/11/03</td>
<td>06/11/08</td>
<td>1.442</td>
</tr>
<tr>
<td>31331OS332</td>
<td>FEDERAL HOME LOAN BANK</td>
<td>500,000</td>
<td>487,815</td>
<td>3.240%</td>
<td>06/18/03</td>
<td>06/18/08</td>
<td>1.449</td>
</tr>
<tr>
<td>31339YK1W0</td>
<td>FEDERAL HOME LOAN BANK</td>
<td>500,000</td>
<td>489,375</td>
<td>3.360%</td>
<td>07/30/03</td>
<td>07/30/08</td>
<td>1.491</td>
</tr>
<tr>
<td>3133X0J59</td>
<td>FEDERAL HOME LOAN BANK</td>
<td>500,000</td>
<td>501,405</td>
<td>4.300%</td>
<td>08/18/03</td>
<td>08/18/08</td>
<td>1.510</td>
</tr>
<tr>
<td>3133X54G0</td>
<td>FEDERAL HOME LOAN BANK</td>
<td>500,000</td>
<td>487,500</td>
<td>3.625%</td>
<td>04/06/04</td>
<td>04/06/09</td>
<td>1.741</td>
</tr>
<tr>
<td>3136F5G40</td>
<td>FEDERAL HOME LOAN BANK</td>
<td>500,000</td>
<td>495,780</td>
<td>4.040%</td>
<td>03/16/04</td>
<td>03/16/09</td>
<td>1.720</td>
</tr>
<tr>
<td>31339YY8Y4</td>
<td>FEDERAL HOME LOAN BANK</td>
<td>500,000</td>
<td>492,970</td>
<td>3.580%</td>
<td>08/14/03</td>
<td>08/14/08</td>
<td>1.506</td>
</tr>
<tr>
<td>3133X4WS5</td>
<td>FEDERAL HOME LOAN BANK</td>
<td>500,000</td>
<td>485,470</td>
<td>4.000%</td>
<td>03/30/04</td>
<td>03/30/09</td>
<td>1.734</td>
</tr>
<tr>
<td>3128X25Y6</td>
<td>FEDERAL HOME LOAN BANK</td>
<td>1,000,000</td>
<td>995,500</td>
<td>4.125%</td>
<td>04/27/04</td>
<td>04/27/09</td>
<td>1.762</td>
</tr>
<tr>
<td>31330XV44</td>
<td>FEDERAL HOME LOAN BANK (STEP UP)</td>
<td>500,000</td>
<td>494,065</td>
<td>2.500%</td>
<td>05/28/03</td>
<td>12/26/07</td>
<td>1.274</td>
</tr>
<tr>
<td>31333XM35</td>
<td>FEDERAL HOME LOAN BANK (STEP UP)</td>
<td>500,000</td>
<td>497,655</td>
<td>3.250%</td>
<td>06/05/03</td>
<td>06/05/08</td>
<td>1.436</td>
</tr>
<tr>
<td>31338XM102</td>
<td>FEDERAL HOME LOAN BANK</td>
<td>500,000</td>
<td>486,875</td>
<td>3.200%</td>
<td>06/30/03</td>
<td>06/30/08</td>
<td>1.461</td>
</tr>
<tr>
<td>31338Y555</td>
<td>FEDERAL HOME LOAN BANK</td>
<td>500,000</td>
<td>488,280</td>
<td>3.300%</td>
<td>07/28/03</td>
<td>07/28/08</td>
<td>1.489</td>
</tr>
<tr>
<td>3128X1P87</td>
<td>FEDERAL HOME LOAN BANK</td>
<td>500,000</td>
<td>483,475</td>
<td>3.000%</td>
<td>07/09/03</td>
<td>07/09/08</td>
<td>1.470</td>
</tr>
<tr>
<td>3133X5606</td>
<td>FEDERAL HOME LOAN BANK</td>
<td>500,000</td>
<td>496,565</td>
<td>3.800%</td>
<td>08/11/03</td>
<td>08/11/08</td>
<td>1.503</td>
</tr>
<tr>
<td>3128X1ZE0</td>
<td>FEDERAL HOME LOAN BANK</td>
<td>1,000,000</td>
<td>999,180</td>
<td>3.300%</td>
<td>08/20/03</td>
<td>02/20/07</td>
<td>965</td>
</tr>
<tr>
<td>1133</td>
<td>CERTIFICATE OF DEPOSIT</td>
<td>99,000</td>
<td>99,000</td>
<td>3.000%</td>
<td>03/23/04</td>
<td>03/23/07</td>
<td>996</td>
</tr>
<tr>
<td>1119</td>
<td>CERTIFICATE OF DEPOSIT</td>
<td>99,000</td>
<td>98,000</td>
<td>4.750%</td>
<td>08/05/02</td>
<td>08/07/05</td>
<td>403</td>
</tr>
<tr>
<td>1124</td>
<td>CERTIFICATE OF DEPOSIT</td>
<td>99,000</td>
<td>99,000</td>
<td>3.750%</td>
<td>08/15/04</td>
<td>08/15/07</td>
<td>1,070</td>
</tr>
<tr>
<td>1103</td>
<td>CERTIFICATE OF DEPOSIT</td>
<td>99,000</td>
<td>99,000</td>
<td>4.650%</td>
<td>05/21/02</td>
<td>05/23/05</td>
<td>327</td>
</tr>
<tr>
<td>1129</td>
<td>CERTIFICATE OF DEPOSIT</td>
<td>99,000</td>
<td>99,000</td>
<td>4.120%</td>
<td>02/21/03</td>
<td>02/21/06</td>
<td>601</td>
</tr>
<tr>
<td>1113</td>
<td>CERTIFICATE OF DEPOSIT</td>
<td>99,000</td>
<td>99,000</td>
<td>4.500%</td>
<td>03/21/02</td>
<td>03/21/05</td>
<td>264</td>
</tr>
<tr>
<td>1132</td>
<td>CERTIFICATE OF DEPOSIT</td>
<td>99,000</td>
<td>99,000</td>
<td>3.000%</td>
<td>02/25/04</td>
<td>02/28/07</td>
<td>971</td>
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<tr>
<td>1131</td>
<td>CERTIFICATE OF DEPOSIT</td>
<td>99,000</td>
<td>99,000</td>
<td>3.100%</td>
<td>06/06/03</td>
<td>06/09/06</td>
<td>706</td>
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<tr>
<td>1120</td>
<td>CERTIFICATE OF DEPOSIT</td>
<td>99,000</td>
<td>99,000</td>
<td>4.180%</td>
<td>06/16/02</td>
<td>08/16/05</td>
<td>412</td>
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<tr>
<td>1121</td>
<td>CERTIFICATE OF DEPOSIT</td>
<td>99,000</td>
<td>99,000</td>
<td>3.800%</td>
<td>09/10/02</td>
<td>09/12/05</td>
<td>439</td>
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<tr>
<td>1122</td>
<td>CERTIFICATE OF DEPOSIT</td>
<td>99,000</td>
<td>99,000</td>
<td>3.920%</td>
<td>09/11/02</td>
<td>09/11/05</td>
<td>438</td>
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</table>

**TOTALS:** $32,919,858 $32,683,512

## WEIGHTED AVERAGE RATE OF EARNINGS

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<tbody>
<tr>
<td></td>
<td>2.147%</td>
<td>3.002%</td>
<td>3.046%</td>
<td>3.141%</td>
<td>2.841%</td>
<td>69.353%</td>
</tr>
</tbody>
</table>

**WEIGHTED AVERAGE DAYS TO MATURITY:** 426

**Comments:**

Portfolio holdings as of June 30, 2004, are in compliance with the current Investment Policy. With 69.248% of the portfolio being held in liquid instruments, the cash needs of the City will be met. As per SB 564 and SB 866, the next portfolio report will be calculated for the third calendar quarter ended September 30, 2004, and will be presented during the October 19, 2004, Council meeting.
SUBJECT: INTERIM FINANCIAL STATUS REPORT

SOURCE: Administrative Services - Finance Division

COMMENT: The City Charter requires financial information to be provided to City Council members on a monthly basis. Staff will deliver this information publicly on a quarterly basis in conjunction with the quarterly portfolio summary. The approved dates for these presentations are the second Council meeting following the quarters ended March 31, June 30, September 30, and December 31.

In accordance with Council Minute Order #13-041602, the interim financial status reports for the 4th quarter ended June 30, 2004, are submitted.

RECOMMENDATION: Accept the interim financial status reports as presented.

ATTACHMENT: Interim financial reports
<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>PROPERTY TAXES</td>
<td>$1,491,337</td>
<td>$1,512,556</td>
<td>101.42%</td>
<td>$1,470,045</td>
<td>$1,408,404</td>
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<td>OTHER TAXES:</td>
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<tr>
<td>SALES AND USE TAX</td>
<td>4,509,401</td>
<td>4,085,548</td>
<td>90.60%</td>
<td>4,183,884</td>
<td>4,025,436</td>
<td>96.21%</td>
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<td>UTILITY USERS TAX</td>
<td>3,022,559</td>
<td>2,604,523</td>
<td>86.17%</td>
<td>2,878,628</td>
<td>2,637,273</td>
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<tr>
<td>TRANSIENT OCCUPANCY TAX</td>
<td>189,720</td>
<td>161,379</td>
<td>85.06%</td>
<td>194,670</td>
<td>138,688</td>
<td>71.24%</td>
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<tr>
<td>PROPERTY TRANSFER TAX</td>
<td>53,560</td>
<td>84,711</td>
<td>158.16%</td>
<td>38,625</td>
<td>67,177</td>
<td>173.92%</td>
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<td>FRANCHISE TAX</td>
<td>1,275,000</td>
<td>1,325,387</td>
<td>103.95%</td>
<td>1,223,912</td>
<td>1,151,255</td>
<td>94.06%</td>
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<td>SALES TAX - PUBLIC SAFETY</td>
<td>114,000</td>
<td>112,478</td>
<td>98.66%</td>
<td>114,000</td>
<td>80,904</td>
<td>70.97%</td>
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<td>LICENSES AND PERMITS</td>
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<tr>
<td>BUSINESS LICENSES</td>
<td>360,000</td>
<td>350,384</td>
<td>97.33%</td>
<td>360,000</td>
<td>353,809</td>
<td>98.28%</td>
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<td>CONSTRUCTION PERMITS</td>
<td>264,020</td>
<td>347,767</td>
<td>131.72%</td>
<td>236,940</td>
<td>351,193</td>
<td>148.22%</td>
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<tr>
<td>REVENUE FROM AGENCIES-TAXES:</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>MOTOR VEHICLE IN-LIEU TAX</td>
<td>2,512,984</td>
<td>1,858,888</td>
<td>73.97%</td>
<td>2,105,733</td>
<td>2,423,039</td>
<td>115.07%</td>
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<td>OTHER TAXES</td>
<td>32,000</td>
<td>30,639</td>
<td>95.75%</td>
<td>32,000</td>
<td>23,688</td>
<td>74.02%</td>
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<tr>
<td>REVENUE FROM AGENCIES-GRANTS</td>
<td>1,250,318</td>
<td>441,781</td>
<td>35.33%</td>
<td>1,377,870</td>
<td>1,053,206</td>
<td>76.44%</td>
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<td>USE OF MONEY AND PROPERTY</td>
<td>65,427</td>
<td>182,795</td>
<td>279.39%</td>
<td>58,500</td>
<td>122,302</td>
<td>209.06%</td>
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<td>FINES AND FORFEITURES</td>
<td>30,000</td>
<td>25,691</td>
<td>86.30%</td>
<td>35,200</td>
<td>28,075</td>
<td>79.76%</td>
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<td>CHARGES FOR SERVICES:</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>PLANNING AND ENGINEERING</td>
<td>85,500</td>
<td>102,844</td>
<td>120.29%</td>
<td>85,500</td>
<td>78,462</td>
<td>91.77%</td>
</tr>
<tr>
<td>POLICE</td>
<td>93,700</td>
<td>95,034</td>
<td>101.42%</td>
<td>96,000</td>
<td>94,895</td>
<td>98.85%</td>
</tr>
<tr>
<td>FIRE</td>
<td>40,000</td>
<td>11,183</td>
<td>27.96%</td>
<td>35,000</td>
<td>13,353</td>
<td>38.15%</td>
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<td>LIBRARY</td>
<td>37,000</td>
<td>42,244</td>
<td>114.17%</td>
<td>37,000</td>
<td>41,526</td>
<td>112.23%</td>
</tr>
<tr>
<td>RECREATIONAL</td>
<td>782,500</td>
<td>916,931</td>
<td>117.18%</td>
<td>861,858</td>
<td>875,335</td>
<td>101.56%</td>
</tr>
<tr>
<td>INTERDEPARTMENTAL</td>
<td>1,171,234</td>
<td>1,110,740</td>
<td>94.84%</td>
<td>1,171,234</td>
<td>1,014,866</td>
<td>86.65%</td>
</tr>
<tr>
<td>OTHER</td>
<td>63,200</td>
<td>17,984</td>
<td>28.46%</td>
<td>51,200</td>
<td>97,275</td>
<td>189.99%</td>
</tr>
<tr>
<td>AFFINITY CARD PROGRAM</td>
<td>3,500</td>
<td>6,287</td>
<td>179.62%</td>
<td>3,500</td>
<td>4,101</td>
<td>117.17%</td>
</tr>
<tr>
<td>OTHER REVENUES</td>
<td>80,025</td>
<td>80,493</td>
<td>100.58%</td>
<td>65,975</td>
<td>86,930</td>
<td>131.76%</td>
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<tr>
<td><strong>SUBTOTALS</strong></td>
<td><strong>$17,526,985</strong></td>
<td><strong>$15,508,468</strong></td>
<td><strong>88.48%</strong></td>
<td><strong>$16,717,274</strong></td>
<td><strong>$16,171,192</strong></td>
<td><strong>96.73%</strong></td>
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<tr>
<td><strong>DEBT SERVICE TRANSFERS</strong></td>
<td><strong>880,036</strong></td>
<td><strong>880,036</strong></td>
<td><strong>100.00%</strong></td>
<td><strong>855,933</strong></td>
<td><strong>855,933</strong></td>
<td><strong>100.00%</strong></td>
</tr>
<tr>
<td><strong>$18,407,021</strong></td>
<td><strong>$16,388,504</strong></td>
<td><strong>89.03%</strong></td>
<td><strong>$17,573,207</strong></td>
<td><strong>$17,027,125</strong></td>
<td><strong>96.89%</strong></td>
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</tr>
</tbody>
</table>
## CITY OF PORTERVILLE

### REVENUE STATUS REPORT - ALL OTHER FUNDS

**FOR THE YEARS ENDED**

**JUNE 30, 2004 AND JUNE 30, 2003**

**PRELIMINARY**

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>REDEVELOPMENT AGENCY</td>
<td>$418,753</td>
<td>$1,566,564</td>
<td>374.1%</td>
<td>$566,470</td>
<td>$609,645</td>
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<tr>
<td>SPECIAL GAS TAX</td>
<td>1,780,000</td>
<td>1,405,790</td>
<td>79.0%</td>
<td>4,103,260</td>
<td>1,064,365</td>
<td>25.9%</td>
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<tr>
<td>LOCAL TRANSPORTATION FUNDS (LTF)</td>
<td>572,706</td>
<td>570,384</td>
<td>99.6%</td>
<td>435,000</td>
<td>167,191</td>
<td>38.4%</td>
</tr>
<tr>
<td>TRAFFIC SAFETY FUND</td>
<td>101,000</td>
<td>75,884</td>
<td>75.1%</td>
<td>113,500</td>
<td>100,081</td>
<td>88.2%</td>
</tr>
<tr>
<td>ZALUD ESTATE</td>
<td>9,000</td>
<td>6,018</td>
<td>66.9%</td>
<td>9,000</td>
<td>7,543</td>
<td>83.8%</td>
</tr>
<tr>
<td>COMMUNITY DEVELOPMENT BLOCK GRANT</td>
<td>4,724,000</td>
<td>1,935,738</td>
<td>41.0%</td>
<td>751,000</td>
<td>981,520</td>
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<tr>
<td>TRANSIT</td>
<td>1,913,800</td>
<td>1,609,372</td>
<td>84.1%</td>
<td>2,799,086</td>
<td>1,789,353</td>
<td>63.9%</td>
</tr>
<tr>
<td>SPECIAL POLICE GRANTS</td>
<td>200,450</td>
<td>329,707</td>
<td>164.5%</td>
<td>229,100</td>
<td>175,971</td>
<td>76.8%</td>
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<tr>
<td>SEWER OPERATING</td>
<td>5,314,763</td>
<td>5,096,399</td>
<td>95.9%</td>
<td>4,468,098</td>
<td>4,424,644</td>
<td>99.0%</td>
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<tr>
<td>REFUSE REMOVAL</td>
<td>3,934,524</td>
<td>3,846,936</td>
<td>97.8%</td>
<td>3,448,217</td>
<td>3,557,596</td>
<td>103.2%</td>
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<td>AIRPORT OPERATIONS</td>
<td>620,554</td>
<td>693,824</td>
<td>111.8%</td>
<td>597,621</td>
<td>678,107</td>
<td>113.5%</td>
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<tr>
<td>GOLF COURSE</td>
<td>264,000</td>
<td>248,378</td>
<td>94.1%</td>
<td>289,212</td>
<td>253,217</td>
<td>87.6%</td>
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<tr>
<td>WATER OPERATING</td>
<td>4,704,678</td>
<td>4,707,623</td>
<td>100.1%</td>
<td>4,615,747</td>
<td>4,449,874</td>
<td>96.4%</td>
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<td>RISK MANAGEMENT</td>
<td>2,480,000</td>
<td>2,760,898</td>
<td>111.3%</td>
<td>2,475,100</td>
<td>2,291,121</td>
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<td>EQUIPMENT MAINTENANCE</td>
<td>1,047,434</td>
<td>979,140</td>
<td>93.5%</td>
<td>956,245</td>
<td>1,071,848</td>
<td>112.1%</td>
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<td>EQUIPMENT REPLACEMENT</td>
<td>1,363,619</td>
<td>1,216,714</td>
<td>89.2%</td>
<td>1,200,860</td>
<td>948,077</td>
<td>78.9%</td>
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<td>LANDSCAPE MAINTENANCE DISTRICT</td>
<td>141,080</td>
<td>132,637</td>
<td>94.0%</td>
<td>140,149</td>
<td>120,875</td>
<td>86.2%</td>
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<td>WATER REPLACEMENT</td>
<td>598,850</td>
<td>414,524</td>
<td>69.2%</td>
<td>456,862</td>
<td>612,902</td>
<td>134.2%</td>
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<td>SOLID WASTE RESERVE</td>
<td>244,549</td>
<td>246,578</td>
<td>100.8%</td>
<td>6,000</td>
<td>5,584</td>
<td>93.1%</td>
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<td>SEWER REVOLVING</td>
<td>189,000</td>
<td>166,854</td>
<td>88.3%</td>
<td>221,000</td>
<td>246,622</td>
<td>111.6%</td>
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<td>TRANSPORTATION DEVELOPMENT</td>
<td>136,800</td>
<td>250,018</td>
<td>182.8%</td>
<td>224,200</td>
<td>950,478</td>
<td>423.9%</td>
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<td>PARK DEVELOPMENT</td>
<td>51,300</td>
<td>144,695</td>
<td>282.1%</td>
<td>83,000</td>
<td>182,462</td>
<td>218.8%</td>
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<td>TREATMENT PLANT RESERVE</td>
<td>8,603,000</td>
<td>871,103</td>
<td>10.1%</td>
<td>995,000</td>
<td>1,138,114</td>
<td>114.4%</td>
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<td>STORM DRAIN DEVELOPMENT</td>
<td>271,980</td>
<td>194,239</td>
<td>71.4%</td>
<td>260,000</td>
<td>466,740</td>
<td>179.5%</td>
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<tr>
<td>BUILDING CONSTRUCTION</td>
<td>50,000</td>
<td>34,107</td>
<td>68.2%</td>
<td>46,000</td>
<td>49,049</td>
<td>106.6%</td>
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<td>AIRPORT REPLACEMENT</td>
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<td><strong>TOTALS</strong></td>
<td><strong>$39,735,840</strong></td>
<td><strong>$29,505,030</strong></td>
<td><strong>74.3%</strong></td>
<td><strong>$29,489,727</strong></td>
<td><strong>$26,392,400</strong></td>
<td><strong>89.5%</strong></td>
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</table>
## CITY OF PORTERVILLE

### EXPENDITURE STATUS REPORT - GENERAL FUND

**FOR THE YEARS ENDED**

**JUNE 30, 2004 AND JUNE 30, 2003**

**PRELIMINARY**

<table>
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<tbody>
<tr>
<td></td>
<td>AMENDED</td>
<td>YEAR-TO-DATE</td>
<td>% OF</td>
<td>AMENDED</td>
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<td></td>
<td>APPROP</td>
<td>EXPEND</td>
<td>APPROP</td>
<td>APPROP</td>
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<tr>
<td><strong>LEGISLATIVE:</strong></td>
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<tr>
<td>CITY COUNCIL</td>
<td>$63,662</td>
<td>$59,959</td>
<td>94.2%</td>
<td>$53,662</td>
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<td>COMMUNITY PROMOTION</td>
<td>167,527</td>
<td>146,560</td>
<td>87.5%</td>
<td>167,527</td>
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<td><strong>ADMINISTRATIVE &amp; LEGAL:</strong></td>
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<tr>
<td>CITY MANAGER</td>
<td>223,994</td>
<td>200,930</td>
<td>89.7%</td>
<td>207,255</td>
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<td>CITY CLERK</td>
<td>110,009</td>
<td>113,655</td>
<td>103.3%</td>
<td>135,009</td>
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<td>HUMAN RESOURCES</td>
<td>129,117</td>
<td>114,733</td>
<td>88.9%</td>
<td>129,117</td>
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<td>CITY ATTORNEY</td>
<td>107,340</td>
<td>179,668</td>
<td>167.4%</td>
<td>107,340</td>
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<tr>
<td><strong>FINANCE:</strong></td>
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<tr>
<td>FINANCE &amp; ACCOUNTING</td>
<td>603,801</td>
<td>555,573</td>
<td>92.0%</td>
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<td>INFORMATION SERVICES</td>
<td>247,687</td>
<td>225,186</td>
<td>90.9%</td>
<td>221,314</td>
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<tr>
<td>ADMINISTRATIVE SERVICES</td>
<td>342,354</td>
<td>339,346</td>
<td>99.1%</td>
<td>369,183</td>
</tr>
<tr>
<td><strong>POLICE PROTECTION:</strong></td>
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</tr>
<tr>
<td>ADMINISTRATION</td>
<td>618,012</td>
<td>617,146</td>
<td>99.9%</td>
<td>626,334</td>
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<td>OPERATIONS</td>
<td>2,572,953</td>
<td>2,617,092</td>
<td>101.7%</td>
<td>2,567,055</td>
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<td>INVESTIGATIVE</td>
<td>1,874,183</td>
<td>1,824,168</td>
<td>97.3%</td>
<td>1,868,050</td>
</tr>
<tr>
<td>ANIMAL CONTROL</td>
<td>139,000</td>
<td>106,306</td>
<td>76.5%</td>
<td>138,000</td>
</tr>
<tr>
<td>FIRE PROTECTION</td>
<td>2,500,095</td>
<td>2,385,677</td>
<td>95.4%</td>
<td>2,352,424</td>
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<tr>
<td><strong>COMMUNITY DEVELOPMENT:</strong></td>
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<td></td>
</tr>
<tr>
<td>ENGINEERING &amp; BUILDING</td>
<td>612,469</td>
<td>553,647</td>
<td>90.4%</td>
<td>612,469</td>
</tr>
<tr>
<td>PLANNING &amp; ZONING</td>
<td>257,414</td>
<td>223,540</td>
<td>86.8%</td>
<td>257,414</td>
</tr>
<tr>
<td>ECONOMIC DEVELOPMENT</td>
<td>172,239</td>
<td>140,266</td>
<td>81.4%</td>
<td>172,239</td>
</tr>
<tr>
<td>STREET MAINTENANCE</td>
<td>341,241</td>
<td>267,076</td>
<td>78.3%</td>
<td>365,241</td>
</tr>
<tr>
<td>SIGNALS, SIGNING &amp; STRIPING</td>
<td>270,574</td>
<td>252,081</td>
<td>93.2%</td>
<td>280,574</td>
</tr>
<tr>
<td>STREET LIGHTING</td>
<td>298,120</td>
<td>245,675</td>
<td>82.4%</td>
<td>266,120</td>
</tr>
<tr>
<td>STORM DRAINS</td>
<td>92,204</td>
<td>46,408</td>
<td>50.3%</td>
<td>92,204</td>
</tr>
<tr>
<td>PARKING LOTS</td>
<td>39,208</td>
<td>33,613</td>
<td>85.7%</td>
<td>37,208</td>
</tr>
<tr>
<td><strong>PARKS &amp; LEISURE:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PARK MAINTENANCE &amp; OPERATION</td>
<td>1,239,542</td>
<td>1,161,187</td>
<td>93.7%</td>
<td>1,218,363</td>
</tr>
<tr>
<td>STREET TREES &amp; PARKWAYS</td>
<td>263,818</td>
<td>178,910</td>
<td>67.8%</td>
<td>239,847</td>
</tr>
<tr>
<td>COMMUNITY CENTERS</td>
<td>227,305</td>
<td>188,504</td>
<td>82.9%</td>
<td>228,459</td>
</tr>
<tr>
<td>LEISURE SERVICES</td>
<td>141,567</td>
<td>177,002</td>
<td>125.0%</td>
<td>141,567</td>
</tr>
<tr>
<td>LEISURE SERVICES - SPECIAL PROG</td>
<td>792,889</td>
<td>768,906</td>
<td>97.0%</td>
<td>775,501</td>
</tr>
<tr>
<td>SWIMMING POOL</td>
<td>134,079</td>
<td>78,903</td>
<td>58.8%</td>
<td>134,079</td>
</tr>
<tr>
<td>LIBRARY OPERATIONS</td>
<td>592,627</td>
<td>587,667</td>
<td>95.8%</td>
<td>591,879</td>
</tr>
<tr>
<td>SPECIAL PROJECTS</td>
<td>137,222</td>
<td>107,177</td>
<td>78.1%</td>
<td>263,323</td>
</tr>
<tr>
<td><strong>SUB TOTALS</strong></td>
<td>$15,312,252</td>
<td>$14,476,561</td>
<td>94.5%</td>
<td>$15,215,602</td>
</tr>
<tr>
<td><strong>DEBT SERVICE</strong></td>
<td>1,834,883</td>
<td>1,834,883</td>
<td>100.0%</td>
<td>1,837,508</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td>$17,147,135</td>
<td>$16,311,444</td>
<td>95.1%</td>
<td>$17,053,110</td>
</tr>
</tbody>
</table>
GENERAL FUND EXPENDITURES
Fiscal Year Ended June 30, 2004

- COMMUNITY DEVELOPMENT (10.80%)
- DEBT SERVICE (11.25%)
- ADMINISTRATIVE & LEGAL (3.73%)
- FINANCE (6.87%)
- LEGISLATIVE (1.27%)
- FIRE (14.63%)
- PARKS & LEISURE (19.79%)
- POLICE (31.66%)

GENERAL FUND EXPENDITURES
Fiscal Year Ended June 30, 2003

- COMMUNITY DEVELOPMENT (12.49%)
- DEBT SERVICE (12.10%)
- ADMINISTRATIVE & LEGAL (3.58%)
- FINANCE (7.03%)
- LEGISLATIVE (1.27%)
- FIRE (13.02%)
- PARKS & LEISURE (21.86%)
- POLICE (28.65%)
### CITY OF PORTERVILLE
### EXPENDITURE STATUS REPORT - ALL OTHER FUNDS
FOR THE YEARS ENDED
JUNE 30, 2004 AND JUNE 30, 2003
PRELIMINARY

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>REDEVELOPMENT AGENCY</td>
<td>$ 588,840</td>
<td>$ 901,225</td>
<td>153.1</td>
<td>$ 699,000</td>
<td>$ 713,055</td>
<td>102.0</td>
</tr>
<tr>
<td>ZALUD ESTATE</td>
<td>29,189</td>
<td>24,468</td>
<td>83.8</td>
<td>34,421</td>
<td>23,705</td>
<td>68.9</td>
</tr>
<tr>
<td>COMMUNITY DEVELOPMENT BLOCK GRANT</td>
<td>199,800</td>
<td>188,095</td>
<td>94.1</td>
<td>150,200</td>
<td>123,368</td>
<td>82.1</td>
</tr>
<tr>
<td>TRANSIT</td>
<td>1,725,996</td>
<td>2,054,182</td>
<td>119.0</td>
<td>2,185,451</td>
<td>1,460,392</td>
<td>66.8</td>
</tr>
<tr>
<td>SPECIAL POLICE GRANTS</td>
<td>442,708</td>
<td>267,205</td>
<td>60.4</td>
<td>423,120</td>
<td>184,234</td>
<td>43.5</td>
</tr>
<tr>
<td>SEWER OPERATING</td>
<td>5,557,771</td>
<td>4,638,911</td>
<td>83.5</td>
<td>5,285,950</td>
<td>4,115,695</td>
<td>77.9</td>
</tr>
<tr>
<td>REFUSE REMOVAL</td>
<td>3,880,149</td>
<td>4,047,541</td>
<td>104.3</td>
<td>3,642,796</td>
<td>3,355,935</td>
<td>92.1</td>
</tr>
<tr>
<td>AIRPORT</td>
<td>671,554</td>
<td>728,425</td>
<td>108.5</td>
<td>597,072</td>
<td>637,374</td>
<td>106.7</td>
</tr>
<tr>
<td>GOLF COURSE</td>
<td>300,434</td>
<td>290,137</td>
<td>96.6</td>
<td>298,508</td>
<td>266,526</td>
<td>89.3</td>
</tr>
<tr>
<td>WATER OPERATING</td>
<td>4,421,527</td>
<td>3,405,972</td>
<td>77.0</td>
<td>4,245,182</td>
<td>3,417,517</td>
<td>80.5</td>
</tr>
<tr>
<td>RISK MANAGEMENT</td>
<td>3,074,832</td>
<td>3,068,920</td>
<td>99.8</td>
<td>2,819,172</td>
<td>2,662,676</td>
<td>94.4</td>
</tr>
<tr>
<td>EQUIPMENT MAINTENANCE</td>
<td>907,290</td>
<td>824,262</td>
<td>90.8</td>
<td>787,338</td>
<td>861,626</td>
<td>109.4</td>
</tr>
<tr>
<td>CENTRAL STORES</td>
<td>173,717</td>
<td>194,006</td>
<td>111.7</td>
<td>187,707</td>
<td>191,843</td>
<td>102.2</td>
</tr>
<tr>
<td>EQUIPMENT REPLACEMENT</td>
<td>1,187,108</td>
<td>952,423</td>
<td>80.2</td>
<td>1,650,757</td>
<td>1,402,262</td>
<td>84.9</td>
</tr>
<tr>
<td>LANDSCAPE MAINTENANCE DISTRICT</td>
<td>141,078</td>
<td>93,867</td>
<td>66.5</td>
<td>140,149</td>
<td>87,911</td>
<td>62.7</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td><strong>$ 23,301,993</strong></td>
<td><strong>$ 21,679,637</strong></td>
<td><strong>93.0</strong></td>
<td><strong>$ 23,146,823</strong></td>
<td><strong>$ 19,504,119</strong></td>
<td><strong>84.3</strong></td>
</tr>
</tbody>
</table>
## CITY OF PORTERVILLE
### INTERIM PERFORMANCE REPORT - ENTERPRISE FUNDS
As of June 30, 2004
PRELIMINARY

<table>
<thead>
<tr>
<th>FUND</th>
<th>REVENUES</th>
<th>EXPENSES</th>
<th>NET PROFIT (LOSS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zalud Estate</td>
<td>$ 6,018.42</td>
<td>$(24,467.52)</td>
<td>$(18,449.10)</td>
</tr>
<tr>
<td>Sewer</td>
<td>5,096,398.70</td>
<td>(4,638,911.18)</td>
<td>457,487.52</td>
</tr>
<tr>
<td>Solid Waste</td>
<td>3,846,935.85</td>
<td>(4,047,541.33)</td>
<td>(200,605.48)</td>
</tr>
<tr>
<td>Airport</td>
<td>693,824.09</td>
<td>(728,424.65)</td>
<td>(34,600.56)</td>
</tr>
<tr>
<td>Golf</td>
<td>248,377.66</td>
<td>(290,136.71)</td>
<td>(41,759.05)</td>
</tr>
<tr>
<td>Water</td>
<td>4,707,623.41</td>
<td>(3,405,971.86)</td>
<td>1,301,651.55</td>
</tr>
</tbody>
</table>

**NOTE:** The Transit Fund is not included as it does not contain any retained earnings

<table>
<thead>
<tr>
<th>Grant Description</th>
<th>City/Project Contact</th>
<th>City/Project Contact</th>
<th>Granting Agency</th>
<th>Grant Number</th>
<th>City/Project Capital Project No.</th>
<th>Amount of Grant Award</th>
<th>Received Date</th>
<th>Last Drawdown Request Date</th>
<th>Drawdown Received Date</th>
<th>Final Grant Date</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002 CDBG entitlement allocation</td>
<td>B. Dunlap</td>
<td>HUD</td>
<td></td>
<td></td>
<td>751,000.00</td>
<td>783,000.00</td>
<td>06/23/04</td>
<td>06/23/04</td>
<td>Completed</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2003 CDBG entitlement allocation (post)</td>
<td>B. Dunlap</td>
<td>HUD</td>
<td></td>
<td></td>
<td>999,000.00</td>
<td>1,000,000.00</td>
<td>1,000,000.00</td>
<td>04/20/04</td>
<td>05/21/04</td>
<td>Completed</td>
<td></td>
</tr>
<tr>
<td>1998 HOME grant for historic mixed use rehabilitation (St. James Place)</td>
<td>B. Dunlap</td>
<td>HUD</td>
<td></td>
<td>1998 HOME 0321</td>
<td>1,000,000.00</td>
<td>1,000,000.00</td>
<td>04/20/04</td>
<td>05/21/04</td>
<td>Completed</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2000 HOME grant for FHFA (first-time homebuyer) program</td>
<td>B. Dunlap</td>
<td>HUD</td>
<td></td>
<td>2000 HOME 0446</td>
<td>500,000.00</td>
<td>500,000.00</td>
<td>500,000.00</td>
<td>04/20/04</td>
<td>05/21/04</td>
<td>Completed</td>
<td></td>
</tr>
<tr>
<td>2002 HOME grant for FHFA</td>
<td>B. Dunlap</td>
<td>HUD</td>
<td></td>
<td>2002 HOME 0690</td>
<td>600,000.00</td>
<td>600,000.00</td>
<td>600,000.00</td>
<td>04/20/04</td>
<td>05/21/04</td>
<td>Completed</td>
<td></td>
</tr>
<tr>
<td>2002 HOME grant for housing rehabilitation</td>
<td>B. Dunlap</td>
<td>HUD</td>
<td></td>
<td>2002 HOME 0690</td>
<td>200,000.00</td>
<td>200,000.00</td>
<td>200,000.00</td>
<td>04/20/04</td>
<td>05/21/04</td>
<td>Completed</td>
<td></td>
</tr>
<tr>
<td>2000 CalHOME grant for FTHS</td>
<td>B. Dunlap</td>
<td>HUD</td>
<td></td>
<td>06 CalHOME 0615</td>
<td>500,000.00</td>
<td>500,000.00</td>
<td>500,000.00</td>
<td>04/20/04</td>
<td>05/21/04</td>
<td>Completed</td>
<td></td>
</tr>
<tr>
<td>Central Valley Infrastructure grant</td>
<td>B. Dunlap</td>
<td>HUD</td>
<td></td>
<td>01-CVIG-0015</td>
<td>400,000.00</td>
<td>400,000.00</td>
<td>400,000.00</td>
<td>04/20/04</td>
<td>05/21/04</td>
<td>Completed</td>
<td></td>
</tr>
<tr>
<td>CHFA Loan (Casanviel Vista)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,498,480.00</td>
<td>1,498,480.00</td>
<td>1,498,480.00</td>
<td></td>
<td></td>
<td>Loan due in the year 2012</td>
<td></td>
</tr>
</tbody>
</table>

**FIRE DEPARTMENT / AIRPORT**

| Domestic Preparedness Grant | F. Guzman | EMMC | | | | | 02/04/04 | Approved (reimbursement in November) |
| Assistance to Firefighters Grant | F. Guzman | FFMA | | | | | | | Committed annually |
| Airport Layout Plan | F. Guzman | FAA | | 3-06-0190-05 | 75,000.00 | 1,000,000.00 | 8,333.00 | | | |
| Airport Layout Plan | F. Guzman | CALTRANS | | 4-05-01-1-Mal | 3,760.00 | | | | To be used for the match on FAA grant |
| AIP Project | F. Guzman | FAA | | 3-06-0190-05 | 450,000.00 | | | | Committed annually |
| CAAP - Pavement Maintenance | F. Guzman | Dept of Transportation-Aeronautics Program | | | | | | | Committed annually |

**PARKS AND LEISURE SERVICES DEPARTMENT**

| Safety in Treats | J. Peterson | CA Trans Comm (CMAG) | | CMAG-0690 | 2,000,000.00 | 2,000,000.00 | 2,000,000.00 | 12/26/04 | Completed |
| Pedestrian Safety Program | J. Peterson | CA Trans Comm (Pedestrian Safety Program) | | RSP1-041250-041 | 125,000.00 | 125,000.00 | 125,000.00 | 12/26/04 | Completed |
| Robert L. Holloway (project) | J. Peterson | CA Dept of Parks & Rec (2000 Park Bond Act) | | 00-05-822 | 548,000.00 | 548,000.00 | 548,000.00 | 05/26/04 | Completed |
| Robert H. Aris (project) | J. Peterson | CA Dept of Parks & Rec (2000 Resources Bond Act) | | 02-07-96 | 111,000.00 | 111,000.00 | 111,000.00 | 05/26/04 | Completed |
| Per Capita | J. Peterson | CA Dept of Parks & Rec (2000 Resources Bond Act) | | 02-07-96 | 220,000.00 | 220,000.00 | 220,000.00 | 05/26/04 | Completed |
| Tule River Parkway, 1st St. | J. Peterson | CA Resources Agency (Envir Enhancement/Mitigation) | | EEA-00-0901 | 222,000.00 | 222,000.00 | 222,000.00 | 05/26/04 | Completed |
| Tule River Parkway, 2nd St. | J. Peterson | CA Resources Agency (Envir Enhancement/Mitigation) | | | 250,000.00 | 250,000.00 | 250,000.00 | 05/26/04 | Completed |
| Pothole & Wheel cycle training facility | J. Peterson | CA Dept of Parks & Rec (ORHwy/Major Veh Rec) | | RTH-07-002 | 100,000.00 | 100,000.00 | 100,000.00 | 05/26/04 | Completed |
| Youth Experience Success (YES) | J. Peterson | CA Department of Education | | | 1,185,788.00 | 1,185,788.00 | 1,185,788.00 | 06/15/04 | Completed |

**DOE OFFICE**

| DOE Office of Traffic Safety Grant (OTS) | S. Rodriguez | CA Office of Traffic Safety | | AL-0239 | 124,000.00 | 124,000.00 | 124,000.00 | 03/31/04 | Completed |
| Calif. Law Enforcement Program Grant (CLEEP) | S. Rodriguez | State of CA, Dept of Finance | | | 177,317.73 | 177,317.73 | 177,317.73 | 12/21/03 | Completed/Revised |
| Citizens Option for Public Safety (COPS) | S. Rodriguez | State of CA, Dept of Finance | | | 100,000.00 | 100,000.00 | 100,000.00 | 12/21/03 | Completed/Revised |
| Buell Proof Grant | S. Rodriguez | US, Dept of Justice | | | 10,507.07 | 10,507.07 | 10,507.07 | 01/26/04 | Ongoing |
| Department of Motor Vehicle Special Trust Funds | S. Rodriguez | State of CA, MM | | | 53,659.53 | 53,659.53 | 53,659.53 | 01/26/04 | Completed/Revised |
| Local Law Enforcement Block Grant (LLERG) | S. Rodriguez | US, DOJ, Office of Justice Planning | | | 35,731.00 | 35,731.00 | 35,731.00 | 11/21/03 | Completed/Revised |

**PUBLIC WORKS DEPARTMENT**

| Pleasant St @ Tule River Bridge widening project | B. Rodriguez | CALTRANS - HIRER | | 95-0727 | 630,000.00 | 630,000.00 | 630,000.00 | 06/14/04 | N/A Design authorized by Caltrans |
| Jayne St @ Tule River Bridge widening project | B. Rodriguez | CALTRANS - HIRER | | 95-0727 | 630,000.00 | 630,000.00 | 630,000.00 | 06/14/04 | N/A Design authorized by Caltrans |
| Traffic signal #7 (Villa St @ Paramount Ave) project | B. Rodriguez | CALTRANS - CMAQ | | 95-0183 | 51,130.00 | 51,130.00 | 51,130.00 | 05/14/04 | Completed |
| Traffic Signal #8 (Plesant St @ Murphy Ave) project | B. Rodriguez | CALTRANS - SR18 | | 95-0183 | 231,000.00 | 231,000.00 | 231,000.00 | 05/14/04 | Completed |
| Core area south gutter & sidewalk project | B. Rodriguez | CALTRANS - CMAQ | | 95-0183 | 2,437,000.00 | 2,437,000.00 | 2,437,000.00 | 05/14/04 | Completed |
| Henderson Ave (Jayne St to San Joaquin Valley Railroad) reconstruction | B. Rodriguez | CALTRANS - ROP771 | | 95-0195 | 321,000.00 | 321,000.00 | 321,000.00 | 05/14/04 | Completed |

**9-07-04**
SUBJECT: CHANGE IN TRUSTEE FOR DEBT ISSUES

SOURCE: Department of Finance - Administration

COMMENT: In October 2003, the City entered into a Section 108 loan guarantee agreement with the U.S. Department of Housing and Urban Development (HUD). As part of that contract, trustee services were required and at HUD’s suggestion, services were established with Union Bank of California (UBOC). The administrative fees were considerably lower (49 - 55%) than those charged by U.S. Bank, the trust agent for the Redevelopment Agency’s Tax Allocation Refunding Bonds and the City’s five outstanding Certificates of Participation (COPs). Currently, the annual cost for trust services on the bonds is $3,850; those same services at UBOC will cost $1,800, an annual savings of $2,050.

UBOC is the fourth-largest commercial bank in California, and has been satisfactorily providing commercial banking services to the City and Agency for over 8 years. It is staff’s recommendation that these trust services be moved to UBOC from U.S. Bank to consolidate services and for cost savings. To facilitate that transaction, Council will need to adopt a resolution approving the change. This resolution was prepared by the Agency’s bond attorney, Brian Quint of Quint and Timmig, who expressed no disapproval of the election to change trustee.

RECOMMENDATION: That Council authorize the removal of U. S. Bank as trustee for the Agency’s debt issuances and install Union Bank of California as trustee for the current and any future issues.

Attachment: Resolution approving the change in trustee
PORTERVILLE REDEVELOPMENT AGENCY

RESOLUTION NO. _____

RESOLUTION APPROVING THE REMOVAL OF THE TRUSTEE APPOINTED IN CONNECTION WITH THE AGENCY'S $6,100,000 PORTERVILLE REDEVELOPMENT PROJECT AREA NO. 1, 2002 TAX ALLOCATION REFUNDING BONDS, APPROVING THE APPOINTMENT A SUCCESSOR TRUSTEE AND AUTHORIZING AND DIRECTING EXECUTION OF DOCUMENTS NECESSARY IN CONNECTION WITH SUCH REMOVAL AND APPOINTMENT

RESOLVED, by the Porterville Redevelopment Agency (the “Agency”), as follows:

WHEREAS, the Authority has heretofore authorized, issued and sold its $6,100,000 Porterville Redevelopment Agency, Porterville Redevelopment Project Area No. 1, 2002 Tax Allocation Refunding Bonds (the “Bonds”);

WHEREAS, U.S. Bank National Association currently acts as the trustee for all of the Certificates (the “Trustee”); and

WHEREAS, the Agency proposes to remove the Trustee and to appoint Union Bank of California, N.A., San Francisco, California, as successor trustee (the “Successor Trustee”); and

WHEREAS, the indenture authorizing the issuance of the Bonds (the “Indenture”) permits such removal and substitution, so long as such removal and substitution are made in accordance with the provisions of the Indenture and the successor trustee is a bank or trust company meeting the requirements set forth in the Indenture;

NOW, THEREFORE, it is hereby ORDERED and DETERMINED, as follows:

Section 1. Approval of Removal of the Trustee. Removal of the Trustee as trustee under the Indenture in accordance with the Indenture is hereby approved by the Agency.

Section 2. Approval of Appointment of Successor Trustee. Appointment of the Successor Trustee as successor trustee, under the Indenture by the Authority is hereby approved by the Agency.

Section 3. Official Actions. The Chairman, the Vice Chairman, the Treasurer, the Executive Director, the Secretary and any and all other officers of the Agency, are each hereby authorized and directed to execute such agreements, documents and certificates as may be necessary to effect the purposes of this resolution and the removal and substitution herein authorized.

Section 4. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.
I, the undersigned Secretary of the Porterville Redevelopment Agency, hereby certify that the foregoing is a full, true and correct copy of a resolution adopted by the Porterville Redevelopment Agency at a meeting thereof on the ___ day of ________________, 2004, by the following vote of the members thereof:

AYES:

NOES:

ABSTAIN:

ABSENT:

__________________________
Secretary