Call to Order
Roll Call

ORAL COMMUNICATIONS
This is the opportunity to address the Council on any matter scheduled for Closed Session.

CLOSED SESSION:
A. Closed Session Pursuant to:
   1. Government Code Section 54956.9(a) - Conference with Legal Counsel - Existing Litigation: John Duran v. City of Porterville.
   2. Government Code Section 54956.9(c) - Conference with Legal Counsel - Anticipated Litigation: Two Cases.

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

Pledge of Allegiance Led by Council Member Ronald Irish
Invocation

PROCLAMATION
“Iris Festival Day” - April 22, 2006
“Literacy Day” - April 27, 2006
“Arbor Day” - April 28, 2006
“Cinco de Mayo Week” - May 1-7, 2006

PRESENTATIONS
Outstanding Business Presentation – Jack Griggs
City Manager’s Featured Projects for April, 2006

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. Approval of City Council Minutes of March 7, 2006
2. **Budget Adjustments for the 2005-06 Fiscal Year**  
Re: Approving a $542,085 increase in appropriations in the Solid Waste Fund to purchase recycling containers.

3. **Authorization to Advertise for Bids - Airport Improvement Project**  
Re: Approving Plans and Project Manual for improvements involving rehabilitating the taxiways, apron, and access gate at an estimated cost of $401,682, and authorizing staff to advertise for bids.

4. **Authorization to Advertise for Bids - Rails to Trails Project**  
Re: Request to approve the $402,031 base project estimate for the improvement of a portion of the former Tulare Valley Railroad right-of-way with a pedestrian and bicycle pathway from Olive Avenue to Henderson Avenue, and authorize staff to advertise for bids.

5. **Award Contract - One Ton Cab and Chassis Truck**  
Re: Awarding the bid for the Streets Department vehicle to Downtown Ford of Sacramento, CA, in the amount of $20,276.38.

6. **Approval of On-Call Environmental Services Agreement Contract**  
Re: Approving contract with Quad Knopf for a term of 24 months; and authorizing staff to negotiate with URS, the second-ranked firm, should the need arise.

7. **Acceptance of the Central Core Improvement Project Areas 1 & 3**  
Re: Accepting the project by Professional Construction Services for a cost of $1,433,798 for 142,000 sf of sidewalk, 5,500 ft. of curb & gutter, 118 drive approaches and 27 curb returns.

8. **Acceptance of Longs Drug Store Reciprocal Use Agreement and Landscape Maintenance Agreement**  
Re: Acceptance of an agreement to trade parking spaces within a City parking lot for matching required parking in another parcel in Parking District #1 in order to provide parking for the new Longs Drug Store; along with the vacation of a portion of Willow Avenue with an agreement for a Landscape Maintenance District by Smith’s Enterprises.

9. **Revision of Traffic Resolution No. 10-2001**  
Re: Approval to remove Villa Street and Grand Avenue as a “stop intersection” as there is now a traffic signal at Henderson and Villa; and removal of Villa Street and Putnam Avenue as a “stop intersection”.

10. **Proposed Reduction in CDBG Funding Allocation**  
Re: Adopting resolution requesting Congress to provide FY2007 funding level not less than $4.35 billion in formula funding, and designating April 17-22 as “Community Development Block Grant Week” in Porterville.

Re: Approving car show to take place on May 6, 2006 from 9:00 a.m. to 4:00 p.m. in the northern section of Veterans’ Park, subject to stated restrictions.
12. **Assistance to Firefighters Grant**  
Re: Authorizing submission, and acceptance if awarded, of a grant through the Federal Emergency Management Agency in an estimated amount of $50,000 to $60,000 for replacing emergency communication equipment.

_A Council Meeting Recess Will Occur at 8:30 p.m., or as Close to That Time as Possible_

**PUBLIC HEARINGS**

13. **Formation of Landscape and Lighting Maintenance Districts No. 30 Through 37, and Establishing Assessments**  
Re: Adopting resolution ordering the formation of Districts, approving the Engineer’s Reports, and the method and levy of assessments, pursuant to preliminary approval granted by the Council on March 7, 2006.

14. **Conditional Use Permit 2-2006 (Western Star Construction)**  
Re: Request for Approval of a CUP to allow construction of a 2-story 4-plex and a 2-story duplex on a R-2 zoned lot at the terminus of Murry Street and Kanai Avenue.

**SECOND READING**

15. **Ordinance 1693, Amending PERS Contract**  
Re: Adopting Ordinance 1693 authorizing an amendment to the contract between the City of Porterville and the California Public Employees’ Retirement System to provide public safety employees with the 3% at 55 full formula retirement benefit, and to provide miscellaneous employees with the 2.7% at 55 full formula retirement benefit, to become effective July 1, 2006.

**SCHEDULED MATTERS**

16. **Airport Layout Plan**  
Re: Acceptance of the Airport Layout Plan Narrative Report by Aries Consultants, in conjunction with Tartaglia Engineering, which is required in order for the City to receive FAA funding at the Porterville Municipal Airport.

17. **Criteria for Connection to City Sewer**  
Re: Consideration of temporarily adopting the Tulare County “Building Sewers” policy, with a “sunset clause” of 12 months, and adopting language stating that sewer be considered unavailable if further than 200' from the property line, to address the county islands recently annexed into the City.

18. **Report on Status of Cable Franchise Agreement, Consideration of Retention Compliance, Renewal Consultant, Reconsideration of Letter Addressing AB 2987 (Legislation Relating to Cable and Video Services)**  
Re: Reviewing report; considering the retention of Communications Support Group, Inc. for consulting work at a cost not to exceed $19,000; and considering the submission of letter to state and federal legislators.
19. Compliance Procedures for SB 564 and SB 866 and Resolution of Affirmation of Investment Policy
Re: Adopting a resolution accepting the Statement of Investment Policy in accordance with Senate Bills 564 and 866 which requires the City Treasurer to annually prepare and submit to the Governing Body a written Statement of Investment Policy, as well as quarterly reports on pooled money invested.

20. Quarterly Financial Status Reports
Re: Accepting quarterly report for the 3rd Fiscal Quarter ended March 31, 2006, in accordance with SB 564 and SB 866; accepting quarterly reports for the 3rd Fiscal Quarter ended March 31, 2006; and, reviewing the Grant Status Summary.

21. A City Council Appeal of a City Manager’s Action to Approve for Thursday and Friday Only a Bingo Permit for the Kings/Tulare County Area Agency on Aging at 280 North F Street
Re: Consideration of sustaining, overturning, or modifying City Manager’s approval of Bingo Permit.

Adjourn to a Joint Meeting of the Porterville City Council and the Porterville Redevelopment Agency

PORTERVILLE REDEVELOPMENT AGENCY/
CITY COUNCIL JOINT AGENDA
April 18, 2006

Roll Call

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

SCHEDULED MATTER
PRA-1. Repayment of Redevelopment Low and Moderate Income Housing Funds to Home Program Income Account
Re: Approval by the Redevelopment Agency to reallocate $139,575 in RDA Low and Moderate Income Housing Funds from the Casas Buena Vista Project back to the St. James Place Project; and, Acceptance of the $139,575 funds to be reimbursed to the City’s HOME Program Income Account by the City Council. These actions are required by the California Housing and Community Development Department.

PRA-2. Authorizing the Acceptance of Property from the City of Porterville
Re: Approving the resolution to accept property from the City for the southeast corner of Thurman Avenue and Date Street to complete the purchase.

Adjourn the Redevelopment Agency Meeting to a meeting of the 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 May 2, 2006

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 Chief 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 APRIL, 2006

1. Golf Course Manager
2. Core Area Project, Area 1 - Acceptance of Project
3. Hiring of Administrative Services Manager
Call to Order: 6:00 p.m.
Roll Call: Council Member Irish, Council Member West, Mayor Pro Tem Hamilton, Council Member Stadtherr, Mayor Martinez

CLOSED SESSION:
A. Closed Session Pursuant to:
   1- Government Code Section 54956.9(a) - Conference with Legal Counsel - Existing Litigation: Porterville Citizens for Responsible Hillside Development v. City of Porterville.
   2- Government Code Section 54956.9(c) - Conference with Legal Counsel - Anticipated Litigation: One Case.
   6 - Government Code Section 54957: Public Employment - Golf Course Manager.

7:00 P.M. RECONVENE CITY COUNCIL IN OPEN SESSION
REPORT ON ANY ACTION TAKEN IN CLOSED SESSION
City Attorney Julia Lew reported that no action had been taken.

Pledge of Allegiance Led by Mr. Villicana, Principal of Olive Street Elementary School
Invocation - one individual participated

PRESENTATION
Employee of the Month - Fernando Yacuta
The Mayor informed everyone of Mr. Yacuta’s inability to attend the meeting due to a previously-scheduled family commitment.

ORAL COMMUNICATIONS
• Pete McCracken, 657 Village Green, spoke regarding Item 21, suggesting that the Council pursue an alternative course which would involve a community effort to rehabilitate the structure so as to provide a facility for public benefit.
• Elaine Harris, 1015 So. Crystal Street, provided the Council with a “30-day temporary property usage permit request,” to allow the Porterville Rescue Mission, 30 So. A Street, P.O. Box 2041, 789-9588, to temporarily house approximately 15 to 20 homeless individuals from the hours of 8:00 p.m. to 7:00 a.m. Ms. Harris then requested immediate action.
• Dick Eckhoff, 197 N. Main Street, spoke against the proposed limitations in Item 22, and spoke in favor of allowing signage proposed in Item 24.
• Teresa Jackson, 1469 N. Prospect Street, requested permission to speak when the Council addressed Item 22.
Council Member Irish advised Ms. Harris that the Council could not legally take any action on her matter that evening. He indicated that until the matter was placed on the Agenda, the Council could not discuss the matter.

Mayor Martinez indicated that the Council could discuss placing the item on the Agenda during the Other Matters portion of the Meeting. He then announced that the Porterville Redevelopment Agency would convene next – rather than at the end of the Council’s Agenda – to address Item PRA-1.

The Council adjourned at 7:21 p.m. to a Meeting of the Porterville Redevelopment Agency.

PORTERVILLE REDEVELOPMENT AGENCY AGENDA
March 7, 2006

Roll Call: Agency Member Irish, Agency Member West, Vice-Chairman Hamilton, Agency Member Stadtherr, Chairman Martinez

WRITTEN COMMUNICATIONS
None

ORAL COMMUNICATIONS
None

PUBLIC HEARING
PRA-1. LEASE AGREEMENT FOR PROPERTY LOCATED AT 287 N. HOCKETT STREET

Recommendation: That the Porterville Redevelopment Agency:
1. Adopt the draft Resolution of the Porterville Redevelopment Agency authorizing the lease of property to A-Step, Inc.;
2. Approve a year-to-year Lease Agreement, including the option to purchase, with A-Step, inc. at a rate of $1,350 per month, to be adjusted annually as outlined in the Lease Agreement; and
3. Authorize the Redevelopment Agency Chairman to sign all documents on behalf of the Agency.

City Manager/Agency Secretary John Longley presented the item, and Community Development Director Brad Dunlap presented the staff report.

The public hearing opened at 7:23 p.m.

• Rick Thompson, representing A-Step, Inc., came forward and requested approval of the Lease.

The public hearing closed at 7:24 p.m.

In response to Vice-Chairman Hamilton’s question, it was stated that A-Step, Inc.’s landlords in Visalia had not been contacted for references.

AGENCY ACTION: MOVED by Vice-Chairman Hamilton, SECONDED by Agency Member Stadtherr that the Redevelopment Agency adopt the draft Resolution authorizing the lease of property to A-Step, Inc.; approve a year-to-year Lease Agreement, including the option to purchase, with A-Step, inc. at a rate of $1,350 per month, to be adjusted annually as outlined in the Lease Agreement; and authorize the

Resolution PRA 2006-01
Redevelopment Agency Chairman to sign all documents on behalf of the Agency. The motion carried unanimously.

Disposition: Approved.

The Redevelopment Agency adjourned at 7:25 p.m. to a Meeting of the Porterville City Council.

CONSENT CALENDAR

Items 1, 11 and 13 were removed for further discussion.

2. CLAIM - SBC/PACIFIC BELL

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

Documentation: M.O. 01-030706

Disposition: Approved.

3. CLAIM - EVANGELINA GOMEZ

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

Documentation: M.O. 02-030706

Disposition: Approved.

4. WAUKEsha ENGINE UPGRADES - WASTEWATER TREATMENT FACILITY

Recommendation: That the City Council authorize staff to begin negotiations with Valley Power to upgrade the Wastewater Treatment Facility’s Waukesha engine equipment. Further, that the Council authorize payment upon satisfactory completion of the project.

Documentation: M.O. 03-030706

Disposition: Approved.

5. AWARD OF CONTRACT - DEMOLITION PROJECT - TWO DATE AVENue RESIDENTIAL UNITS

Recommendation: That the City Council:

1. Award the Demolition Project-Two Date Avenue Residential Units to Bowen Engineering & Environmental in the amount of $23,100;
2. Authorize progress payments up to 90% of the contract amount; and
3. Authorize a 10% contingency to cover unforeseen construction costs.

Documentation: M.O. 04-030706

Disposition: Approved.

6. APPROVAL FOR COMMUNITY CIVIC EVENT - PORTERVILLE CHAMBER OF COMMERCE IRIS FESTIVAL APRIL 22, 2006

Recommendation: That the City Council approve the Community Civic Event Application and Agreement from Porterville Chamber of Commerce, subject to the Restrictions and Requirements
7. APPROVAL FOR COMMUNITY CIVIC EVENT – PORTERVILLE BREAKFAST ROTARY
CANCER RUN, MAY 6, 2006

Recommendation: That the City Council approve the Community Civic Event Application and Agreement
from Porterville Breakfast Rotary, subject to the Restrictions and Requirements
contained in the Application, Agreement and Exhibit A of the Community Civic Event
forms.

Documentation: M.O. 05-030706
Disposition: Approved.

8. ENGINEER’S REPORTS AND SETTING OF A PUBLIC HEARING FOR ESTABLISHING
LIGHTING AND LANDSCAPE MAINTENANCE DISTRICTS AND TAX ASSESSMENTS
FOR PARCELS WITHIN: SIERRA MEADOWS, PHASE ONE SUBDIVISION; WILLIAMS
RANCH, PHASES TWO AND THREE SUBDIVISION; SUNRISE VILLA, PHASE ONE
SUBDIVISION; NEW EXPRESSIONS, PHASE FOUR SUBDIVISION; MEADOW BREEZE,
PHASE ONE SUBDIVISION; MEADOW BREEZE, PHASE TWO SUBDIVISION;
AMALENE ESTATES SUBDIVISION; AND RIVERVIEW ESTATES, PHASE FOUR
SUBDIVISION.

Recommendation: That the City Council adopt:
1. A Resolution Ordering the Proceedings for Formation of Landscape and
Lighting Maintenance District No. 30, 31, 32, 33, 34, 35, 36 and 37, and
Ordering the Preparation of the Engineer’s Reports;
2. A Resolution Giving Preliminary Approval to the Engineer’s Reports; and
3. A Resolution Declaring Intent to Form Districts, Levy and Collect Assessments,

Documentation: Resolutions 28-2006, 29-2006, and 30-2006
Disposition: Approved.

9. AUTHORIZE LETTER OF SUPPORT FOR GRANT APPLICATION BY PORTERVILLE
AREA WELLNESS SERVICES

Recommendation: That the City Council authorize the Mayor to sign a letter to Porterville Area Wellness
Services, Inc. in support of their Planning Grant Application.

Documentation: M.O. 07-030706
Disposition: Approved.

10. DEPARTMENT OF TRANSPORTATION DRUG AND ALCOHOL REGULATIONS

Recommendation: That the City Council:
1. Approve Section II A and II B of the City’s Alcohol and Drug Abuse Policy;
2. Authorize staff to add Section II A and II B to Section IV-C-8 of the City’s
Administrative Policy Manual; and
3. Authorize staff to provide designated employees with appropriate training and copies of the revised policies.

Documentation: M.O. 08-030706
Disposition: Approved.

12. PROPOSED SALE OF 1982 FIRE APPARATUS

Recommendation: That the City Council:
1. Authorize staff to negotiate the sale of the 1982 Van Pelt Ladder Truck to the City of Lindsay for $48,000;
2. Authorize the Finance Department to accept monthly payments from the City of Lindsay in the amount of $1,000 per month, for 48 months, at no interest;
3. Authorize the Mayor to sign an agreement between the City of Porterville and the City of Lindsay as long as the price or duration of the loan do not change; and
4. Authorize the funds received to be placed in the Fire Department’s Equipment Replacement Fund.

Documentation: M.O. 09-030706
Disposition: Approved.

13A. LEAGUE OF CALIFORNIA CITIES’ REQUEST FOR SUPPORT REGARDING FEDERAL TELECOMMUNICATIONS

Recommendation: That the City Council approve the request as presented by the League of California Cities, and direct the City Manager to contact the League by March 10, 2006 for inclusion in the letter to the California congressional delegation.

Documentation: M.O. 10-030706
Disposition: Approved.

COUNCIL ACTION: MOVED by Mayor Pro Tem Hamilton, SECONDED by Council Member Stadtherr that the Council approve Item Nos. 2 through 10, 12, and 13A. The motion carried unanimously.

1. CITY COUNCIL MINUTES OF FEBRUARY 7, 2006 AND FEBRUARY 13, 2006

Recommendation: That the City Council approve the City Council Minutes of February 7, 2006 and February 13, 2006.

COUNCIL ACTION: MOVED by Mayor Pro Tem Hamilton, SECONDED by Council Member Stadtherr that the Council approve the City Council Minutes of February 7, 2006 and February 13, 2006.

M.O. 11-030706

AYES: West, Hamilton, Stadtherr, Martinez
NOES: None
ABSTAIN: Irish
ABSENT: None

Disposition: Approved.
11. AMENDMENT TO THE CITY’S CONTRACT WITH CALPERS LOCAL SAFETY MEMBERS AND LOCAL MISCELLANEOUS MEMBERS

Recommendation: That the City Council:

1. Approve the draft Resolution of Intent authorizing the amendments to the City’s Contract with CalPERS to provide public safety employees with the 3% @ 55 full formula retirement benefit, and to provide miscellaneous employees with the 2.7% @ 55 full formula retirement benefit, to become effective July 1, 2006; and

2. Authorize the Mayor to execute these documents and the amended Contract upon receipt, on behalf of the City of Porterville; and

3. Give first reading to the Enabling Ordinance, waive further reading and order the Ordinance to print.

City Manager John Longley presented the item, and Deputy City Manager Frank Guyton presented the staff report.

COUNCIL ACTION: MOVED by Council Member Irish, SECONDED by Council Member Stadtherr that the City Council approve the draft Resolution of Intent authorizing the amendments to the City’s Contract with CalPERS to provide public safety employees with the 3% @ 55 full formula retirement benefit, and to provide miscellaneous employees with the 2.7% @ 55 full formula retirement benefit, to become effective July 1, 2006; authorize the Mayor to execute these documents and the amended Contract upon receipt, on behalf of the City of Porterville; and give first reading to the Enabling Ordinance, waive further reading and order the Ordinance to print, being AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE CITY COUNCIL OF THE CITY OF PORTERVILLE AND THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEES’ RETIREMENT SYSTEM. The motion carried unanimously.

The City Manager read the Ordinance by title only.

Disposition: Approved.

13. CURBSIDE RECYCLE SELECTION COMMITTEE STATUS REPORT RESPONSES TO REQUESTS FOR PROPOSALS FOR COLLECTION OF RESIDENTIAL RECYCLABLES

Recommendation: The status report is made for informational purposes only.

City Manager John Longley presented the item.

Mayor Pro Tem Hamilton questioned the need for a Selection Committee when only two proposals had been submitted.

City Attorney Julia Lew indicated that the Selection Committee had been formed and utilized due to previous Council direction. She then informed the Council that the Committee had completed its initial review of the proposals and that questions had been prepared for each participant. A discussion ensued as to details of the process.

In response to a request made by Council Member Stadtherr, Ms. Lew presented the Selection Committee’s status report.
Mayor Pro Tem Hamilton requested a copy of the questions to be asked of the participants, to which Ms. Lew agreed.

Council Member Irish inquired whether the process would be handled differently if the City had not been a participant. Ms. Lew indicated that she believed the process would not be handled in a different manner. Disposition: No action required.

PUBLIC HEARINGS
14. GENERAL PLAN AMENDMENT 1-2006 (A) (FORMERLY 5-2004) AND ZONE CHANGE 1-2006 (PORTERVILLE COMMERCIAL CENTER)

Recommendation: That the City Council:
1. Adopt the draft resolution certifying the Environmental Impact Report prepared for General Plan Amendment 1-2006(A) and Zone Change 1-2006.
2. Adopt the draft resolution approving General Plan Amendment 1-2006(A);
3. Approve the draft ordinance approving Zone Change 1-2006; give first reading; waive further reading, and order the order the ordinance to print.

City Manager John Longley presented the item, and Community Development Director Brad Dunlap presented the staff report.

The continued public hearing re-opened at 7:40 p.m.

• John Hale, a Bakersfield resident and applicant, spoke in favor of the item and requested the Council’s approval of the General Plan Amendment and Zone Change. He advised the Council of inaccurate square footages on the overhead and indicated that the actual size was not as large. He informed the Council that in response to concerns raised at the previous public hearing, the project’s scope had been reduced. Mr. Hale then commented that he believed the project to be consistent with the goals of the General Plan, and pointed to other intersections in the City which he believed supported his contention. He stated that in response to the comments previously made, the Oak tree would not be removed, as had previously been proposed. Mr. Hale then addressed the concerns regarding traffic issues, stating that the proposed project would trigger needed improvements. Mr. Hale lastly spoke of the economic advantages that would be gained by the City through tax dollars generated by prospective tenants, Taco Bell, Carl’s Jr., and Starbucks.
• Mitchell Wolf, a Pismo Beach resident and owner of Taco Bell in Porterville, voiced support for the item, informed the Council of his need to relocate from the Olive Avenue location to the proposed Porterville Commercial Center (“PCC”) due to growth, and advised of a tentative agreement to sell the Olive Avenue site to Walgreen’s.
• Dave Mossman, a Newport Beach resident and Vice-President of Development at Donahue Schriber, came forward in support of the proposed GPA and Zone Change and disagreed with previous commentary that the proposed PCC would negatively impact the tenanting of the proposed Riverwalk development.
• Martha Olmos, a Springville resident and a Taco Bell Vice-President of Operations, spoke in favor of the item, noting the City’s need for the extra tax dollars the center would bring.
• Ben Ennis, 643 North Westwood Street, voiced opposition to the GPA and Zone Change, and spoke of the importance of maintaining critical mass for his proposed Riverwalk project. He then commented on the City’s industrially-zoned inventory, suggesting that the subject site was the premier industrial site in the City and that it should remain industrial. Mr. Ennis then addressed
traffic issues and suggested that the report prepared for the subject applicant by Omni Means was likely flawed. He lastly noted the time and effort put forth toward Riverwalk to date.

- Pete McCracken, 657 Village Green, voiced concern with approving the proposed GPA without the review or consent of the General Plan Advisory Committee. He spoke of the importance of the General Plan and requested that the Council proceed cautiously.

The public hearing closed at 8:01 p.m.

In response to a question posed by Council Member Stadtherr, Mr. Dunlap indicated that no industrial applications were outstanding at the present time. Council Member Stadtherr then questioned if the City was saving industrial lands for industry that was not coming, and confirmed with staff that the trend had been the relocation of industrial uses to locations outside of California due to the high costs of energy, workers’ compensation and health care. Council Member Stadtherr then commented that the determination as to the land use designation might have already been determined when The Home Depot was approved.

Council Member West questioned whether Council Member Stadtherr was suggesting that because a mistake had been made with The Home Depot, that the Council should continue the same mistake. He then commented that everything on the east side of Jaye Street was industrial.

Mayor Pro Tem Hamilton confirmed with staff that the City had approved four General Plan Amendments in the past ten years, three of which changed the land use designation to Industrial. He commented that there must have been a reason for such change into industrial. He then voiced concern with depleting the City’s inventory of industrial land, and the consequences with regard to traffic generation if the subject property was changed from industrial to commercial. Mayor Pro Tem Hamilton then voiced concern with the prospect of the proposed plans changing in the event the GPA was approved, suggesting that the plans had already changed from what was previously presented to the Council.

Council Member Irish commented that both Mr. Hale and Mr. Ennis had attempted to meet with him, but that he had intentionally not met with the parties, as he did not think it was a matter of what projects were developed, but rather an issue of process. He commented that in his view, good planning was planning that adhered to the City’s General Plan. Council Member Irish then stated that he would actually like to see both sides of Jaye Street built up, however development should move forward through the appropriate process, which meant waiting for the General Plan Update.

Council Member West moved that the Council deny the General Plan Amendment and Zone Change 1-2006 and that such consideration for the subject property be brought back to the Council when the Council considered the entire General Plan.

Council Member Irish seconded Council Member West’s motion.

Mayor Pro Tem Hamilton invited Mr. Hale to come forward and address the discrepancy in the plan before the Council that evening compared to the plan discussed the previous Friday.

- Mr. Hale came forward and indicated that the site plan was incorrect and had not been provided by him. He attributed the mistake to staff and stated that he had requested it be removed from the agenda packet due to the inaccuracies. Senior Planner Julie Boyle confirmed Mr. Hale’s contention.

City Attorney Julia Lew recommended that in the event Council Member West’s motion passed, a formal resolution containing the findings for denial be brought back to the Council. The Council concurred.
COUNCIL ACTION: MOVED by Council Member West, SECONDED by Council Member Irish that the
Council deny the General Plan Amendment and Zone Change 1-2006 and that
such consideration for the subject property be brought back to the Council when the
Council considered the entire General Plan.

AYES: Irish, West, Hamilton, Martinez
NOES: Stadtherr
ABSTAIN: None
ABSENT: None

Disposition: Denied.

The Council recessed for ten minutes.

15. GENERAL PLAN AMENDMENT 1-2006 (B) AND ZONE CHANGE 2-2006 (PACIFIC
WEST ARCHITECTURE)

Recommendation: That the City Council:
1. Adopt the draft resolution approving the Negative Declaration prepared for
   General Plan Amendment 1-2006(B) and Zone Change 2-2006;
2. Adopt the draft resolution approving General Plan Amendment 1-2006(B);
3. Approve the draft ordinance approving Zone Change 2-2006, give first reading,
   waive further reading, and order the ordinance to print.

City Manager John Longley requested that the public hearings for Items 15 and 16 be consolidated
inasmuch as they pertained to the same project. Upon the approval of the Council, Community Development
Director Brad Dunlap proceeded to present both staff reports.

16. CONDITIONAL USE PERMIT 1-2006 (PACIFIC WEST COMMUNITIES, INC.)

Recommendation: That the City Council adopt the draft resolution approving Conditional Use Permit 1-
2006 subject to conditions of approval.

The consolidated public hearing opened at 8:34 p.m.

- Caleb Roope, an Idaho resident and representative for applicant Pacific West, requested approval
  of the item, and briefly spoke of the City’s support through the HOME Program and its award
  of one million dollars for financing of the project. He commented on the benefits of
development in that area, and of the quality of projects undertaken by his company, citing
Farmersville and Woodlake projects as examples.
- Pete McCracken, address on record, indicated that he wasn’t necessarily against the proposed
  GPA, and questioned if the Redevelopment Agency had approved a redevelopment plan for the
  subject area, why the General Plan had not been amended accordingly.

Mr. Dunlap indicated that the Redevelopment Strategic Plan had been adopted in 1992, and he was
unaware as to why the General Plan had not been amended in accordance.

- Joe Guerrero, 332 South “F” Street, noted his neutrality on the subject, and spoke in favor of low
  income homes versus apartments. He then commented on the Council’s voiced concern and
  recent action to save the City’s industrial inventory, and noted that the subject GPA would
  further reduce it.
The consolidated public hearing closed at 8:44 p.m.

Council Member Stadtherr confirmed with Mr. Dunlap the trend towards clustering high density residential near light rail, and spoke of the potential future benefits of proceeding with the proposed GPA, particularly if in the future a light rail was developed throughout the state. He also noted the benefits of having industrial properties near rail lines.

Council Member West opined that the GPA considered immediately prior to the subject GPA differed. He indicated that the subject industrial property was located within a residential area, whereas the Jaye Street property was located in an industrial park.

Mayor Pro Tem Hamilton disagreed with Council Member West’s comments and stated that he did not see a difference in the two proposed General Plan Amendments. He stated that while he thought that a housing development would likely be beneficial in that particular area, he stated his desire to be consistent and wait until the General Plan Update.

Council Member Irish noted that the process had not changed, and regardless of what type of project was being proposed, he supported adhering to the General Plan. He spoke in favor of consistency and waiting for the completion of the General Plan Update.

City Manager requested that staff be allowed to address on the urgency of the project. A discussion ensued as to the process of General Plan Amendments, during which Mayor Pro Tem Hamilton voiced concern over staff’s methodology as to the staging of efforts to move towards compliance as stated by Mr. Longley.

Mr. Dunlap proceeded to elaborate on pertinent factors in the proposed General Plan Amendment. He indicated the proposed project would provide a significant number of low-income housing units toward the goal of the City’s Housing Element. He spoke of the Council’s somewhat recent approval of the HOME applicant for the subject project, noted the City’s award of $1 Million, and indicated that if the entitlements were not in place by March 21, 2006, the monies would be lost and the applicant would not be able to compete for tax-credit financing, which was the applicant’s remaining financial step to proceed with the project. He summarized that the proposed GPA would meet the goals of the City’s Housing Element, and would bring the land use into compliance with the Strategic Plan. Mr. Dunlap then elaborated on the Housing Element specifications as to target goals.

Mayor Pro Tem Hamilton acknowledged the benefits that could be gained in terms of redevelopment, however voiced concern with the land use inconsistencies with the General Plan.

**COUNCIL ACTION:** MOVED by Mayor Martinez, SECONDED by Council Member Stadtherr that the Council adopt the draft resolution approving the Negative Declaration prepared for General Plan Amendment 1-2006(B) and Zone Change 2-2006; adopt the draft resolution approving General Plan Amendment 1-2006(B); approve the draft ordinance approving Zone Change 2-2006, give first reading, waive further reading, and order the ordinance to print, being AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE APPROVING ZONE CHANGE 2-2006 FROM M-1 (LIGHT MANUFACTURING) TO R-2 (FOUR FAMILY RESIDENTIAL) FOR THAT 4.48± ACRE VACANT SITE LOCATED GENERALLY ON THE SOUTHEAST CORNER OF DATE AVENUE AND “E” STREET; and approve the draft resolution approving Conditional Use Permit 1-2006 subject to conditions of approval.
AYES: West, Stadtherr, Martinez
NOES: Irish, Hamilton
ABSTAIN: None
ABSENT: None

Mr. Longley read the Ordinance by title only.

Disposition: Approved.

The Council recessed for five minutes.

17. GENERAL PLAN AMENDMENT 1-2006 (C) AND ZONE CHANGE 3-2006 (SMEE)

Recommendation: That the City Council:
1. Adopt the draft resolution approving the Negative Declaration prepared for General Plan Amendment 1-2006(C) and Zone Change 3-2006;
2. Adopt the draft resolution approving General Plan Amendment 1-2006(C);
3. Approve the draft ordinance approving Zoning Change 3-2006, give first reading, waive further reading, and order the ordinance to print.

City Manager John Longley presented the item, and Community Development Director Brad Dunlap presented the staff report.

The public hearing opened at 9:05 p.m.

• Jim Winton, business address of 150 West Morton Avenue, came forward on behalf of applicant Smee & Nicholson and requested the Council’s approval.
• Ben Ennis, address on record, voiced support for the proposed GPA, noting the positive effects on traffic generation a commercial project would have versus a high density residential development.
• Mary Martin, 1914 W. Forrest Avenue, spoke against the proposed GPA, citing concerns with traffic issues.

The public hearing closed at 9:13 p.m.

Mayor Pro Tem Hamilton noted for the record that he and Mr. Smee attended the same church, but informed everyone that he had no financial interest in the property whatsoever. He then voiced support for the proposed GPA, suggesting it was consistent with what was happening in that vicinity.

Council Member West stated that he too attended the same church as the applicant, Mr. Smee, and also had no financial interest in the subject property.

Council Member Stadtherr acknowledged Ms. Martin’s concerns with regard to increased traffic, yet noted that a high density residential project would likely generate as much, and likely more traffic than the proposed commercial zone. He pointed out that not developing the site was not an option.

COUNCIL ACTION: MOVED by Mayor Pro Tem Hamilton, SECONDED by Council Member Stadtherr that the Council adopt the draft resolution approving the Negative Declaration prepared for General Plan Amendment 1-2006(C) and Zone Change 3-2006; adopt the draft resolution approving General Plan Amendment 1-2006(C); approve the draft ordinance approving Zoning Change 3-2006, give first reading, waive further
Ordinance 1695 reading, and order the ordinance to print, being AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE APPROVING ZONE CHANGE 3-2006 FROM R-3(D) MULTIPLE FAMILY RESIDENTIAL WITH A “D” OVERLAY SITE REVIEW TO C-3 (HEAVY COMMERCIAL) FOR THAT SITE LOCATED ON THE SOUTHWEST CORNER OF MATHEW STREET AND WEST OLIVE AVENUE. The motion carried unanimously.

Mr. Longley read the Ordinance by title only.

Disposition: Approved.

18. IRIS HILL ESTATES TENTATIVE SUBDIVISION MAP (JEROME STEHLY)

Recommendation: That the City Council:
1. Adopt the draft resolution approving the Negative Declaration for Irish Hills Estates Tentative Subdivision Map; and
2. Adopt the draft resolution approving Iris Hills Estates Tentative Subdivision Map.

City Manager John Longley presented the item, and Community Development Director Brad Dunlap presented the staff report. Mr. Dunlap added that staff had received a letter from the applicant that day in which the applicant proposed a pocket park on Parcel 19 of the Map in exchange for crediting the park fees, which were required to be paid at the time of building permit issuance. Mr. Dunlap indicated that the current park fees were $525 per house and were utilized to support the debt service payments on the COP issuance used to construct the Sports Complex. He stated that staff did not recommend supporting a waiver of said fees as was proposed by the applicant.

Mr. Dunlap then advised of a typographical error in Condition No. 9 of the draft Resolution Containing the Findings and Conditions in Support of Approval of the Tentative Subdivision Map. It was stated that language should be added to the second sentence in the second paragraph of Condition No. 9 amending it to state, “[t]he Lighting and Landscape Maintenance District shall be established for the annexation into an existing District and Landscape and Lighting improvements shall be completed and accepted concurrently with the other improvements in the subdivision.” (Emphasis added for clarity.)

The public hearing opened at 9:24 p.m.

• Jerome Stehly, a Bonsall, California resident and applicant, spoke of the proposed Tentative Map and requested the Council’s approval. He spoke of his company’s efforts to work with the City with regard to a pocket park. Citing the Quimby Act, he suggested that as a compromise they had proposed the park in lieu of the park fees. He then noted the other obligations for improvements for which his company would be responsible, such as sidewalks and improvements on Main Street.

• Jim Winton, address on record, came forward on behalf of the applicant, spoke in favor of the proposed Tentative Subdivision Map, noted the additional acreage that would need to be dedicated, and spoke of the excessive depths of some of the lots, which he stated were necessary to eliminate the need for retaining walls.

• Greg Shelton, address on record, inquired as to the City’s intentions with regard to a road depicted on the Map that was not currently in existence. He then voiced support for the proposed Map.
Dick Eckhoff, 197 North Main Street, noted the steeper elevations toward the southern border of the proposed Subdivision and inquired as to the resulting profiles of the slopes and the effects on development of the lots and the road in that specific area.

The public hearing closed at 9:34 p.m.

Council Member Irish commented that while the applicant had perhaps followed the letter of what the City had sought in terms of a pocket park, it had not followed the spirit. He suggested that the proposed pocket park was somewhat small for the size of the development and inquired as to whether the City was seeking improvements above and beyond those required of other applicants.

Mike Reed, City Engineer, came forward and explained that Reid Avenue would require typical improvements, while required improvements to Main Street were unique, primarily due to topographical issues.

Council Member Stadtherr commented that smart growth clustered development around schools, and that the proposed Subdivision was not in close proximity to a school. He suggested that if approved, an unfair burden might be placed on the school district to transport the students.

City Attorney Julia Lew clarified that denial of the proposed Map could not be based on such an argument. It was further stated that the school districts had been notified and had not commented.

Mayor Pro Tem Hamilton voiced concern with language included in the Negative Declaration with regard to the Mitigation Measure stated for Impact No. 15a,b - Transportation/Traffic, specifically the pooling of the project proponent’s traffic impact fees with other collected funds and capital funds. Mr. Dunlap clarified that the funds would more accurately service the debt on the COPs. Mayor Pro Tem Hamilton suggested that the fees should go towards Main Street and not debt service on the COPs.

The City Manager indicated that COP funds were basically for regional improvements. He stated that without the revenue streams from impact fees, the debt service payments on the COPs would not be met. A discussion ensued as to whether Main Street would see any improvements based on the impact fee revenue generated by the proposed Subdivision. Mr. Longley spoke of how the impact fees of the subject project tracked no differently than had other projects’ impact fees. He opined that the fees would likely have a beneficial impact on Main Street, and stated that the impact should be viewed from a systems concept, rather than one particular piece of asphalt in front of a project.

Council Member Stadtherr reiterated his concerns with regard to a school not being in close proximity and the subsequent safety issues that might consequently arise.

COUNCIL ACTION: MOVED by Mayor Pro Tem Hamilton, SECONDED by Council Member West that the City Council adopt the draft resolution approving the Negative Declaration for Irish Hills Estates Tentative Subdivision Map; and adopt the draft resolution approving Iris Hills Estates Tentative Subdivision Map.

AYES: Irish, West, Hamilton
NOES: Stadtherr, Martinez
ABSTAIN: None
ABSENT: None

Disposition: Approved.
19. ADJUSTMENTS TO CITY FACILITY RESERVATION AND RENTAL CHARGES

Recommendation: That the City Council conduct a public hearing and adopt the draft resolution adjusting City facility reservation and rental charges effective May 1, 2006.

The City Manager presented the item, and Parks & Leisure Services Director Jim Perrine presented the staff report.

The public hearing opened at 9:45 p.m.

- Greg Shelton, Parks & Leisure Services Commissioner, address on record, spoke of the deliberations of the Commission, and the difficult decision to support a fee increase. He stated that while some of the proposed increases seemed substantial, he noted the increased costs of providing the services and the low rate of cost recoveries for many of the services.

The public hearing closed at 9:46 p.m.

Mayor Pro Tem Hamilton voiced concern with the proposed increase for pool rental fees, as well as charging for ball field preparation and lighting, in addition to the fee for the field itself. He suggested that maintaining the field was already the City’s responsibility. A discussion ensued during which Mr. Perrine indicated that preparation of the fields pertained to getting the field ready for a particular sport. He stated that some leagues did the prep work themselves, while others requested the City handle the task. With regard to lighting, Mr. Perrine stated that because of the additional energy costs incurred by the City for lighting fields for evening play, the City charged for lighting. Mayor Pro Tem Hamilton pointed out the disparity in lighting fees for youth versus adults.

Council Member Irish commented that if the proposed fee increases were passed, the Council would have approved every fee and tax increase brought before them in the last three years.

- Greg Shelton, spoke of the methodology in some of the suggested fee increases, specifically the attempt to subsidize some fees, and noted the excessive cost for renting the pool facility, which he attributed to the cost of the lifeguards. He then noted that while he was not typically in favor of increasing fees, he pointed out that unfortunately everything had gotten more expensive.

Council Member inquired as to the disparity between commercial use and non-profit use in the cost of renting a meeting room. It was stated that the proposed fees were based on the idea that since non-profit groups would be utilizing the facility for non-profit/charitable activities, such organizations should not have to pay as much as a commercial organization who would be utilizing the facility for profit-based activities.

Council Member Irish questioned whether parking fees at the pool had been considered.

Mayor Pro Tem Hamilton suggested a more philosophical question as to why the City would charge the public for using a facility that technically belonged to the public.

COUNCIL ACTION: MOVED by Mayor Pro Tem Hamilton, SECONDED by Council Member Irish that the City Council deny the proposed resolution adjusting City facility reservation and rental charges effective May 1, 2006.

AYES: Irish, Hamilton, Martinez
NOES: West, Stadtherr
ABSTAIN: None
ABSENT: None
Disposition: Denied.

20. CONSIDERATION OF POLICE FEE ADJUSTMENT

Recommendation: That the City Council review and adjust the Police Department fees as recommended in the MAXIMUS schedule, with the following exceptions:

1. Adjust the fee for LiveScan fingerprinting to $15.00;
2. Retain the Police/Crime/Accident Report copying fee at $25.00; and
3. Adjust the False Alarm Service Fee to $50.00.

City Manager John Longley presented the item.

Council Member Irish commented that he might have a conflict of interest with a portion of the item, specifically with regard to No. 3 of staff’s recommendation for False Alarm Fees.

Mayor Pro Tem Hamilton requested that the False Alarm Service Fee portion be continued. The Council concurred.

At Police Chief Silver Rodriguez’s request, Captain Steve Schnars came forward and presented the staff report.

The public hearing opened at 9:56 p.m. and closed at 9:57 p.m. when nobody came forward. It was noted that the public hearing would be re-opened on the items pertaining to No. 3 in the staff report.

A discussion ensued as to how the fee revenue would be allocated, during which Mr. Longley stated that in the past, fee revenue went into the General Fund, however he was considering allocation to the various departmental budgets.

Council Member Irish questioned whether departmental budgets would be offset by the amount of collected fees, to which Mr. Longley indicated that in the first year, the change would likely not make a difference, however in the future, because of fee revenue increasing and decreasing, it would make a difference.

Mayor Pro Tem Hamilton pointed out that departmental funding came from the General Fund.

Council Member Irish moved that the Council deny the proposed fees until the language was revised to reflect the allocation of fee revenue as was suggested by Mr. Longley. The motion died for lack of a second.

Mayor Pro Tem Hamilton moved that the Council approve the proposed fee adjustment for LiveScan fingerprinting to $15.00; retain the Police/Crime/Accident Report copying fee at $25.00; and that the False Alarm Service Fees be brought back in July 2006.

Council Member Stadtherr seconded the motion.

Mr. Longley pointed out that the staff recommendation actually included approval of all of the Police Department Fees, in addition to the LiveScan fingerprinting and Police/Crime/Accident Report fees. The Council pointed out that no fee schedule had been attached to the staff report.

Mayor Pro Tem Hamilton clarified his motion to include direction to staff to bring the other fees to which Mr. Longley referred back to the Council for consideration, and include the fee schedule in the staff report.
COUNCIL ACTION: MOVED by Mayor Pro Tem Hamilton, SECONDED by Council Member Stadtherr that the Council approve the proposed adjustment to the LiveScan fingerprinting to $15.00; retain the Police/Crime/Accident Report copying fee at $25.00; continue the False Alarm Service Fees until July 2006; and to direct staff to bring the remaining fees back to the Council for consideration. The motion carried unanimously.

Disposition: Approved, as amended, with direction to staff for continued items.

SCHEDULED MATTERS
21. DECLARE COMMUNITY CENTER PROPERTY SURPLUS AND INITIATE PROCESS TO DISPOSE OF REAL PROPERTY

Recommendation: That the City Council:
1. Declare the real property located at 466 East Putnam Avenue as surplus, and
2. Authorize the City Purchasing Agent to initiate the statutory process and coordinate efforts to dispose of the subject real property.

It was stated that the item had been removed and deferred until July 2006.

Disposition: Continued to July 2006.

22. PROPOSED AMENDMENT TO THE PORTERVILLE MUNICIPAL CODE SECTION 12.2.1, ARTICLE II, “FIREWORKS”

Recommendation: That the City Council:
1. Approve Option No. 1, or Option No. 2, and direct staff to bring back a draft ordinance modifying Porterville Municipal Code Section 12.2.1 for Council consideration; or

City Manager John Longley presented the item.

Mayor Martinez stated that he had heard many comments from participants in the lottery and that they supported maintaining the status quo. He then spoke of the fairness of the current process.

Council Irish commented that he too had overwhelmingly heard that no change in the process was desired.

Council Member West agreed.

The Council concurred that no action would be required on the item.

Disposition: No action taken.

23. AFFIRM USE OF CALTRANS PROCEDURES FOR ACQUISITION OF RIGHT OF WAY

Recommendation: That the City Council:
1. Affirm by resolution that right of way negotiations and acquisition procedures will adhere to Caltrans procedures;
2. Direct the City Clerk to transmit said resolution to Caltrans Right of Way Division; and
3. Direct the Public Works Director to transmit under separate cover a letter to the Caltrans right of way agent requesting that Caltrans remove the hold on all City projects.

City Manager John Longley presented the item, and the Council waived the staff report.

COUNCIL ACTION: MOVED by Mayor Pro Tem Hamilton, SECONDED by Council Member Irish that the City Council affirm by resolution that right of way negotiations and acquisition procedures will adhere to Caltrans procedures; direct the City Clerk to transmit said resolution to Caltrans Right of Way Division; and direct the Public Works Director to transmit under separate cover a letter to the Caltrans right of way agent requesting that Caltrans remove the hold on all City projects. The motion carried unanimously.

Disposition: Approved.

24. INTERPRETATION OF AMBIGUITY - ELECTRONIC READER BOARD SIGN

Recommendation: That the City Council direct staff to:
1. Address the sign and future signs of the subject nature as an allowable sign as long as it/they fall within the standards (height, size, allowable square footage, etc to include limitations on message action) of Article Twenty (Signs and Advertising Structures) of the Porterville Zoning Ordinance; and
2. Direct staff to clarify the use of electronic reader boards in the Sign Ordinance amendment which is currently underway.

City Manager John Longley presented the item, and Community Development Director Brad Dunlap presented the staff report.

Council Member Irish commented he did not have a problem with signs that scrolled.

Mayor Pro Tem Hamilton agreed with Council Member Irish’s comments. He then moved that the Council approve staff’s request, and indicated that he would even support the allowance of scrolling signs.

Council Member Stadtherr suggested that brightness be addressed in the standards, with which Mayor Pro Tem Hamilton and Council Member Irish disagreed.

City Attorney Julia Lew clarified that scrolling was explicitly disallowed under the current regulations, however regulations pertaining to a reader panel were ambiguous. She then suggested that in the event the Council wished to also allowing scrolling, the best course of action would be to direct staff to bring back an ordinance.

A discussion ensued as to L.E.D. lighted signs versus standard lighted signs, during which it was suggested that the scrolling L.E.D. signs and reader boards could be interpreted as allowable.

COUNCIL ACTION: MOVED by Mayor Pro Tem Hamilton, SECONDED by Council Member Irish that the City Council address the sign and future signs of the subject nature as an allowable sign as long as it/they fall within the standards (height, size, allowable square footage, etc to include limitations on message action) of Article Twenty (Signs and Advertising Structures) of the Porterville Zoning Ordinance; and direct staff to clarify the use of electronic reader boards in the Sign Ordinance amendment which is currently underway. The motion carried unanimously.
DISPOSITION: Approved.

25. WORKFORCE HOUSING REWARD GRANT PROGRAM

Recommendation: That the City Council:
1. Authorize the application submittal to the Department of Housing and Community Development for the Workforce Housing Reward Grant Program;
2. Approve the draft resolution authorizing the execution of the standard agreement and any other documents necessary to secure a Workforce Housing Reward Grant from the State of California; and
3. Authorize the Mayor to sign the application, the Standard Agreement and all other participation documents and the Community Development Director to sign all drawdown requests and other administrative documents required for the Workforce Housing Reward Grant Program.

The City Manager presented the item, and Community Development Director Brad Dunlap presented the staff report.

It was stated that the funds would be utilized to finish a portion of Indiana Street.

Mayor Pro Tem Hamilton commented that he would prefer that the Council determined that evening which capital project would benefit in the event the funds were awarded.

Council Member West voiced concern with locking in the funds for a particular project, when some other emergency situation could arise.

The City Manager reviewed the capital project options available for Council’s consideration.

Mayor Pro Tem Hamilton voiced support for designating the funds towards the Hockett/Mill parking lot.

Mr. Longley advised the Council that while staff had committed to locating funds to complete the Indiana Street project, the project was not yet funded. In response to a question posed by Council Member Irish, he indicated that there were not sufficient unrestricted funds that could be utilized to fund the Indiana Street Project. A discussion ensued as to the definition of “unrestricted funds” during which Mr. Longley suggested a difference between unrestricted funds in an auditing sense and unrestricted funds as applicable to funding projects.

Mayor Pro Tem Hamilton confirmed with staff the estimated costs and details of the Indiana Street Project. He then commented that the equipment replacement fund was regenerated on an annual basis and suggested that those funds were actually unrestricted funds.

Council Member Irish noted the importance of finishing Indiana Street.

• Felipe Martinez, 195 West Putnam Avenue, spoke against designating the funds towards the Indiana Street Project. He noted that the grant was a Workforce Housing Grant and spoke of the needs in that area. He spoke against building streets without curbs and gutters.

COUNCIL ACTION: MOVED by Mayor Pro Tem Hamilton, SECONDED by Council Member Stadtherr that the City Council authorize the application submittal to the Department of Housing and Community Development for the Workforce Housing Reward Grant Program; approve the draft resolution authorizing the execution of the standard Resolution 41-2006 agreement and any other documents necessary to secure a Workforce Housing Reward Grant from the State of California; authorize the Mayor to sign the
application, the Standard Agreement and all other participation documents and the Community Development Director to sign all drawdown requests and other administrative documents required for the Workforce Housing Reward Grant Program; and to designate the funds for the Indiana Street Project.

AYES: Irish, West, Hamilton, Stadtherr
NOES: Martinez
ABSTAIN: None
ABSENT: None

Disposition: Approved.

26. AUTHORIZATION TO SUBMIT APPLICATION FOR “HELEN PUTNAM AWARD FOR EXCELLENCE”

Recommendation: That the City Council establish the submission of an application packet for the “Helen Putnam Award of Excellence” to the California League of Cities as a priority.

City Manager John Longley presented the item and the staff report.

Mayor Pro Tem Hamilton confirmed with Mr. Dunlap that staff would be able to dedicate time towards the application packet while at the same time maintaining other responsibilities. He then confirmed that pursuing the award would have no impact with regard to the speed at which the General Plan Update proceeded.

Staff time on the application process was estimated to be approximately 40 hours, which at the hourly fee derived in the MAXIMUS Fee Study of $78.42, was approximately $3,000.

Council Member Irish suggested that $1,500 come out of the Council’s budget and the remaining $1,500 come from the City Manager’s budget to fund the application.

Mayor Pro Tem Hamilton noted the economic development achievements in the City of Clovis and spoke of benefits of that City’s constant self promotion. He suggested that if the City was successful in getting the award, it would likely be beneficial to the City of Porterville.

COUNCIL ACTION: MOVED by Mayor Pro Tem Hamilton, SECONDED by Council Member Stadtherr that the City Council establish the submission of an application packet for the “Helen Putnam Award of Excellence” to the California League of Cities as a priority. The motion carried unanimously.

Disposition: Approved.

27. A REPORT RELATING TO OPTIONS REGARDING ENHANCED SERVICES FOR AN INTERNAL AUDITOR

Recommendation: Report provided pursuant to the Council’s request.

City Manager John Longley presented the item and the staff report.

Council Member Stadtherr suggested that a committee could be formed to investigate whether it would be beneficial to proceed with an internal auditor.
Mayor Pro Tem Hamilton commented that the Council could request further audit functions through the City Auditor, which would accomplish the same thing.

Council Member Irish spoke against proceeding with an internal auditor, stating his desire not to micro manage. He suggested that in the event a red flag arose, an audit could be requested of the City Auditor.

Mayor Pro Tem Hamilton thanked Council Member Stadtherr for his efforts and research on the matter.

Disposition: No action taken.

**ORAL COMMUNICATIONS**

- Joe Guerrero, 332 So. F Street, commented on the need for street improvements in the vicinity of the project proposed in Items 15 and 16; and requested that the traffic lanes on Olive Avenue between G Street and Highway 65 be re-striped, suggesting the current condition posed a danger.
- Greg Shelton, address on record, agreed that the Indiana Street Project needed to be completed, and noted his agreement with commentary made that evening regarding the need for widening the street near the proposed apartment complex near Jaye Street.

**OTHER MATTERS**

- Council Member Irish noted the difficulty in viewing the vote display panel from his location on the dais and requested that it be relocated to the easterly wall in the Chambers. The City Manager suggested that a mirror could be utilized.
- Council Member Irish requested that the Council reactivate Council acknowledgment of local high school and college students for State Championship victories, and suggested that the Monache High School student recently profiled in the newspaper be acknowledged.
- Mayor Pro Tem Hamilton noted that Michael Pavone’s son also did well and should be acknowledged.
- Mayor Martinez noted that there was also a female athlete from Alta Vista that would be participating in the State Championships.

**ADJOURNMENT**

The Council adjourned at 10:58 p.m. to the meeting of March 14, 2006 at 5:00 p.m.

____________________________________________________________________________________

Patrice Hildreth, Deputy City Clerk

SEAL

____________________________________________________________________________________

Pedro R. Martinez, Mayor
SUBJECT: BUDGET ADJUSTMENTS FOR THE 2005-06 FISCAL YEAR

SOURCE: Administrative Services

COMMENT: During the course of the fiscal year, additional budget information becomes available that more accurately identifies revenue projections and project costs. Once known, budget modifications are necessary to complete projects and record revenues. To address budget adjustments in an orderly fashion, all adjustments will be presented as one agenda item for Council's consideration.

Only one budget adjustment is proposed for tonight's Council meeting. The City is authorized to purchase recycling containers using an approved state contract. To purchase the containers, staff will need to increase the authorized expenditures for the Solid Waste Division. The additional amount is available from the Solid Waste Reserve Account.

RECOMMENDATION: That the Council approve the attached budget adjustment and authorize staff to modify revenue and expenditure estimates as described on the attached schedule.

Item No. 2
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<th>FUND</th>
<th>NO.</th>
<th>DESCRIPTION</th>
<th>FUNDING SOURCE</th>
<th>DOLLAR AMOUNT</th>
<th>REVISED EOY FUND CASH BALANCE</th>
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<td>1</td>
<td>Increase the appropriation in the Solid Waste Fund to purchase recycling containers</td>
<td>Solid Waste Reserves</td>
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Modification No: 7-05/
SUBJECT:  AUTHORIZATION TO ADVERTISE FOR BIDS – AIRPORT IMPROVEMENT PROJECT

SOURCE:  ADMINISTRATIVE SERVICES/PURCHASING DIVISION

COMMENT:  Bid documents and specifications have been prepared for airfield improvements at Porterville’s Municipal Airport. This improvement project involves rehabilitating the taxiways and apron, and access gate improvements. The Plans and Project Manual are available for review in the office of the Purchasing Agent.

The Engineer’s estimated probable cost of this project is $401,682. An Engineer’s Cost Estimate is attached for Council review. Funding is available, in part, by a grant from the Federal Aviation Administration through its Airport Improvement Program (AIP). The City’s match is 10% of the project’s cost, half of which will be reimbursed by the State of California’s Aid to Airports Program upon project completion.

RECOMMENDATION:  That the Council approve the Plans and Project Manual and authorize Staff to advertise for bids.

ATTACHMENT:  Engineer’s Cost Estimate

D.D.  Appropriated/Funded  C.M.  Item No. 3
### PORTERVILLE MUNICIPAL AIRPORT

**Schedule of Bid Items**

<table>
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<th>Bid Item</th>
<th>Description</th>
<th>Estimated Quantity</th>
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<th>Unit Price</th>
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<td>TON</td>
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**Total Estimated Cost: Construction**

$401,682.00
SUBJECT: AUTHORIZATION TO ADVERTISE FOR BIDS – RAILS TO TRAILS PROJECT

SOURCE: Parks and Leisure Services Department

COMMENT: Willdan Engineering has prepared a final cost estimate and design for the Rails to Trails Project. The project consists of the improvement of a portion of the former Tulare Valley Railroad right-of-way with a pedestrian and bicycle pathway from Olive Avenue to Henderson Avenue.

The base project cost estimate including 10% contingency is $330,422. Add Alternate “A” consists of planting 166 of the proposed trees adjacent to the pathway for an estimated cost of $31,447. Add Alternate “B” is for the moving of City owned Palm Trees and planting them at an estimated cost of $41,760. The total estimate of probable cost including 10% contingency for the full project is $403,629.

Funding for the project will be reimbursed to the City from a CMAQ grant through Caltrans in the amount of $420,375. The City’s local match is required to be a minimum of $54,625. The source of the matching funds is recommended by staff to be $60,000 of Street Tree Funds, plus the approximate $10,000 value of the Palm Trees, which are available to be harvested.

Design services, project administration and inspection cost are also a part of the project budget. Should the bids come in at or near the estimated cost there may only be sufficient funding to build the base project, plus Add Alternate “A”. The harvesting of the Palm Trees would then need to have supplemental funding or be postponed.

RECOMMENDATION: That the City Council:
1. Accept the probable estimate of cost, and
2. Authorize staff to advertise for bids on the project.

ATTACHMENT: Engineer’s estimate of probable cost
PORTERVILLE RAILS TO TRAILS PROJECT
ENGINEER’S ESTIMATE
13-Apr-06

<table>
<thead>
<tr>
<th>ITEM #</th>
<th>DESCRIPTION</th>
<th>TOTAL</th>
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<tr>
<td>1</td>
<td>MOBILIZATION</td>
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<td>2</td>
<td>CLEAR, GRUB AND DEMO</td>
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<td>3</td>
<td>SURVEY AND LAYOUT</td>
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<td>4</td>
<td>GRADING</td>
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<td>5</td>
<td>AC (2&quot;)</td>
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<td>6</td>
<td>AB (4.5 – 8&quot;)</td>
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<td>8</td>
<td>RENOVATIONS TO THE GARDEN STREET RAILROAD BRIDGE</td>
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<td>STRIPING, DIAMONDS AND OTHER MARKINGS</td>
<td>$2,366.00</td>
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<td>9</td>
<td>METAL TRASH RECEPICALS</td>
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<td>METAL BOLLARDS</td>
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<td>11</td>
<td>BENCH</td>
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<td>12</td>
<td>DRINKING FOUNTAIN</td>
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<td>13</td>
<td>PARKWAY REGULATION SIGNS</td>
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<td>PARKWAY MAP SIGNS</td>
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<td>PARKWAY STOP SIGNS</td>
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<td>FLEXIBLE ROAD DELINEATORS</td>
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<td>17</td>
<td>TRAFFIC SIGNS</td>
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<td>18</td>
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<td>20</td>
<td>BORING AND SLEEVING ACROSS STREETS FOR IRRIGATION SYSTEM</td>
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<td>21</td>
<td>IRRIGATION POC AND BACKFLOW PREVENTER</td>
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<td>22</td>
<td>CONTROLLERS AND WIRE</td>
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<td>23</td>
<td>IRRIGATION VALVES AND MAINLINE</td>
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<td>24</td>
<td>LATERALS</td>
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<td>25</td>
<td>BUBBLER ASSEMBLIES</td>
<td>$22,576.00</td>
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<td>26</td>
<td>15 G. TREES, INCLUDING FERTILIZER, BACKFILL PER SPECIFICATIONS AND TREE STAKES</td>
<td>$29,049.00</td>
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<tr>
<td>27</td>
<td>MULCH FOR 195 TREES</td>
<td>$3,875.00</td>
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<tr>
<td>28</td>
<td>90 DAY MAINTENANCE</td>
<td>$6,979.00</td>
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</table>

TOTAL BASE BID $330,422.00

ADD ALT A

|     | 15 G. TREES, INCLUDING FERTILIZER, BACKFILL PER SPECIFICATIONS AND TREE STAKES | $28,149.00 |
| A1  | MULCH FOR 166 TREES                                                            | $3,298.00 |

TOTAL ADD ALT A $31,447.00

TOTAL BASE BID PLUS ADD ALT A $361,869.00

ADD ALT B

|     | MOVE PALMS AND INSTALL AT SITE                                                  | $41,760.00 |

TOTAL ADD ALT B $41,760.00

TOTAL BASE BID, ADD ALT A, ADD ALT B $403,629.00
Porterville Rails To Trails Project
PROJECT NUMBER: 89-9402-88
BID NUMBER: 05/06-CP1614

Estimate Prepared by:

Doug Wilson, PE
San Joaquin Area Manager
Wildan Engineering, Inc.

K. S. Hutmacher, ASLA  Cal. RLA #2455
Sierra Designs, Inc.  Landscape Architecture

Reviewed by:

Jim Perrine, Director
Department of Parks and Leisure Services
City of Porterville, CA

Baldomero Rodriguez, Director
Department of Public Works
City of Porterville, CA

John Longley, City Manager
City of Porterville, CA

Received Time Apr. 13, 11:36 AM
COUNCIL AGENDA: APRIL 18, 2006

SUBJECT: AWARD CONTRACT - ONE-TON CAB & CHASSIS TRUCK

SOURCE: Administrative Services/Purchasing

COMMENT: Staff solicited bids for one (1) new one-ton cab & chassis truck with dual rear wheels for the Streets Department. In response to solicitation, four (4) timely and responsive bids were received as follows:

<table>
<thead>
<tr>
<th>Bidder</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Downtown Ford</td>
<td>$20,276.38</td>
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<tr>
<td>Sacramento, CA</td>
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<td>Hoblit Motors</td>
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<td>Woodland, CA</td>
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<td>Will Tiesiera Ford</td>
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<td>Tulare, CA</td>
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<tr>
<td>Jim Burke Ford</td>
<td>$23,752.19</td>
</tr>
<tr>
<td>Bakersfield, CA</td>
<td></td>
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</tbody>
</table>

Staff has reviewed the bids and finds the low bidder to be responsive to the specifications. Funds for the purchase of the vehicle have been appropriated in the Streets Department’s Equipment Replacement Funds.

RECOMMENDATION: That Council award the contract for one (1) new one-ton cab & chassis truck to Downtown Ford of Sacramento, CA, in the amount of $20,276.38. Further, that Council authorize payment upon satisfactory delivery of the equipment.

D.D. Appropriated/Funded C.M. Item No. 5
SUBJECT: APPROVAL OF ON-CALL ENVIRONMENTAL SERVICES AGREEMENT CONTRACT

SOURCE: COMMUNITY DEVELOPMENT DEPARTMENT

COMMENT: On February 21, 2006, the City Council ratified distribution of the Request for Proposals (RFP) for an on-call environmental services contract. Proposals were sent to all consultants who had previously shown interest in completing this type of contract for the City, as well as a clearinghouse, which sent notice to additional consulting firms. In response to the City’s Request for Proposals, five consulting firms submitted information.

The Community Development Director and his staff evaluated all submittals, and the two highest-ranking firms were asked to interview with the Department. A significant separation existed between the scores of the two highest-ranking firms and the other three. Scores were based on the City’s standard Consultant Selection Rating Form.

After meeting with key team members from each firm and contacting references, City Staff selected Quad Knopf to provide on call environmental planning services for a term of 24 months. In the event of non-performance staff would like authorization to negotiate with the second ranked consultant.

Quad Knopf provides a comprehensive list of services, and has experience throughout the Central Valley resolving planning related issues. The Community Development Director is confident that Quad Knopf will offer quality service to the City as an extension of staff.

RECOMMENDATION: That City Council:

1) Authorize the Mayor to sign the service agreement with Quad Knopf, and
2) Authorize staff to negotiate a service agreement with URS, second ranked consultant should the need arise.

ATTACHMENTS: On-Call Service Agreement Contract

[Signature]

Item No. 6
ON-CALL ENVIRONMENTAL CONSULTANT
SERVICE AGREEMENT

DATE: April 19, 2006

PARTIES: City of Porterville, a California municipal corporation, hereinafter referred to as "CITY"; and Quad Knopf, hereinafter referred to as "CONSULTANT".

RECITALS: CITY has undertaken a project on which it is seeking assistance from CONSULTANT. Said project which will hereinafter be referred to as "project" is described as follows:

Project Name: On-call Environmental Services.

Description of Project: The project consists of the assistance with the preparation of environmental documents including Initial Studies, Negative Declarations, EIR's, notices, technical studies and where appropriate, Categorical Exclusions, Environmental Assessments, EIS's and other documents as necessary to comply with state and federal environmental guidelines/regulations and mitigation measure monitoring. Other services offered by Quad Knopf or their sub-consultants may be provided through this contract.

AGREEMENTS:

IN CONSIDERATION OF MUTUAL COVENANTS AND AGREEMENTS HEREAFTER set forth the parties hereto do contract and agree as follows:

SECTION 1. CONTRACT SERVICES: CONSULTANT hereby agrees to provide the following services and materials, in a timely manner as described in Exhibit "A", Scope of Services (Proposal for On-Call Environmental Services), as provided by Consultant in connection with the above described project.

SECTION 2. CONTRACT SERVICES: In consideration for said services and materials, CITY shall pay CONSULTANT on an hourly basis as defined in Exhibit A (specifically, Professional Fee Schedule, effective February 1, 2006). Direct costs such as travel, telephone, postage, printing, etc. are incorporated into the hourly rates. In the event the contract is extended for any period of time, the cost for services must be agreed upon by both parties.

TIME OF PAYMENT: Progress payment requests shall be itemized, identify the project budget, budget balance and shall reference the completion of tasks associated with the billable hours, and submitted by the 25th of each month. CONSULTANT should receive payment within 30 days of the date the bill is received.

SECTION 3. COMPLETION DATE: The services to be performed by CONSULTANT will be commenced upon execution of this agreement and all work directives shall be completed in a timely manner. This contract will be in effect for two (2) years from
April 19, 2006.

SECTION 4. FAMILIARITY WITH PROJECT: CONSULTANT agrees that it will rely on its own findings and research to perform the services required under this agreement and will not rely solely upon opinions or representations of CITY unless CITY is the only available source of said information. CONSULTANT shall become familiar enough with project details to independently perform its services in conformance with the normal standard of care for such projects.

SECTION 5. INDEPENDENT CONTRACTOR: It is expressly understood that CONSULTANT is entering into this contract and will provide all services and materials required hereunder as an independent contractor and not as an employee of CITY. CONSULTANT specifically warrants that it will have in full force and effect, valid insurance covering:

(i) Full liability under worker's compensation laws of the State of California; and
(ii) Bodily injury and property damage insurance in the amount not less than One Million Dollars ($1,000,000) per occurrence; and
(iii) Automotive liability in the amount not less than One Million Dollars ($1,000,000) per occurrence; fully protecting CITY, its elected and appointed officers, employees, agents and assigns, against all claims arising from the negligence of CONSULTANT and any injuries to third parties, including employees of CITY and CONSULTANT. CONSULTANT agrees to indemnify, defend (at CITY's election), and hold harmless the CITY against any claims, actions or demands against CITY, and against any damages, liabilities for personal injury or death or for loss or damage to property, or any of them arising out of negligence of CONSULTANT or any of its employees or agents.

As an independent contractor, the consultant will obtain and maintain an active City business license.

SECTION 6. WORKMANSHIP AND MATERIALS: Every part of the work herein described shall be executed in a professional manner with competent, experienced personnel. Finished or unfinished material prepared under the agreement, prepared by CONSULTANT, shall become property of CITY. CONSULTANT hereby warrants that any materials prepared under this agreement shall be fit for the intended use contemplated by the parties.

SECTION 7. ASSIGNMENT OF CONTRACT: It is acknowledged by the parties that CITY has entered into this contract with the express understanding that all work will be performed by CONSULTANT or CITY approved sub-consultant. CONSULTANT shall not, without the written consent of CITY, assign, transfer or sublet any portion or part of this work, nor assign any payments to others. Further, the principals involved and identified in the proposal are integral to the performance of the scope of services and shall not change or be replaced without first obtaining prior written approval from the City of a replacement(s) in the completion of the work effort.
SECTION 8. AFFIRMATIVE ACTION. CONSULTANT will not discriminate against any employee, or applicant for employment because of race, color, religion, gender, marital status, or national origin.

SECTION 9. CONFLICT OF INTEREST CODE: CONSULTANT agrees to comply with the regulations of CITY's Conflict of Interest Code. Said code is in accordance with the requirements of the Political Reform Act of 1974.

CONSULTANT covenants that it presently has no interest, and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of service required hereunder. The term "conflict" shall include, as a minimum, the definition of a "conflict of interest" under the California Fair Political Practices Act and the City of Porterville Conflict of Interest Code, as that term is applied to consultants.

SECTION 10. TERMINATION: This contract may be terminated by either party for just cause by giving thirty (30) days written notice by either party except that City may cancel contract upon five (5) days written notice in the event of nonperformance by Contractor. Nonperformance by the contractor or repeated lack of response or attention to responsibilities and/or directions and requests of City shall be considered adequate cause for termination of contract and/or withholding of funds to contractor which City must pay to third party or parties to correct deficiencies due to lack of performance as determined by City. Upon termination by CITY, CITY shall be relieved of any obligation to pay for work not completed. CONSULTANT may be entitled to just and equitable compensation for satisfactory work completed.

SECTION 11. ENTIRE CONTRACT: It is understood and agreed that this Service Agreement represents the entire Agreement between the parties. Should it be necessary to institute legal proceedings to enforce any and all of the covenants and conditions of this Agreement, the prevailing party shall be entitled to recover attorneys' fees and costs.

SECTION 12. DISPUTES; VENUE: If either party initiates an action to enforce the terms hereof or declare rights hereunder, the parties agree that the venue thereof shall be the County of Tulare, State of California. CONSULTANT hereby waives any rights it might have to remove any such action pursuant to California Code of Civil Procedure Section 394.
IN WITNESS WHEREOF, the parties have executed this Service Agreement on the date and year first above written.

CITY OF PORTERVILLE

By __________________________
Pedro R. Martinez, Mayor

CONSULTANT

Quad Knopf
5110 Cypress Avenue
P.O. Box 3699
Visalia, CA 93278
(559) 733-0440

By __________________________
Stephen Peck, Principal

Date __________________________

Date __________________________
COUNCIL AGENDA: APRIL 18, 2006

SUBJECT: ACCEPTANCE OF THE CENTRAL CORE IMPROVEMENT PROJECT AREAS 1 & 3

SOURCE: Public Works Department - Engineering Division

COMMENT: Professional Construction Services (PCS) has completed construction of the Central Core Improvement Project Areas 1 & 3 per plans and specifications. The project consisted of the installation of approximately 142,000 square feet of sidewalk, 5,500 feet of curb & gutter, 118 drive approaches and 27 curb returns.

City Council authorized expenditure of $1,512,180. Final construction cost is $1,433,798. The project was funded by a CMAQ grant with the federal share set at 88.5%

PCS 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; and

2. Authorize the filing of the Notice of Completion.

ATTACHMENT: Locator Maps

P:\pub\works\Engineering\Council Items\Acceptance Of CORE Area 1 & 3 Project.doc

Dir [Signature] Appropriated/Funded [Signature] CM [Signature] Item No. 7
COUNCIL AGENDA: APRIL 18, 2006

SUBJECT: ACCEPTANCE OF LONGS DRUG STORE RECIPROCAL USE AGREEMENT AND LANDSCAPE MAINTENANCE AGREEMENT

SOURCE: Public Works Department - Engineering

COMMENT: Longs Drug Store is requesting a building permit for a new store north of the Savemart Supermarket between Hockett Street and “D” Street. The new store is located within Parking District No. 1 and, as proposed, it lacks sufficient parking. One solution presented by both staff and the developer, Smith’s Enterprise, is designating parking for the new store within a City owned parking lot with the developer providing the matching required parking spaces within another parcel located within Parking District No. 1. This could be accomplished through a “Reciprocal Use Agreement” between both involved parties.

Smith’s Enterprise owns a parcel of land south of the Transit Center currently utilized for private parking and it is within Parking District No. 1. They have offered this area as their match for public parking. The City of Porterville in turn can offer the required Longs parking with the City owned parking lot north and adjacent to the proposed new Longs Drug Store. Attached is a map for Council’s reference. The “Reciprocal Use Agreement” is also attached as Exhibit “A” and describes the herein stated parcels. These parcels have an equal number of parking spaces. It should also be noted that the old Longs Drug Store will be converted to parking once the building is demolished. This parking conversion is a condition of approval for this project.

The developer has also asked that the City vacate a portion of Willow Avenue for the purpose of adding additional parking to the project and enhancing the appearance of one of the shopping center’s entrances. As part of this request, Smith’s Enterprises has offered to replace, repair and maintain as necessary, the landscaping and irrigations systems, curbs and gutters for those landscaped islands proposed as part of the new Longs Drug Store. Attached, as Exhibit “B” is the Landscape Maintenance Agreement executed by Smith’s Enterprises.

RECOMMENDATION: That City Council:

1. Accept the Reciprocal Use Agreement for shared parking and Landscape Maintenance Agreement; and

2. Authorize the City Clerk to record these documents with the Tulare County Recorder.

ATTACHMENTS: Locator Map
Reciprocal Use Agreement
Landscape Maintenance Agreement

P:\pub\works\Engineering\Council Items\Acceptance of Longs Drug Store Reciprocal Use Agreement 4-18-06.doc

Dir: Appropriated/Funded OM: 
Item No. 8
RECIROCAL USE AGREEMENT

On this _______ day of ____________, 200__, between the City of Porterville, hereinafter referred to as “City”, and Smith’s Enterprises, hereinafter referred to as “Smiths”, enter into a reciprocal use agreement for parking, ingress, and egress over and across Parcel No. 1 of Parcel Map No. 3850, in the City of Porterville, County of Tulare, State of California, as per map recorded in Book 39 of Parcel Maps, at Page 53, Tulare County Records, and Parcel No. 1 of Parcel Map No. 2891, in the City of Porterville, County of Tulare, State of California, as per map recorded in Book 29 of Parcel Maps, at Page 92, Tulare County Records, owned by Smiths.

It is hereby agreed that the existing curbs, gutters, landscaping within these designated parking areas will be modified and constructed in accordance with those plans for the improvement to said parking areas.

If required in the future, the City hereby agrees to replace, repair, and maintain as necessary the landscaping, irrigation system, lighting, curb, gutters, sidewalks, and paving as necessary for those portions of land owned by City referenced above.

If required in the future, Smiths hereby agrees to replace, repair, and maintain as necessary the landscaping, irrigation system, lighting, curb, gutters, sidewalks, and paving as necessary for Parcel No. 1 of said Parcel Map No. 2891.

City of Porterville

______________________________
Mayor

______________________________
Smith's Enterprises

______________________________
Howard Neil Smith, General Partner

Date: ________________________

Date: __/11/06

Notary Acknowledgment attached
STATE OF CALIFORNIA                            
County of TULARE                          

ACKNOWLEDGMENT

On April 11, 2006, before me, Donna Shamley, personally appeared
howard neil smith, personally known to me (proved to me on the basis of satisfactory
evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged
to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their
signature(s) on the instrument, the person(s), or the entity upon behalf of which the person(s) acted, executed
the instrument.

WITNESS my hand and official seal.

[Signature]

seal

DONNA SHAMLEY
COMM. #1459428
NOTARY PUBLIC - CALIFORNIA
TULARE COUNTY
LANDSCAPE MAINTENANCE AGREEMENT

On this 3rd day of MARCH 2006, Smith's Enterprises, hereinafter referred to as “Smiths”, entered into a landscape maintenance agreement for that portion of the northerly Willow Street abandonment lying southerly of and contiguous to Lot 17, Block 55, City of Porterville.

Smiths hereby agrees to replace, repair, and maintain as necessary the landscaping, irrigation system, curb, and gutters as necessary for those landscape islands proposed as a part of the Long’s Drug store construction project. The existing landscape islands will be removed and new islands, including curb and gutter, landscaping, and an irrigation system will be installed.

Smith’s Enterprises

Howard Neil Smith, General Partner

Date: 3/3/06

Notary Acknowledgment attached
STATE OF CALIFORNIA  )  
County of   TULARE  ) ss

ACKNOWLEDGMENT

On March 3, 2006 , before me, Donna Shamley , personally appeared
Howard Neil Smith , personally known to me (proved to me on the basis of satisfactory
evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged
to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their
signature(s) on the instrument, the person(s), or the entity upon behalf of which the person(s) acted, executed
the instrument.

WITNESS my hand and official seal.

seal

Donna Shamley
SUBJECT: REVISION OF TRAFFIC RESOLUTION NO. 10-2001

SOURCE: Engineering and Building Department

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

On February 17th, 2004, the City Council adopted, by Resolution #18-2004, the “Reasonably Available Control Measures to be Implemented by the City of Porterville for the Extreme Ozone”, also known as the “RACMs”.

RACM number TU 5.13 titled “Fewer Stop Signs”, states that the City will remove the stop sign for north and south bound traffic on Villa Street at Grand Avenue after the installation of the new traffic signal at Henderson Avenue and Villa Street. The traffic signal project has been completed.

It is necessary to revised Traffic Resolution No. 10-2001 to remove reference to Villa Street and Grand Avenue as a “stop intersection.” This allows the City Engineer to remove the north and south bound stop sign and fulfill the implementation of RACM number TU 5.13.

City Council recently accepted improvements related to a traffic signal at Villa Street and Putnam Avenue (Traffic Signal No. 7). This intersection is also designated a “stop intersection” within Traffic Resolution No. 10-2001 and also triggers an amendment.

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

ATTACHMENTS: Proposed Revisions
Revised Resolution No. 10-2001 in Final Form

P:\PUBWORKS\ENGINEERING\COUNCIL ITEMS\REVISION OF TRAFFIC RESOLUTION NO. 10-2001 4-18-06.DOC

Dir  Appropriated/Funded  CM  Item No. 9
PROPOSED REVISIONS

Section 21. Through Streets and Stop Intersections

(Through Streets and Stop Intersections)

21-120. The intersection of Villa Street and Grand Avenue. REMOVE
21-121. The intersection of Villa Street and Putnam Avenue. REMOVE
RESOLUTION NO. 10-2001
THE TRAFFIC RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF PORTERVILLE

Defining and establishing certain streets and parts of streets in the City of Porterville as one way streets, through streets, stop intersections, no parking areas, diagonal parking areas, no-stopping zones, truck routes and commercial vehicles prohibited streets.

Be it resolved by the City Council of the City of Porterville as follows:

Sec. 20. **One Way Streets.**

The streets or portions of streets in this City hereinafter described in sections numbered 20 in the first two digits are hereby defined and established as One-Way Streets and shall be governed by the provisions of Section 17-6. of Ordinance No. 1162.

20-1. Laurel Street, in an easterly to a westerly direction, from its intersection with North Main Street to its intersection with Sunnyside Avenue.
20-2. Sunnyside Avenue, in a northerly to a southerly direction from its intersection with Laurel Street to its intersection with Danner Street.
20-3. Hockett Street, in a southerly to a northerly direction, from its intersection with West Olive Avenue to its intersection with West Oak Avenue.
20-5. Putnam Avenue, in an easterly to westerly direction from its intersection with Hillcrest Street to Ruth Street.
20-6. Mill Avenue, in an easterly to westerly direction from its intersection with Hockett to "D" Street.
20-7. Alley west of Pearson Drive, in a southerly to northerly direction from its intersection with Cleveland Avenue.
20-8. Alley between Main and Second, in a northerly to southerly direction from its intersection with East Morton Avenue to East Olive Avenue.

Sec. 21. **Through Streets and Stop Intersections**

The streets or portions of streets, intersections or entrances thereto in this City hereinafter described in sections numbered 21 in the first two digits, are hereby defined and established as Through Streets and Stop Intersections and shall be governed by the provisions of Section 17-7.1(a) and 17-7.1(b) of Ordinance No. 1162.

21-2. Bellevue from Villa Street to "E" Street.
21-3. "D" Street from Morton Avenue to Orange Avenue.
21-4. Date Avenue from Jaye Street to Park Street.
21-5. Grand Avenue from Prospect Street to "E" Street.
21-6. Henderson Avenue from Newcomb Street to Plano Street.
21-7. Hockett Street from Morton Avenue to Olive Avenue.
21-8. Indiana Street from Morton Avenue to North City Limits and from River Oak Avenue to SR190.
21-10. Main Street from North City Limits to South City Limits.
21-11. Mill Avenue from Third Street to Plano Street.
21-12. Morton Avenue from Newcomb Street to Crestview Street.
21-13. Mulberry Avenue from West City Limits to East City Limits.
21-14. Newcomb Street from Olive Avenue to North City Limits.
21-15. Olive Avenue from Westwood Street to Plano Street and from Ruth Street to Doyle Street.
21-16. Orange Avenue from Jaye Street to Plano Street.
21-17. Pioneer Avenue from West City Limits to East City Limits.
21-18. Plano Street from North City Limits to South City Limits.
21-19. Porter Road from Olive Avenue to Henderson Avenue.
21-20. Prospect Street from Morton Avenue to North City Limits.
21-21. Putnam Avenue from Porter Road to Crestview Street.
21-22. Second Street from Morton Avenue to Danner Avenue.
21-23. Sunnyside Street from Morton Avenue to Olive Avenue.
21-24. Third Street from Morton Avenue to Olive Avenue.
21-25. Villa Street from Olive Avenue to Henderson Avenue.
21-26. Westfield Avenue from Westwood Street to Main Street.
21-27. Westwood Street from Westfield Avenue to the Tule River.
21-28. Springville Avenue from Wisconsin Street to Jaye Street.
21-29. West Street from Scranton Avenue to South City Limits.
21-30. Newcomb Street from 600 feet North of Scranton Avenue to South City Limits.
21-31. Hope Avenue from Newcomb Street to the West end of Hope Avenue.
21-32. Parkway Drive from Indiana Street to Oak View Street.
21-33. North Grand within the City Limits from West City Limits line to North Main Street.
21-34. Mathew Street between Westfield Avenue and Castle Avenue.

*****

21-100. The intersection of Corona Avenue and Park Street.
21-101. The intersection of Douglas Street and Belleview Avenue.
21-102. The intersection of Esther Street and Mill Avenue.
21-103. The intersection of Harrison Avenue and Fourth Street.
21-104. The intersection of Henderson Avenue and Plano Street.
21-105. The intersection of Isham Street and Corona Avenue.
21-106. The intersection of LaVida Avenue and Milo Street.
21-107. The intersection of Lime Street and Mulberry Avenue.
21-108. The intersection of Lime Street and Olivewood Avenue.
21-109. The intersection of Lime Street and Brightwood.
21-110. The intersection of Putnam Avenue and Crestview.
21-111. The intersection of School Avenue and Division Street.
21-112. The intersection of Scenic Drive and Mulberry Avenue.
21-113. The intersection of Oakmont Avenue and Village Green Street.
21-114. The intersection of Prospect Street and Pioneer Avenue.
21-115. The intersection of Bellevue Avenue and "E" Street.
21-116. The intersection of Orange Avenue and Jaye Street.
21-117. The intersection of Orange Avenue and Leggett Street.
21-118. The intersection of Orange Avenue and Western Street.
21-119. The intersection of Palm Place and Bellevue Avenue.
21-120. REMOVED
21-121. REMOVED
21-122. The intersection of Henderson Avenue and Westwood Street.
21-123. The intersection of Cottage Place and Pioneer Avenue.
21-124. The intersection of Westfield Avenue and Indiana Street.
21-125. The intersection of East Jasmine Drive South and Hillcrest Street.
21-126. The intersection of Mathew Street and Westfield Avenue.
21-127. The intersection of Lu Ann and Westfield Avenue.
21-128. The intersection of Wall Avenue and Mathew Street.
21-129. The intersection of San Lucia Avenue and Mathew Street.
21-130. The intersection of Orange Avenue and Westwood Street.
21-131. The northernmost intersection of Oak Avenue and Crestview Street.
21-132. The intersection of Scranton Avenue and West Road.
21-133. The Intersection of Prospect Street and Orange Avenue.
21-134. The Intersection of Prospect Street and Forest Avenue.
21-135. The Intersection of Memory Lane and Balmoral Drive (North).
21-136. The Intersection of Memory Lane and Balmoral Drive (South).
21-137. The Intersection of White Chapel and Balmoral Drive.
21-138. The Intersection of White Chapel and Mathew Street.
21-139. The Intersection of Mathew Street and Monache Avenue.
21-140. The Intersection of Castle Avenue and York Street.
21-141. The intersection of Blue Heron Parkway and Worth Avenue.

Sec. 22. No Parking Areas

The streets or portions of streets in this City hereinafter described in sections numbered 22 in the first two digits are hereby defined and established as No Parking Areas and shall be governed by the provisions of Section 17-10.3(d) of Ordinance No. 1162.

22-1. It shall be unlawful to park any vehicle on Division Street from its intersection with Morton Avenue to its intersection with the bridge over Porter Slough.

22-2. It shall be unlawful to park any vehicle in the alley between Second and Main Streets from its intersection with Olive Avenue to its intersection with
Morton Avenue.

22-3. It shall be unlawful to park any vehicle on Oak Avenue from its intersection with Main Street and Division Street.

22-4. It shall be unlawful to park any truck or trailer on the north side of Belleview Avenue between Main Street and Second Street in the area that is 150 feet west of the centerline of Second Street and 215 feet west of the center-line of Second Street.

22-5. It shall be unlawful to park any commercial vehicle, house car, trailer coach, or camper of which the overall length is in excess of 18 feet and 6 inches at any time on Main Street between Morton and Olive Avenues.

Sec. 23. Diagonal Parking Zones

The streets or portions of streets in this City hereinafter described in sections numbered 23 in the first two digits are hereby defined and established as Diagonal Parking Zones and shall be governed by the provisions of Section 17-11.4* of Ordinance No. 1162.

23-1. Motor vehicles parking on each side of Main Street from Morton Street to Olive Street shall use angular parking and shall be parked at the angle and within the markings established for such parking.

23-2. Motor vehicles parking on the west side of Hockett Street between Olive Avenue and Vine Avenue, except that portion of the west side of Hockett Street located between a point 293 feet south of the south right of way line of Olive Avenue and the north right of way line of Vine Avenue, shall use angular parking and shall be parked at an angle and within the marking established for such parking.

23-3. Motor vehicles parking on the south side of Mill Avenue between Hockett and "D" Streets shall use angular parking and shall be parked at the angle and within the markings established for such parking.

23-4. Motor vehicles parking on the west side of "F" Street between Vine and Walnut shall use angular parking and shall be parked at the angle and within the markings established for such parking.

23-5. Motor vehicles parking on the south side of Walnut Avenue between "F" and "G" Streets, except for one parallel space east of the alley, shall use angular parking and shall be parked at the angle and within the marking established for such parking.

23-6. Motor vehicles parking on the north side of Walnut Avenue between "C" Street and the alley to the east of "C" Street shall use angular parking and shall be parked at the angle and within the markings established for such parking.

23-7. Motor vehicles parking on the east side of "C" Street between Walnut Avenue and Vine Avenue shall use angular parking and shall be parked at the angle and within the markings established for such parking.

23-8. Motor vehicles parking on the west side of "C" Street from Locust to 250 feet south shall use angular parking and shall be parked at the angle and
within the markings established for such parking.

23-9. Motor vehicles parking on the east side of "E" Street between Morton and Bellevue shall use angular parking and shall be parked at the angle and within the markings established for such parking.

23-10. Motor vehicles parking on the south side of Morton Avenue, from a point 45 feet east of the Roche Street curb return to a point 250 feet east, shall use diagonal parking and shall be parked at the angle and within the markings established by the City for such parking.

23-11. Motor vehicles parking on both sides of Walnut Avenue between Main Street and "C" Street shall use angular parking and shall be parked at the angle and within the markings established for such parking.

Sec. 24. Truck Routes

The streets or portions of streets in this City hereinafter described in sections numbered 24 in the first two digits are hereby defined and established as truck routes and shall be governed by the provisions of Section 17-13.1 of Ordinance No. 1162.

<table>
<thead>
<tr>
<th>Street/Limit</th>
<th>Time/Exceptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>24-1. Henderson Avenue between Porter Road and 1000 feet East of Plano Street.</td>
<td>Unlimited exception Sundays and holidays 6:00 a.m. - 7:00 p.m.</td>
</tr>
<tr>
<td>24-2. Plano Street between Henderson Avenue and South City Limits.</td>
<td>Unlimited exception Sundays and holidays</td>
</tr>
<tr>
<td>24-3. North Main Street between Henderson Avenue and North City Limits.</td>
<td>Unlimited exception Sundays and holidays</td>
</tr>
<tr>
<td>24-4. North Grand Avenue between Main Street and State Route 65.</td>
<td>Unlimited exception Sundays and holidays</td>
</tr>
<tr>
<td>24-5. South Main Street between Orange Avenue and South City Limits.</td>
<td>Unlimited exception Sundays and holidays</td>
</tr>
<tr>
<td>24-6. Olive Avenue between &quot;E&quot; Street and West City Limits.</td>
<td>Unlimited exception Sundays and holidays</td>
</tr>
<tr>
<td>24-7. &quot;E&quot; Street between Olive Avenue and Orange Avenue.</td>
<td>Unlimited exception Sundays and holidays</td>
</tr>
<tr>
<td>24-8. Orange Avenue between &quot;E&quot; Street and Main Street.</td>
<td>Unlimited exception Sundays and holidays 6:00 a.m. - 7:00 p.m.</td>
</tr>
<tr>
<td>24-9. Jaye Street between State Route 190 and Olive Avenue.</td>
<td>Unlimited exception Sundays and holidays</td>
</tr>
<tr>
<td>24-10. Springville Avenue between Jaye Street and &quot;E&quot; Street.</td>
<td>Unlimited exception Sundays and holidays</td>
</tr>
<tr>
<td>24-11. &quot;E&quot; Street between Springville Avenue and Poplar Road.</td>
<td>Unlimited exception Sundays and holidays</td>
</tr>
<tr>
<td>24-12. Poplar Road between 700 feet East of &quot;E&quot; Street and Jaye Street.</td>
<td>Unlimited exception Sundays and holidays</td>
</tr>
<tr>
<td>24-13. Tea Pot Dome Avenue between State Route 65 and Newcomb Street.</td>
<td>Unlimited exception Sundays and holidays</td>
</tr>
</tbody>
</table>
24-14. Newcomb Street between Tea Pot Dome Avenue and Hope Road. Unlimited exception Sundays and holidays

Sec. 25. Streets from Which Commercial Vehicles are Prohibited

The streets or portions of streets in this City hereinafter described in section number 25 in the first two digits are hereby defined and established as streets from which commercial vehicles are prohibited and shall be governed by the provisions of Section 17-13.3 of Ordinance No. 1162.

25-1. Hockett Street from its intersection with Orange Avenue to its intersection with Morton Avenue.
25-2. Division Street from its intersection with Willow Avenue and Hockett Street to its intersection with Morton Avenue.
25-3. Main Street from its intersection with Morton Avenue to its intersection with Orange Avenue.
25-4. "C" Street from its intersection with Orange Avenue to its intersection with Olive Avenue.
25-5. Second Street from its intersection with Olive Avenue to its intersection with Morton Avenue.

Sec. 26. Surface Transportation Assistance Act (STAA) Truck Routes

The streets or portions of streets in this City hereinafter described in sections numbered 26 in the first two digits are hereby defined and established as STAA Truck Routes and shall be governed by the provisions of Section 17-13.2 of Ordinance No. 1162.

<table>
<thead>
<tr>
<th>Street, Limit</th>
<th>Time/Exceptions</th>
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</thead>
<tbody>
<tr>
<td>26-1. Henderson Avenue between Porter Road and 1000 feet East of Plano Street.</td>
<td>Unlimited exception Sundays and holidays</td>
</tr>
<tr>
<td>26-2. Plano Street between Henderson and State Route 190.</td>
<td>LTD Daytime exception Sundays and holidays</td>
</tr>
<tr>
<td>26-3. Jaye Street between State Route 190 and Springville Avenue.</td>
<td>Unlimited</td>
</tr>
<tr>
<td>26-4. Springville Avenue between Jaye Street and &quot;E&quot; Street.</td>
<td>Unlimited exception Sundays and holidays</td>
</tr>
<tr>
<td>26-5. &quot;E&quot; Street between Springville Avenue and Poplar Road.</td>
<td>Unlimited exception Sundays and holidays</td>
</tr>
<tr>
<td>26-6. Poplar Road between 700 feet East of &quot;E&quot; Street and Jaye Street.</td>
<td>Unlimited exception Sundays and holidays</td>
</tr>
<tr>
<td>26-7. Jaye Street from SR 190 to Montgomery Avenue.</td>
<td>Unlimited exception Sundays and holidays</td>
</tr>
<tr>
<td>26-8. Montgomery Avenue from Jaye Street to &quot;H&quot; Street.</td>
<td>Unlimited exception Sundays and holidays</td>
</tr>
</tbody>
</table>
26-9. "H" Street from Poplar Road to Unlimited
600 feet south of Montgomery Avenue.  exception Sundays and holidays
26-10. Poplar Road (south of SR 190) from Unlimited
"H" Street to 300 feet east of "H" Street. exception Sundays and holidays

Pedro R. Martinez, Mayor

ATTEST:
John Longley, City Clerk

By: Georgia Hawley, Chief Deputy City Clerk
SUBJECT: PROPOSED REDUCTION IN CDBG FUNDING ALLOCATION

SOURCE: COMMUNITY DEVELOPMENT DEPARTMENT

COMMENT: The City has received correspondence from The United State Conference of Mayors requesting action to voice opposition to the Administration’s proposed budget for 2007, which would reduce Community Development Block Grant (CDBG) funding by 25% or $1 billion dollars. Since the City of Porterville has already experienced substantial decreases in CDBG allocations over the past three years, any additional cuts of the size proposed will have a devastating effect on the City’s ability to meet the debt obligation of the Section 108 loan and to be able to provide funding for community projects.

It is also being requested that the City Council designate April 17 through 22 as “Community Development Block Grant Week” in the City of Porterville in conjunction with the National CDBG Week.

The Conference of Mayors is requesting that the City Council adopt the attached resolution and forward the resolution to the City’s Congressional representatives.

RECOMMENDATION: That the City Council adopt the attached resolution requesting Congress to provide Fiscal Year 2007 funding level of no less than $4.35 billion in formula funding and designate April 17-22 as “Community Development Block Grant Week” in Porterville.

ATTACHMENT: Draft Resolution
RESOLUTION NO. __________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE IN SUPPORT OF CONGRESSIONAL SUPPORT FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

WHEREAS, The Community Development Block Grant (CDBG) program was enacted, and signed into law by President Gerald Ford, as the centerpiece of the Housing and Community Development Act of 1974; and

WHEREAS, The CDBG program has its primary objective “the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income;” and

WHEREAS, The CDBG program has considerable flexibility to allow communities to carry out activities that are tailored to their unique affordable housing and neighborhood revitalization needs; and

WHEREAS, Throughout its 32-year history, the CDBG program has been a partnership among the federal, state and local governments, business, and the nonprofit sector which carryout activities that improve the lives and neighborhoods of low and moderate income families; and

WHEREAS, Porterville has utilized millions of dollars in CDBG funds since 1982 for a variety of projects and programs to assist low-income households, create jobs and eliminate slum and blight conditions.

WHEREAS, Porterville will receive $729,707 in Fiscal Year 2006, a cut of approximately 10 percent to continue these activities for the benefit of the low and moderate income community; and

WHEREAS, The President’s FY 2007 budget proposes to reduce CDBG formula grants by $1 billion or 25 percent; and

WHEREAS, Should such a proposal be enacted, it would have a devastating effect on Porterville’s CDBG program by eliminating funds for housing, economic development, public improvements and operation of the youth center and jeopardize the ability to pay the debt service on the City’s Section 108 loan.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORTERVILLE That it hereby calls on the Congress to provide a FY 2007 funding level of no less than $4.35 billion in formula funding.

BE IT FURTHER RESOLVED, That the City Council designate the Week of April 17 through April 22 as “Community Development Block Grant Week” in
Porterville in support of this valued program that has made a tremendous contribution to the viability of the housing stock, neighborhoods and infrastructure in Porterville.

BE IT FURTHER RESOLVED, That the City Council encourage all citizens to join together in expressing support for the Community Development Block Grant Program.

________________________________________
Pedro R. Martinez, Mayor

ATTEST:

_______________________________________
John Longley, City Clerk

By ______________________________________
  Georgia Hawley, Deputy
SUBJECT: APPROVAL FOR COMMUNITY CIVIC EVENT
ROLLIN’ RELICS CAR CLUB
ROLLIN’ RELICS CAR SHOW - MAY 6, 2006

SOURCE: Administrative Services Department, Finance Division

COMMENT: Rollin' Relics Car Club is requesting approval to hold a car show on Saturday, May 6, 2006, from 9:00 a.m. to 4:00 p.m., in the northern section of Veterans' Park. The Club is asking for restricted use of the parking lot for event activities, and the ability to park cars on the grassy area between the playground at Newcomb Street and Henderson Avenue and the parking lot.
This request is made under Community Civic Event Ordinance No. 1326, as amended. The application has been routed according to the ordinance regulations and reviewed by all the 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 Rollin' Relics Car Club, subject to the stated requirements contained in the Application, Agreement and Exhibit "A."

ATTACHMENT: Community Civic Event Application and Agreement, Exhibit “A”, vendor list, closure request and outside amplifier permit.
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: 3-29-06  Event date:  May 6, 2006

Name of Event: Rollin Relics Car Show

Sponsoring organization: Rollin Relics Car Club  PHONE # 781-0226

Address: 1221 N Main  Porterville  CA  93257

Authorized representative: Don Bader  PHONE # 781-2612

Address: 535 Brandy Way  Porterville

Event chairperson: Don Bader  PHONE # 781-2612

Location of event (location map must be attached): Veterans Park

Type of event/method of operation: Car Show

Nonprofit status determination: Non-profit

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):

<table>
<thead>
<tr>
<th>Approve</th>
<th>Deny</th>
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<tbody>
<tr>
<td></td>
<td>Bus Lic Spvr</td>
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<td>Pub Works Dir</td>
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<td>Comm Dev Dir</td>
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<td></td>
<td>Field Svcs Mgr</td>
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<td>Fire Chief</td>
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<td></td>
<td>Parks Dir</td>
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<td></td>
<td>Police Chief</td>
</tr>
<tr>
<td></td>
<td>Risk Manager</td>
</tr>
</tbody>
</table>
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 or 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 any 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.

Rollin Relics Car Club

(NAME OF ORGANIZATION)

Donald Bele

(SIGATURE)

5/9/06

(DATE)
REQUIREMENTS FOR COMMUNITY CIVIC EVENT

ROLLIN' RELICS CAR CLUB

ROLLIN' RELICS CAR SHOW

MAY 6, 2006

Business License Supervisor:
S. Perkins

Vendor list required one week prior to event.

Public Works Director:
B. Rodriguez

Provide general clean-up of immediate area after event.

Community Development Director:
B. Dunlap

No comments.

Field Services Manager:
B. Styles

No comments.

Chief of Fire Operations:
Mario G. Garcia

No comments.

Parks and Leisure Services Director:
J. Perrine

Do not drive or park on turf, pick up after event.

Police Chief:
S. Rodriguez

No comments.

Risk Manager:
F. Guyton

See attached exhibit A, page 2.
REQUIREMENTS FOR COMMUNITY CIVIC EVENT

Sponsor: Rollin’ Relics Car Club
Event: Rollin’ Relics Car Show
Event Chairman: Don Bader
Location: Veterans’ Park
Date of Event: May 6, 2006

RISK MANAGEMENT: Conditions of Approval

That the Rollin’ Relics Car Club 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.

A. 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

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: Rollin Relics Car Show

Sponsoring organization: Rollin Relics Car Club

Location: Veterans Park Event date: May 1, 2006

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>
<thead>
<tr>
<th>Vendor name</th>
<th>Address</th>
<th>Telephone</th>
<th>Type of Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>None @ This Time</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Will return Business License Permit</td>
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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: Rollin Relics Car Show

Sponsoring organization: Rollin Relics Car Club

Event date: May 6, 2006 Hours: 9:00am - 4:00pm

ATTACH MAP MARKING AREAS TO BE CLOSED OR USED

<table>
<thead>
<tr>
<th>Street Name</th>
<th>From</th>
<th>To</th>
<th>Activity</th>
</tr>
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<tbody>
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<tr>
<th>Sidewalks</th>
<th>From</th>
<th>To</th>
<th>Activity</th>
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<table>
<thead>
<tr>
<th>Parking lots and spaces</th>
<th>Location</th>
<th>Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parking Lot</td>
<td>East end of Veterans Park</td>
<td>Car Show</td>
</tr>
</tbody>
</table>
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:
   
   Rollin Rebels Car Club
   1221 W. Main
   Porterville, 93257

2. Address where amplification equipment is to be used:
   
   Veterans Park

3. Names and addresses of all persons who will use or operate the amplification equipment:
   
   D.J. & Event announcer

4. Type of event for which amplification equipment will be used:
   
   Car Show

5. Dates and hours of operation of amplification equipment:
   
   5/6/06 9:00am - 4:00pm

6. A general description of the sound amplifying equipment to be used:
   
   PA System
I hereby certify that all statements and answers on this registration form are true and correct.

Rollin Relics Car Club
Applicant

3/27/06
Date

Chief of Police

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.

cc: ____________________________


3/27/01
SUBJECT: ASSISTANCE TO FIREFIGHTERS GRANT

SOURCE: FIRE DEPARTMENT

COMMENT: Congress appropriated $539 million for this year’s Assistance to Firefighters Grant Program. Fire Departments throughout the country are developing grant applications for submission to the Federal Emergency Management Agency by the grant application deadline. A committee will review all submissions and grants will be awarded on a competitive basis.

The City of Porterville Fire Department will be developing a grant application estimated between $50,000 to $60,000 for replacing emergency communication equipment.

Under the terms of the grant programs, selected jurisdictions with a population of less than 50,000 may receive 90% of the requested funding from F.E.M.A if they commit to a local match of 10%. Presently, our current “Certified Population Census” indicates that Porterville’s population is less than 50,000. The local matching funds must be in place and authorized prior to the issuance of the F.E.M.A grant.

If the City of Porterville Fire Department is successful in obtaining a 90% F.E.M.A grant in the amount up to $60,000, the local match of $6,000 is available in the Fire Department’s “Firefighting and Rescue Replacement Fund # EL-2997.”

RECOMMENDATION: That the City Council:

1) Authorize staff to submit the application for funding to F.E.M.A.,

2) Authorize staff to accept the grant if awarded,

3) Authorize the Mayor to sign for the acceptance of the grant,

4) Authorize the disbursement of funds from the Fire Department’s “Firefighting and Rescue Equipment Replacement Fund # EL-2997” for the 10% match.

ATTACHMENTS: None
PUBLICATION

SUBJECT: FORMATION OF LANDSCAPE AND LIGHTING MAINTENANCE DISTRICTS NO. 30 THROUGH 37, AND ESTABLISHING ASSESSMENTS

SOURCE: PARKS AND LEISURE SERVICES DEPARTMENT

COMMENT: At the City Council meeting of March 7, 2006 the City Council gave preliminary approval to Engineer’s Reports and approved initial Resolutions towards the formation of Landscape and Lighting Maintenance Districts No. 30 through 37. A public hearing was set for and held March 21. However, staff discovered after the hearing was held that the advertisement for the public hearing did not appear in the newspaper as requested. On April 4, City Council approved a public hearing be set for April 18, 2006. It has been properly noticed, and it is in order to hear any objections to the proposed assessment districts or the initial assessments, which are to be levied.

The improvements associated with the assessments have been or will be completed by the various developers of the subdivisions of land encompassed by each of the proposed districts. The developers/owners of each of the subdivisions have petitioned to the city for the creation of the assessment districts to provide funds and to perform the maintenance of the installed improvements. Improvements consist generally of street lighting and public area landscaping.

An Engineer’s Report prepared for each of the eight proposed districts provides details on the estimated maintenance cost and lot assessments.

RECOMMENDATION: Adopt Resolution ordering formation of Landscape and Lighting Maintenance District numbers 30, 31, 32, 33, 34, 35, 36, and 37, approving Engineer’s Reports, and the method and levy of assessments.

ATTACHMENT: Resolution ordering formation of Districts, and approving Engineer’s Reports and assessments.
Engineer’s Reports for Landscape and Lighting Maintenance Districts No. 30, 31, 32, 33, 34, 35, 36 and 37.

ITEM NO.: 13
RESOLUTION NO. – 2006

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE
ORDERING THE FORMATION OF LANDSCAPE AND LIGHTING
MAINTENANCE DISTRICT NUMBERS 30, 31, 32, 33, 34, 35, 36, AND 37,
APPROVING ENGINEER’S REPORTS FOR SAID DISTRICTS, AND
APPROVING THE METHOD AND LEVY OF ASSESSMENTS

WHEREAS, the City Council of the City of Porterville did on the 7th day of March 2006, adopt Resolution No. 30 – 2006 declaring its intention to order the formation of Landscape and Lighting Maintenance District numbers 30, 31, 32, 33, 34, 35, 36, and 37; and

WHEREAS, in conjunction with the land division and development process, petitions to form said districts were filed by the owners of the lands included within each of said proposed Districts; and

WHEREAS, a duly noticed public hearing has been held to receive objections to the formation of said Districts, or the levy of assessments.

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

(1) The public interest, convenience and necessity require the formation of Landscape and Lighting Maintenance District numbers 30, 31, 32, 33, 34, 35, 36, and 37, and that each District shall hereby be formed.

(2) The Engineer’s Report and diagram for each of said Districts is hereby approved, and the work as set forth therein is to be done.

(3) That the method of assessment, and the levy of assessments as indicated within each of said Engineer’s Reports are hereby approved.

APPROVED AND ADOPTED THIS 18th DAY OF APRIL 2006.

Pedro R. Martinez, Mayor

ATTEST:
John Longley, City Clerk

By: ________________________________
Georgia Hawley, Deputy City Clerk
CITY OF PORTERVILLE
ENGINEER’S REPORT FOR LANDSCAPING AND LIGHTING
MAINTENANCE DISTRICT NO. 30

SECTION 1. Authority for Report

This report is prepared by order of the City Council of the City of Porterville Resolution No. 28-2006. The report is in compliance with the requirement of Article 4, Chapter 1, Division 15 of the Streets and Highways Code, State of California (Landscape and Lighting Act of 1972).

SECTION 2. General Description

The City Council has elected to include landscaping and lighting at Sierra Meadows, Phase 1 Subdivision into the Landscape and Lighting Maintenance District No. 30. The City Council has determined that the areas to be landscaped and lighted will have an effect upon all parcels within the proposed boundaries of the District. The areas for street lights are included on all the streets located within the subdivision. Proposed areas for lighting are on both sides of the streets located within the subdivision. The landscaping includes a masonry wall along the south and west boundaries as well as a small portion of the east boundary. The wall maintenance includes: cleaning, repairing, painting and rodent control. A landscaped area was installed by the developer generally adjacent to the masonry walls. The landscaped area maintenance includes cleaning, weed control, maintenance of irrigation facilities, and control of the growth.

SECTION 3. Plans and Specifications

The plans and specifications for the lighting were prepared by the developer and are in conformance with the requirements of the City of Porterville. All lights to be maintained will be shown on the subdivision maps as roadway rights-of-way, or easements to be granted to the City of Porterville. The total street lights to be maintained are 23 - 5800 lumen, 4 - 9500 lumen and 5
- 16000 lumen. Total landscaped area to be maintained is 438 lineal feet of 7'6" masonry wall and 2301 lineal feet of 6'8" masonry wall, and 26,639 square feet of landscaped area.

Maintenance activities within the Landscape and Lighting Maintenance District No. are to include landscape and lighting maintenance.

SECTION 4. Improvements

Landscape and lighting improvements were made by the developer of Sierra Meadows, Phase 1 Subdivision.

SECTION 5. Estimated Costs

The construction cost will be borne by the developer and will not be assessed. The subdivision map has been filed for record and the improvements have been installed and certain maintenance on the areas will be necessary during fiscal year 2006-2007. It is appropriate that the assessments be made in advance of the anticipated expenditure to provide working capital for the maintenance effort. In this District assessments will be made during the 2006-2007 Fiscal Year.

Estimated Assessment 2006-2007

<table>
<thead>
<tr>
<th>Landscaped Area</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Wall</td>
<td></td>
</tr>
<tr>
<td>2739 L.F. @ .46 per L.F.</td>
<td>$1,259.94</td>
</tr>
<tr>
<td>Landscaped area 26,639 sq ft @ $.39/sq ft</td>
<td>$10,389.21</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Electricity /Lighting*</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>23 fixtures, 5,800 lumens @ $30.21 per year</td>
<td>$694.83</td>
</tr>
<tr>
<td>4 fixtures 9500 lumens @ $36.27 per year</td>
<td>$145.08</td>
</tr>
<tr>
<td>5 fixtures, 16,000 lumens @ $47.47 per year</td>
<td>$237.35</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Project Management Costs</th>
<th></th>
</tr>
</thead>
</table>
56 Lots @ $12.00 per lot $672.00

Sub Total 2006-2007 $13,398.41

15% Reserve Fund $2,009.76

Total 2006-2007 Initial Assessment $15,408.17

*Lighting costs are based on 29% benefit of total cost because lights are spaced closer together resulting in 40% more lights than the city standard outside the maintenance district.

After the 2006-2007 fiscal year, the assessments shall be increased with the cost of service. The increased cost of services shall be the lesser of the actual prior year’s cost or the prior year’s estimated cost adjusted according to the annualized Consumer price Index rate. The Consumer Price Index is based on the San Francisco Model, and any increase for the year 2007/2008 will refer back to the prior year’s CPI. In the event that the costs of services provided do not increase to exceed the full amount of CPI from one year, such excess CPI percentage shall be carried over from year to year and may be utilized to increase the amount of assessment in future years.

SECTION 6. Assessment Diagram

A copy of the proposed assessment diagram entitled “Landscape and Lighting Maintenance District No. 30 is attached to this report and by reference is made part thereof.

SECTION 7. Assessment

The initial cost of constructing improvements has been borne by the developer. The improvement areas are established for the benefit of all properties within the proposed Landscape and Lighting Maintenance District No. 30. The establishment and maintenance of the
improvements is a vital part of the development of Sierra Meadows, Phase 1 Subdivision. The City Council of Porterville has determined that to insure satisfactory levels of maintenance for the landscape and lighting at Sierra Meadows, Phase 1 Subdivision, it should become Landscape and Lighting Maintenance District No. 30. The subdivision consists of 56 Lots. The Landscape area, which benefits the 56 lots, is generally located along the masonry wall along the west and south boundaries of the subdivision along Indiana Street and Gibbons Avenue.

Landscape and Lighting Maintenance District No. 30 will consist of an area comprising approximately 39.35 acres. A total of 56 lots are proposed to be developed. The improvements will consist of those improvements described in Section 4 of this report. The maintenance of the improvements is a vital part of the development for the protection or safety, economic and humanistic values. The City Council has determined that, for the preservation of values incorporated within this development, all lots will receive equal benefit from the landscaping and street lighting.

The determination of benefits takes into consideration the following facts:

1. The purpose of the improvements is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. The lots not adjacent to the landscaping and lighting facility improvements benefit for the maintenance equally to those lots adjacent to the improvements.

Estimated 2006-2007 Assessment

\[
\text{Assessment (A)} = \frac{\text{Cost (C)}}{\text{Number of Lots (L)}},
\]
A= \frac{15.408.17}{56} = \$275.14 \text{ per lot for Sierra Meadow, Phase 1 Subdivision}

Total Assessment for 2006-2007 = \$275.14
Total developed lot count is 56 lots.

SECTION 8. Order of Events


2. City Council Adopts Resolution of Preliminary Approval of Engineer's Report.

3. City Council Adopts Resolution of Intention to Order the Formation of Landscape and Lighting Maintenance District No. 30 and determines the district.


5. Every year between April and June the Engineer of Work file a report with the City Council.

6. Every year between April and June, the City Council conducts a public hearing and approves, or modifies the individual assessments.

Douglas Wilson
Engineer of the Work
Landscape & Lighting District No. 30

The Northwest quarter of the Southwest quarter of Section 2, Township 22 South, Range 27 east, Mount Diablo Base and Meridian, in the City of Porterville, County of Tulare, State of California.
SECTION 1. Authority for Report

This report is prepared by order of the City Council of the City of Porterville Resolution No. 28-2006. The report is in compliance with the requirement of Article 4, Chapter 1, Division 15 of the Streets and Highways Code, State of California (Landscape and Lighting Act of 1972).

SECTION 2. General Description

The City Council has elected to include lighting at Williams Ranch Phase 2 and 3 Subdivision into the Landscape and Lighting Maintenance District No. 31. The City Council has determined that the areas to be lighted will have an effect upon all parcels within the proposed boundaries of the District. The District includes lighting on Westwood Street, Luisa Avenue, Monache Lane, Lucia Court, Oxford Place, Wellington Street, Maritza Place, Silver Maple Street and Red Oak Street as a part of the subdivision. Proposed areas for lighting are on both sides of the streets located within the subdivision.

SECTION 3. Plans and Specifications

The plans and specifications for the lighting were prepared by the developer and are in conformance with the requirements of the City of Porterville. All lights to be maintained will be shown on the subdivision maps as roadway rights-of-way, or easements to be granted to the City of Porterville. The total street lights to be maintained are 26.

SECTION 4. Improvements

Landscape and lighting improvements were made by the developer of Williams Ranch Phase 2 and 3 Subdivision.
SECTION 5. Estimated Costs

The construction cost will be borne by the developer and will not be assessed. The subdivision map has been filed for record and it is intended that the improvements will be constructed during or before the 2006 – 2007 fiscal year and certain lighting costs will be incurred during fiscal year 2006-2007. It is appropriate that the assessments be made in advance of the anticipated expenditure to provide working capital for the maintenance effort. District 31 assessments during the 2006-2007 Fiscal Year are as follows.

Estimated Assessment 2006-2007

Electricity/Lighting*

- 24 fixtures, 5,800 lumens @ $30.21 per year $725.04
- 2 fixtures, 16,000 lumens @ $47.47 per year $94.94

Project Management Costs

- 85 Lots @ $12.00 per lot $1,020.00

Sub Total 2006-2007 $1,839.98

Incidental Expenses

- 15% Reserve Fund $276.00

Total 2006-2007 Initial Assessment $2,115.98

*Lighting costs are based on 29% benefit of total cost because lights are spaced closer together resulting in 40% more lights than the city standard outside the maintenance district.
After the 2006-2007 fiscal year, the assessments shall be increased with the cost of service. The increased cost of services shall be the lesser of the actual prior year’s cost or the prior year’s estimated cost adjusted according to the annualized Consumer price Index rate. The Consumer Price Index is based on the San Francisco Model, and any increase for the year 2007/2008 will refer back to the prior year’s CPI. In the event that the costs of services provided do not increase to exceed the full amount of CPI from one year, such excess CPI percentage shall be carried over from year to year and may be utilized to increase the amount of assessment in future years.

SECTION 6. Assessment Diagram

A copy of the proposed assessment diagram entitled “Landscape and Lighting Maintenance District No. 31 is attached to this report and by reference is made part thereof.

SECTION 7. Assessment

The initial cost of constructing improvements has been borne by the developer. The improvement areas are established for the benefit of all properties within the proposed Landscape and Lighting Maintenance District No. 31. The establishment and maintenance of the improvements is a vital part of the development of Williams Ranch Phase 2 and 3 Subdivision. The City Council of Porterville has determined that to insure satisfactory levels of street lighting at Williams Ranch Phase 2 and 3 Subdivision, it should become Landscape and Lighting Maintenance District No. 31. The lighting includes 2 lights.

Landscape and Lighting Maintenance District No. 31 will consist of an area comprising approximately 22.55 acres. A total of 85 lots are proposed to be developed in Williams Ranch Phase 2 and 3 Subdivision. The improvements will consist of those improvements described in
Section 4 of this report. The maintenance of the improvements is a vital part of the development for the protection or safety, economic and humanistic values. The City Council has determined that, for the preservation of values incorporated within this development, all lots will receive equal benefit from the landscaping and street lighting.

The determination of benefits takes into consideration the following facts:

1. The purpose of the improvements is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. The lots not adjacent to the landscaping and lighting facility improvements benefit for the maintenance equally to those lots adjacent to the improvements.

**Estimated 2006-2007 Assessment**

\[
\text{Assessment (A)} = \frac{\text{Cost (C)}}{\text{Number of Lots (L)}}
\]

\[
A = \frac{\$2,115.98}{85} = \$24.88 \text{ per lot for Williams Ranch Phase 2 and 3 Subdivision}
\]

Total Assessment for 2006-2007 = $2,115.98
Total developed lot count is 85 lots.

**SECTION 8. Order of Events**

2. City Council Adopts Resolution of Preliminary Approval of Engineer’s Report.
3. City Council Adopts Resolution of Intention to Order the Formation of Landscape and Lighting Maintenance District No. 31 and determines the district.
5. Every year between April and June the Engineer of Work file a report with the City Council.

6. Every year between April and June, the City Council conducts a public hearing and approves, or modifies the individual assessments.

Douglas Wilson
Engineer of the Work
That portion of the Northwest quarter of the Southwest quarter of Section 21, Township 21
South, Range 27 East, Mount Diablo Base and Meridian, in the City of Porterville, County of
Tulare, State of California, described as follows:

Beginning at the Southeast corner of Lot 8 of Williams Ranch, Phase One, per map
recorded in Book 39, page 30 of Maps in the Office of the County Recorder of said
County;

Thence, South 89°54'06" West, 399.51 feet to the Southeast corner of Lot 13 of said
Williams Ranch, Phase One;

Thence, South 00°05'42" East, 114.00 feet to the Southeast corner of Lot 14 of said
Williams Ranch, Phase One;

Thence, North 89°54'06" East, 30.00 feet;

Thence, South 00°05'42" East, 50.00 feet;

Thence, South 89°54'06" West, 30.00 feet to the Northeast corner of Lot 15 of said
Williams Ranch, Phase One;

Thence, South 00°05'42" East, 114.00 feet to the Southeast corner of said Lot 15;

Thence, South 89°54'06" West, 65.00 feet to the Southwest corner of said Lot 15;

Thence, South 00°05'42" East, 30.00 feet;

Thence, South 89°54'06" West, 60.00 feet;

Thence, North 00°05'42" West, 30.00 feet to the Southeast corner of Lot 16 of said
Williams Ranch, Phase One;

Thence, South 89°54'06" West, 464.50 feet to the Southwest corner of Lot 21 of said
Williams Ranch, Phase One, said Southwest corner being a point in the West line of the
East 15 acres of the North half of the Northwest quarter of said Southwest quarter;

Thence, South 00°05'42" East, 64.72 feet to the Southwest corner of the East 15 acres of
the North half of the Northwest quarter of said Southwest quarter;

Thence, North 89°53'42" East, 14.24 feet;

Thence, South 00°36'08" East, 168.01 feet;
Thence, South 89°53'42" West, 340.00 feet to a point in the West line of the Northwest quarter of said Southwest quarter;

Thence, South 00°04'48" West, 492.76 feet to the Southwest corner of the Northwest quarter of said Southwest quarter;

Thence, North 89°53'18" East, 1,314.79 feet to the Southeast corner of the Northwest quarter of said Southwest quarter;

Thence, North 00°05'42" West, 1,003.21 feet along the East line of the Northwest quarter of said Southwest quarter to the point of beginning.
SECTION 1. Authority for Report

This report is prepared by order of the City Council of the City of Porterville Resolution No. 28-2006. The report is in compliance with the requirement of Article 4, Chapter 1, Division 15 of the Streets and Highways Code, State of California (Landscape and Lighting Act of 1972).

SECTION 2. General Description

The City Council has elected to include lighting at Sunrise Villa, Phase One Subdivision into the Landscape and Lighting Maintenance District No. 32. The City Council has determined that the areas to be lighted will have an effect upon all parcels within the proposed boundaries of the District. The District includes lighting on Cottage Street as a part of the subdivision. Proposed areas for lighting are on the only side of the street that has lots created in the subdivision.

SECTION 3. Plans and Specifications

The plans and specifications for the lighting were prepared by the developer and are in conformance with the requirements of the City of Porterville. All lights to be maintained will be shown on the subdivision maps as roadway rights-of-way, or easements to be granted to the City of Porterville. The total street lights to be maintained are 2.

SECTION 4. Improvements

Landscape and lighting improvements were made by the developer of Sunrise Villa, Phase One Subdivision.

SECTION 5. Estimated Costs
The construction cost will be borne by the developer and will not be assessed. The subdivision map has been filed for record and it is intended that the improvements will be constructed during or before the 2006 – 2007 fiscal year and certain lighting costs will be incurred during fiscal year 2006-2007. It is appropriate that the assessments be made in advance of the anticipated expenditure to provide working capital for the maintenance effort. District 32 assessments during the 2006-2007 Fiscal Year are as follows.

Estimated Assessment 2006-2007

**Electricity/Lighting***

2 fixtures, 5,800 lumens @ $30.21 per year $ 60.42

**Project Management Costs**

8 Lots @ $15.00 per lot $120.00

Sub Total 2006-2007 $180.42

**Incidental Expenses**

15% Reserve Fund $ 27.06

Total 2006-2007 Initial Assessment $207.48

*Lighting costs are based on 29% benefit of total cost because lights are spaced closer together resulting in 40% more lights than the city standard outside the maintenance district.

After the 2006-2007 fiscal year, the assessments shall be increased with the cost of service. The increased cost of services shall be the lesser of the actual prior year’s cost or the prior year’s estimated cost adjusted according to the annualized Consumer price Index rate. The Consumer Price Index is based on the San Francisco Model, and any increase for the year
2007/2008 will refer back to the prior year's CPI. In the event that the costs of services provided do not increase to exceed the full amount of CPI from one year, such excess CPI percentage shall be carried over from year to year and may be utilized to increase the amount of assessment in future years.

SECTION 6. Assessment Diagram

A copy of the proposed assessment diagram entitled “Landscape and Lighting Maintenance District No. 32 is attached to this report and by reference is made part thereof.

SECTION 7. Assessment

The initial cost of constructing improvements has been borne by the developer. The improvement areas are established for the benefit of all properties within the proposed Landscape and Lighting Maintenance District No. 32. The establishment and maintenance of the improvements is a vital part of the development of Sunrise Villa, Phase One Subdivision. The City Council of Porterville has determined that to insure satisfactory levels of street lighting at Sunrise Villa, Phase One Subdivision, it should become Landscape and Lighting Maintenance District No. 32. The lighting consists of 2 street lights.

Landscape and Lighting Maintenance District No. 32 will consist of an area comprising approximately 1.46 acres. A total of 8 lots are proposed to be developed in Sunrise Villa, Phase One Subdivision. The improvements will consist of those improvements described in Section 4 of this report. The maintenance of the improvements is a vital part of the development for the protection or safety, economic and humanistic values. The City Council has determined that, for the preservation of values incorporated within this development, all lots will receive equal benefit from the landscaping and street lighting.
The determination of benefits takes into consideration the following facts:

1. The purpose of the improvements is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. The lots not adjacent to the landscaping and lighting facility improvements benefit for the maintenance equally to those lots adjacent to the improvements.

Estimated 2006-2007 Assessment

Assessment (A) = \frac{\text{Cost (C)}}{\text{Number of Lots (L)}}

\begin{align*}
A &= \frac{\$207.48}{8} = \$25.94 \text{ per lot for Sunrise Villa, Phase One Subdivision.}
\end{align*}

Total Assessment for 2006-2007 = $207.48

Total developed lot count is 8 lots.

SECTION 8. Order of Events


2. City Council Adopts Resolution of Preliminary Approval of Engineer’s Report.

3. City Council Adopts Resolution of Intention to Order the Formation of Landscape and Lighting Maintenance District No. 32 and determines the district.

4. City Council adopts Resolution Ordering the Improvements and the Formation of Landscape and Lighting Maintenance District No. 32.

5. Every year between April and June the Engineer of Work file a report with the City Council.
6. Every year between April and June, the City Council conducts a public hearing and approves, or modifies the individual assessments.

Douglas Wilson
Engineer of the Work
Landscape & Lighting District No. 32
Sunrise Villa, Phase One

That portion of the South half of the Southwest quarter of Section 23, Township 21 South, Range 27 East, Mount Diablo Base and Meridian, in the City of Porterville, County of Tulare, State of California, described as follows:

Beginning at the Southwest corner of the Northwest quarter of Lot 146 of Pioneer Land Company's First Subdivision per map recorded in Book 3, page 34 of Maps in the Office of the County Recorder of said County;

Thence, North 02°17'27" West, 152.50 feet along the West line of said Lot 146 to the beginning of a 200.00 foot radius tangent curve, concave to the West;

Thence, Northerly, along said curve, through a central angle of 14°04'11" an arc distance of 49.11 feet, to the beginning of a 200.00 foot radius reverse curve, concave to the East, a radial to said beginning bears South 73°38'22" West;

Thence, Northerly, along said curve, through a central angle of 14°04'11" an arc distance of 49.11 feet;

Thence, tangent to said curve, North 02°17'27" West, 237.04 feet;

Thence, South 89°32'15" East, 166.54 feet;

Thence, South 00°27'45" West, 6.99 feet;

Thence, South 02°17'27" East, 476.92 feet;

Thence, South 89°36'39" West, 154.10 feet to the point of beginning.
CITY OF PORTERVILLE
ENGINEER'S REPORT FOR LANDSCAPING AND LIGHTING
MAINTENANCE DISTRICT NO. 33

SECTION 1. Authority for Report

This report is prepared by order of the City Council of the City of Porterville Resolution No. 28-2006. The report is in compliance with the requirement of Article 4, Chapter 1, Division 15 of the Streets and Highways Code, State of California (Landscape and Lighting Act of 1972).

SECTION 2. General Description

The City Council has elected to include landscaping and lighting at New Expressions, Phase 4 Subdivision into the Landscape and Lighting Maintenance District No. 33. The City Council has determined that the areas to be landscaped and lighted will have an effect upon all parcels within the proposed boundaries of the District. The areas for street lights are included on all the streets located within the subdivision. Proposed areas for lighting are on both sides of the streets located within the subdivision. The landscaping includes a masonry wall. The wall maintenance includes: cleaning, repairing, painting vegetation and rodent control, and a set aside for replacement.

SECTION 3. Plans and Specifications

The plans and specifications for the lighting were prepared by the developer and are in conformance with the requirements of the City of Porterville. All lights to be maintained will be shown on the subdivision maps as roadway rights-of-way, or easements to be granted to the City of Porterville. The total street lights to be maintained are 13. Total landscaped area to be maintained are 220 lineal feet of masonry wall. Maintenance activities within the Landscape and Lighting Maintenance District No. 33 are to include landscape and lighting maintenance.
SECTION 4. Improvements

Landscape and lighting improvements were made by the developer of New Expressions, Phase 4 Subdivision.

SECTION 5. Estimated Costs

The construction cost will be borne by the developer and will not be assessed. The subdivision map has been filed for record and the improvements have been installed and certain maintenance on the areas will be necessary during fiscal year 2006-2007. It is appropriate that the assessments be made in advance of the anticipated expenditure to provide working capital for the maintenance effort. In this District assessments will be made during the 2006-2007 Fiscal Year.

Estimated Assessment 2006-2007

Landscaped Area

Wall 220 L.F. @ .46 per L.F. $ 101.20

Electricity /Lighting

11 fixtures, 5,800 lumens @ $30.21 per year $ 332.31
2 fixtures 9500 lumens @ #36.27 per year $ 72.54

Project Management Costs

54 Lots @ $12.00 per lot $ 696.00

Sub Total 2006-2007 $ 1202.05

15% Reserve Fund $ 180.31

Total 2006-2007 Initial Assessment $1,382.36
Lighting costs are based on 29% benefit of total cost because lights are spaced closer together resulting in 40% more lights than the city standard outside the maintenance district.

After the 2006-2007 fiscal year, the assessments shall be increased with the cost of service. The increased cost of services shall be the lesser of the actual prior year's cost or the prior year's estimated cost adjusted according to the annualized Consumer price Index rate. The Consumer Price Index is based on the San Francisco Model, and any increase for the year 2007/2008 will refer back to the prior year's CPI. In the event that the costs of services provided do not increase to exceed the full amount of CPI from one year, such excess CPI percentage shall be carried over from year to year and may be utilized to increase the amount of assessment in future years.

SECTION 6. Assessment Diagram

A copy of the proposed assessment diagram entitled “Landscape and Lighting Maintenance District No. 33 is attached to this report and by reference is made part thereof.

SECTION 7. Assessment

The initial cost of constructing improvements has been borne by the developer. The improvement areas are established for the benefit of all properties within the proposed Landscape and Lighting Maintenance District No. 33. The establishment and maintenance of the improvements is a vital part of the development of New Expressions, Phase 4 Subdivision. The City Council of Porterville has determined that to insure satisfactory levels of maintenance for the landscape and lighting at New Expressions, Phase 4 Subdivision, it should become Landscape and Lighting Maintenance District No. 33. The subdivision consists of 58 Lots. The
Landscape area, which benefits the 68 lots, is located along the westerly boundary of the district, separating the district and State Highway 65.

Landscape and Lighting Maintenance District No. 33 will consist of an area comprising approximately 10.04 acres. A total of 58 lots are proposed to be developed. The improvements will consist of those improvements described in Section 4 of this report. The maintenance of the improvements is a vital part of the development for the protection or safety, economic and humanistic values. The City Council has determined that, for the preservation of values incorporated within this development, all lots will receive equal benefit from the landscaping and street lighting.

The determination of benefits takes into consideration the following facts:

1. The purpose of the improvements is to provide a favorable aesthetic appearance of the area.

2. Properly maintained landscaping and lighting benefits all properties in the development.

3. The lots not adjacent to the landscaping and lighting facility improvements benefit for the maintenance equally to those lots adjacent to the improvements.

**Estimated 2006-2007 Assessment**

\[ \text{Assessment (A)} = \frac{\text{Cost (C)}}{\text{Number of Lots (L)}} \]

\[ A = \frac{\$1382.36}{58} = \$23.82 \text{ per lot for at New Expressions, Phase 4 Subdivision} \]

Total Assessment for 2006-2007 = \$1,382.36
Total developed lot count is 58 lots.

**SECTION 8. Order of Events**

2. City Council Adopts Resolution of Preliminary Approval of Engineer’s Report.

3. City Council Adopts Resolution of Intention to Order the Formation of Landscape and Lighting Maintenance District No. 33 and determines the district.


5. Every year between April and June the Engineer of Work file a report with the City Council.

6. Every year between April and June, the City Council conducts a public hearing and approves, or modifies the individual assessments.

Douglas Wilson
Engineer of the Work
New Expressions Phase Four
Landscape and Lighting District No. 33

That portion of the Remainder of New Expressions, Phase Three in the City of Porterville, County of Tulare, State of California per map recorded in Book 40, page 35 of Maps in the Office of the County Recorder of said County, described as follows:

Beginning at the point of intersection of the centerline of Indiana Street with the Easterly prolongation of the North line of Lot 145 of said New Expressions, Phase Three;

Thence, along the Northerly boundary of said New Expressions, Phase Three, North 89°50'57" West, 220.00 feet to the Northwest corner of Lot 142 of said New Expressions, Phase Three;

Thence, North 00°09'03" East, 30.00 feet;

Thence, North 89°50'57" West, 50.00 feet;

Thence, South 00°09'03" West, 35.00 feet to the Northeast corner of Lot 141 of said New Expressions, Phase Three;

Thence, North 89°50'57" West, 658.65 feet to the Northwest corner of Lot 130 of said New Expressions, Phase Three and the beginning of a 675.00 foot radius non-tangent curve, concave to the East, a radial to said beginning bears South 79°27'06" West;

Thence, Northerly, along said curve, through a central angle of 01°09'23" an arc distance of 13.62 feet;

Thence, non-tangent to said curve, South 80°36'29" West, 165.90 feet to the Northwest corner of Lot 129 of said New Expressions, Phase Three and the beginning of a 5,847.00 foot radius non-tangent curve, concave to the East, a radial to said beginning bears South 86°10'14" West;

Thence, departing the Northerly line of said New Expressions, Phase Three Northerly, along said curve, through a central angle of 02°09'11" an arc distance of 219.72 feet;

Thence, non-tangent to said curve, South 89°50'57" East, 260.78 feet;

Thence, North 00°09'03" East, 200.00 feet;

Thence, South 89°50'57" East, 95.00 feet;

Thence, North 00°09'03" East, 70.00 feet;

Thence, South 89°50'57" East, 50.00 feet;
Thence, South 00°09'03" West, 30.00 feet;
Thence, South 89°50'57" East, 190.00 feet;
Thence, North 00°09'03" East, 30.00 feet;
Thence, South 89°50'57" East, 50.00 feet;
Thence, South 00°09'03" West, 30.00 feet;
Thence, South 89°50'57" East, 190.00 feet;
Thence, North 00°09'03" East, 39.68 feet;
Thence, South 89°50'57" East, 50.00 feet;
Thence, South 00°09'03" West, 30.00 feet;
Thence, South 89°50'57" East, 220.00 feet to a point in the centerline of Indiana Street;
Thence, South 00°09'03" West, 450.00 feet to the point of beginning.
CITY OF PORTERVILLE
ENGINEER’S REPORT FOR LANDSCAPING AND LIGHTING
MAINTENANCE DISTRICT NO. 34

SECTION 1. Authority for Report

This report is prepared by order of the City Council of the City of Porterville Resolution No. 28-2006. The report is in compliance with the requirement of Article 4, Chapter 1, Division 15 of the Streets and Highways Code, State of California (Landscape and Lighting Act of 1972).

SECTION 2. General Description

The City Council has elected to include lighting at Meadow Breeze, Phase 2 Subdivision into the Landscape and Lighting Maintenance District No. 34. The City Council has determined that the areas to be lighted will have an effect upon all parcels within the proposed boundaries of the District. The District includes lighting on Mathew Street, Michael Place, Verdugo Place, Lu Ann Place Belmont Place and Brian Avenue as a part of the subdivision. Proposed areas for lighting are on both sides of the streets located within the subdivision.

SECTION 3. Plans and Specifications

The plans and specifications for the lighting were prepared by the developer and are in conformance with the requirements of the City of Porterville. All lights to be maintained will be shown on the subdivision maps as roadway rights-of-way, or easements to be granted to the City of Porterville. The total street lights to be maintained are 19.

SECTION 4. Improvements

Landscape and lighting improvements were made by the developer of Meadow Breeze, Phase 2 Subdivision.

SECTION 5. Estimated Costs
The construction cost will be borne by the developer and will not be assessed. The subdivision map has been filed for record and it is intended that the improvements will be constructed during or before the 2006 – 2007 fiscal year and certain lighting costs will be incurred during fiscal year 2006 -2007. It is appropriate that the assessments be made in advance of the anticipated expenditure to provide working capital for the maintenance effort. District 34 assessments during the 2006-2007 Fiscal Year are as follows.

### Estimated Assessment 2006-2007

#### Electricity /Lighting*

- 14 fixtures, 5,800 lumens @ $30.21 per year            $  422.94
- 5 fixtures, 9,500 lumens @ $36.27 per year             $  181.35

#### Project Management Costs

- 78 Lots @ $12.00 per lot                              $  936.00

**Sub Total 2006-2007**                                    $1,540.29

#### Incidental Expenses

- 15% Reserve Fund                                      $  231.04

**Total 2006-2007 Initial Assessment**                   $1,771.33

*Lighting costs are based on 29% benefit of total cost because lights are spaced closer together resulting in 40% more lights than the city standard outside the maintenance district.

After the 2006-2007 fiscal year, the assessments shall be increased with the cost of service. The increased cost of services shall be the lesser of the actual prior year’s cost or the prior year’s estimated cost adjusted according to the annualized Consumer price Index rate. The
Consumer Price Index is based on the San Francisco Model, and any increase for the year 2007/2008 will refer back to the prior year's CPI. In the event that the costs of services provided do not increase to exceed the full amount of CPI from one year, such excess CPI percentage shall be carried over from year to year and may be utilized to increase the amount of assessment in future years.

SECTION 6. Assessment Diagram

A copy of the proposed assessment diagram entitled "Landscape and Lighting Maintenance District No. 34 is attached to this report and by reference is made part thereof.

SECTION 7. Assessment

The initial cost of constructing improvements has been borne by the developer. The improvement areas are established for the benefit of all properties within the proposed Landscape and Lighting Maintenance District No. 34. The establishment and maintenance of the improvements is a vital part of the development of Meadow Breeze, Phase 2 Subdivision. The City Council of Porterville has determined that to insure satisfactory levels of maintenance of street lighting at Meadow Breeze, Phase 2 Subdivision, it should become Landscape and Lighting Maintenance District No. 34. The lighting includes 19 street lights.

Landscape and Lighting Maintenance District No. 34 will consist of an area comprising approximately 17.70 acres. A total of 78 lots are proposed to be developed in Meadow Breeze, Phase 2 Subdivision. The improvements will consist of those improvements described in Section 4 of this report. The maintenance of the improvements is a vital part of the development for the protection or safety, economic and humanistic values. The City Council has determined that, for
the preservation of values incorporated within this development, all lots will receive equal
benefit from the landscaping and street lighting.

The determination of benefits takes into consideration the following facts:

1. The purpose of the improvements is to provide a favorable aesthetic
appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the
development.
3. The lots not adjacent to the landscaping and lighting facility improvements
benefit for the maintenance equally to those lots adjacent to the
improvements.

**Estimated 2006-2007 Assessment**

\[
A = \frac{\text{Cost (C)}}{\text{Number of Lots (L)}} = \frac{\$1,771.33}{78} = \$22.70 \text{ per lot for Meadow Breeze, Phase 2 Subdivision}
\]

Total Assessment for 2006-2007 = $1,771.33 Total developed lot count is 78 lots.

**SECTION 8. Order of Events**

1. City Council adopts Resolution Instituting Proceedings, appoints an Engineer of
Work and Orders Engineer’s Report.
2. City Council Adopts Resolution of Preliminary Approval of Engineer’s Report.
3. City Council Adopts Resolution of Intention to Order the Formation of Landscape
and Lighting Maintenance District No. 34 and determines the district.
4. City Council adopts Resolution Ordering the Improvements and the Formation of
Landscape and Lighting Maintenance District No. 34.
5. Every year between April and June the Engineer of Work file a report with the City
Council.
6. Every year between April and June, the City Council conducts a public hearing and approves, or modifies the individual assessments.

Douglas Wilson
Engineer of the Work
CITY OF PORTERVILLE

BEING A PORTION OF THE NORTH 1/2 OF THE NORTHEAST 1/4 OF SECTION 21, T.21S., R.27E., M.D.B.&M.,
CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA.

LEGEND

⊙ STREET LIGHTS (19 ea.)
★ FIRE HYDRANT

SCALE: 1" = 200'

Meadow Breeze
Phase Two
Meadow Breeze, Phase 2
Landscape & Lighting District No. 34

That portion of the Northeast quarter of Section 21, Township 21 South, Range 27 East, Mount Diablo Base and Meridian, City of Porterville, County of Tulare, State of California, described as follows:

Beginning at the Southwest corner of Lot 35 of Meadow Breeze per map recorded in Book 40, page 84 of Maps in the Office of the County Recorder of said County;

Thence, North 89°51'08" West, 70.00 feet to the Northwest corner of Lot 36 of said Meadow Breeze;

Thence, North 01°09'01" West, 29.22 feet to the Northeast corner of Lot 396 of Orchard Ridge, Phase 9 per map recorded in Book 40, page 4 of Maps in the Office of the County Recorder of said County;

Thence, North 89°44'13" West, 1,313.71 feet to the Northwest corner of Lot 352 of Orchard Ridge, Phase 8 per map recorded in Book 39, page 76 of Maps in the Office of the County Recorder of said County;

Thence, North 00°12'58" West, 657.05 feet to the Northwest corner of said Northeast quarter;

Thence, South 89°36'32" East, 260.02 feet along the North line of said Northeast quarter;

Thence, South 00°12'58" East, 130.01 feet;

Thence, South 89°36'32" East, 959.85 feet;

Thence, North 00°12'58" East, 130.01 feet to a point in the North line of said Northeast quarter;

Thence, South 89°36'32" East, 140.01 feet along the North line of said Northeast quarter;

Thence, South 00°12'46" East, 515.00 feet along the West line of Castle Woods, Phase 2, per map recorded in Book 38, page 74 of Maps in the Office of the County Recorder of said County and along the West line of Lot 34 of said Meadow Breeze to the Southwest corner of said Lot 34;

Thence, South 19°33'39" East, 73.60 feet to the Northwest corner of said Lot 35;

Thence, South 00°12'46" East, 98.84 feet to the point of beginning.
CITY OF PORTERVILLE
ENGINEER’S REPORT FOR LANDSCAPING AND LIGHTING
MAINTENANCE DISTRICT NO. 35

SECTION 1. Authority for Report

This report is prepared by order of the City Council of the City of Porterville Resolution No. 28-2006. The report is in compliance with the requirement of Article 4, Chapter 1, Division 15 of the Streets and Highways Code, State of California (Landscape and Lighting Act of 1972).

SECTION 2. General Description

The City Council has elected to include lighting at Meadow Breeze Phase 1 Subdivision into the Landscape and Lighting Maintenance District No. 35. The City Council has determined that the areas to be lighted will have an effect upon all parcels within the proposed boundaries of the District. The District includes lighting on Brian Avenue, Pamela Avenue, and Salisbury Street as a part of the subdivision. Proposed areas for lighting are on both sides of the streets located within the subdivision.

SECTION 3. Plans and Specifications

The plans and specifications for the lighting were prepared by the developer and are in conformance with the requirements of the City of Porterville. All lights to be maintained will be shown on the subdivision maps as roadway rights-of-way, or easements to be granted to the City of Porterville. The total street lights to be maintained are 9.

SECTION 4. Improvements

Landscape and lighting improvements were made by the developer of Meadow Breeze Phase 1 Subdivision.
SECTION 5. Estimated Costs

The construction cost will be borne by the developer and will not be assessed. The subdivision map has been filed for record and it is intended that the improvements will be constructed during or before the 2006 – 2007 fiscal year and certain lighting costs will be incurred during fiscal year 2006 -2007. It is appropriate that the assessments be made in advance of the anticipated expenditure to provide working capital for the maintenance effort. District 35 assessments during the 2006-2007 Fiscal Year are as follows.

Estimated Assessment 2006-2007

**Electricity / Lighting**

9 fixtures, 5,800 lumens @ $30.21 per year  
$271.89

**Project Management Costs**

44 Lots @ $12.00 per lot  
$528.00

Sub Total 2006-2007  
$799.89

**Incidental Expenses**

15% Reserve Fund  
$119.98

Total 2006-2007 Initial Assessment  
$919.87

*Lighting costs are based on 29% benefit of total cost because lights are spaced closer together resulting in 40% more lights than the city standard outside the maintenance district.

After the 2006-2007 fiscal year, the assessments shall be increased with the cost of service. The increased cost of services shall be the lesser of the actual prior year’s cost or the
prior year’s estimated cost adjusted according to the annualized Consumer price Index rate. The Consumer Price Index is based on the San Francisco Model, and any increase for the year 2007/2008 will refer back to the prior year’s CPI. In the event that the costs of services provided do not increase to exceed the full amount of CPI from one year, such excess CPI percentage shall be carried over from year to year and may be utilized to increase the amount of assessment in future years.

SECTION 6. Assessment Diagram

A copy of the proposed assessment diagram entitled “Landscape and Lighting Maintenance District No. 35 is attached to this report and by reference is made part thereof.

SECTION 7. Assessment

The initial cost of constructing improvements has been borne by the developer. The improvement areas are established for the benefit of all properties within the proposed Landscape and Lighting Maintenance District No. 35. The establishment and maintenance of the improvements is a vital part of the development of Meadow Breeze Phase 1 Subdivision. The City Council of Porterville has determined that to insure satisfactory levels of maintenance of street lighting at Meadow Breeze Phase 1 Subdivision, it should become Landscape and Lighting Maintenance District No. 35. The lighting includes 9 street lights.

Landscape and Lighting Maintenance District No. 35 will consist of an area comprising approximately 10.05 acres. A total of 44 lots are proposed to be developed in Meadow Breeze Phase 1 Subdivision. The improvements will consist of those improvements described in Section 4 of this report. The maintenance of the improvements is a vital part of the development for the
protection or safety, economic and humanistic values. The City Council has determined that, for the preservation of values incorporated within this development, all lots will receive equal benefit from the landscaping and street lighting.

The determination of benefits takes into consideration the following facts:

1. The purpose of the improvements is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. The lots not adjacent to the landscaping and lighting facility improvements benefit for the maintenance equally to those lots adjacent to the improvements.

Estimated 2006-2007 Assessment

\[
A = \frac{\text{Cost (C)}}{\text{Number of Lots (L)}}
\]

\[
A = \frac{\$919.87}{44} = \$20.90 \text{ per lot for Meadow Breeze Phase 1 Subdivision}
\]

Total Assessment for 2006-2007 = $919.87
Total developed lot count is 44 lots.

SECTION 8. Order of Events


2. City Council Adopts Resolution of Preliminary Approval of Engineer’s Report.

3. City Council Adopts Resolution of Intention to Order the Formation of Landscape and Lighting Maintenance District No. 35 and determines the district.

4. City Council adopts Resolution Ordering the Improvements and the Formation of Landscape and Lighting Maintenance District No. 35.
5. Every year between April and June the Engineer of Work file a report with the City Council.

6. Every year between April and June, the City Council conducts a public hearing and approves, or modifies the individual assessments.

[Signature]

Douglas Wilson  
Engineer of the Work
City of Porterville
MEADOW BREEZE

BEING A SUBDIVISION OF THE REMAINDER OF CASTLEWOODS PHASE TWO, RM 38-74, AND A PORTION OF AND
SITUATED IN THE NORTH 1/2 OF THE NORTHEAST 1/4 OF SECTION 21, T.21S., R.27E., M.D.B.&M., IN THE CITY
OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA.

LEGEND

⊙ STREET LIGHTS (9 ea.)

△ FIRE HYDRANT

SCALE: 1" = 200'

LOCATION MAP
NOT TO SCALE
Landscape and Lighting District No. 35

That portion of the Northeast quarter of the Northeast quarter of Section 21, Township 21 South, Range 27 East, Mount Diablo Base and Meridian, City of Porterville, County of Tulare, State of California described as follows:

Beginning at the Southwest corner of the Northeast quarter of the Northeast quarter of said Section 21;

Thence, North 01°09'01" West, 625.10 feet along the West line of the Northeast quarter of the Northeast quarter of said Section 21;

Thence, South 89°51'08" East, 70.00 feet;

Thence, North 00°12'46" West, 98.84 feet;

Thence, North 19°33'39" West, 73.60 feet;

Thence, North 00°12'46" West, 60.00 feet to the Southwest corner of Lot 55 of said Castle Woods, Phase 2;

Thence, South 89°36'32" East, 105.01 feet to the Southeast corner of said Lot 55;

Thence, North 89°47'14" East, 60.00 feet to a point in the East line of Salisbury Street per said Castle Woods, Phase 2;

Thence, North 00°12'46" West, 33.74 feet to the Southwest corner of Lot 48 of said Castle Woods, Phase 2;

Thence, South 89°47'26" East, 307.00 feet to the Southeast corner of Lot 44 of said Castle Woods, Phase 2;

Thence, South 00°12'46" East, 93.40 feet to the Southwest corner of Lot 43 of said Castle Woods, Phase 2, said Southwest corner being the beginning of a 50.00 foot radius non-tangent curve, concave to the South, a radial to said beginning bears North 21°03'21" West;

Thence, Easterly, along said curve, through a central angle of 68°45'29" an arc distance of 60.00 feet to the Westerly Southeast corner of said Lot 43;

Thence, non-tangent to said curve, North 47°42'08" East, 134.04 feet to the Easterly Southeast corner of said Lot 43 said Easterly Southeast corner being a point in the West
line of Lot 22 of Castle Woods, Phase 1 per map recorded in Book 37, page 42 of Maps in the Office of the County Recorder of said County;

Thence, South 01°49'31" East, 218.00 feet to the Southwest corner of Lot 20 of said Castle Woods, Phase 1 said Southwest corner also being the Northeast corner of Parcel 2 of Parcel Map No. 2458 per map recorded in Book 25, page 59 of Parcel maps in the Office of the County Recorder of said County;

Thence, South 02°06'10" East, 326.61 feet to the Southeast corner of said Parcel 2;

Thence, North 89°47'32" West, 408.95 feet along the South line of said Parcel 2;

Thence, South 01°09'01" East, 326.87 feet, to a point in the South line of the Northeast quarter of the Northeast quarter of said Section 21;

Thence, North 89°51'08" West, 275.07 feet to the point of beginning.
SECTION 1. Authority for Report

This report is prepared by order of the City Council of the City of Porterville Resolution No. 28-2006. The report is in compliance with the requirement of Article 4, Chapter 1, Division 15 of the Streets and Highways Code, State of California (Landscape and Lighting Act of 1972).

SECTION 2. General Description

The City Council has elected to include landscaping and lighting at Amalene Estates Subdivision into the Landscape and Lighting Maintenance District No. 36. The City Council has determined that the areas to be landscaped and lighted will have an effect upon all parcels within the proposed boundaries of the District. The areas for street lights are included on all the streets located within the subdivision. Proposed areas for lighting are on both sides of the streets located within the subdivision. The landscaping includes a masonry wall along the east boundary. The wall maintenance includes: cleaning, repairing, painting and rodent control. A landscaped area was installed by the developer generally adjacent to the masonry walls. The landscaped area maintenance includes cleaning, weed control, maintenance of irrigation facilities, and control of the growth.

SECTION 3. Plans and Specifications

The plans and specifications for the lighting were prepared by the developer and are in conformance with the requirements of the City of Porterville. All lights to be maintained will be shown on the subdivision maps as roadway rights-of-way, or easements to be granted to the City
of Porterville. The total street lights to be maintained are 11. Total landscaped area to be maintained is 339 lineal feet of 6-foot masonry wall, and 1870 square feet of landscaped area.

Maintenance activities within the Landscape and Lighting Maintenance District No. 36 are to include landscape and lighting maintenance.

SECTION 4. Improvements

Landscape and lighting improvements were made by the developer of Amalene Estates Subdivision.

SECTION 5. Estimated Costs

The construction cost will be borne by the developer and will not be assessed. The subdivision map has been filed for record and the improvements have been installed and certain maintenance on the areas will be necessary during fiscal year 2006-2007. It is appropriate that the assessments be made in advance of the anticipated expenditure to provide working capital for the maintenance effort. In this District assessments will be made during the 2006-2007 Fiscal Year.

Estimated Assessment 2006-2007

<table>
<thead>
<tr>
<th>Landscaped Area</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Masonry wall</td>
<td>339 L.F. @ $0.46 per L.F.</td>
</tr>
<tr>
<td>1870 sq ft landscaped area</td>
<td>$0.68 per sq ft</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Electricity /Lighting</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>10 fixtures, 5,800 lumens @ $30.21 per year</td>
<td>$302.10</td>
</tr>
<tr>
<td>1 fixtures, 16,000 lumens @ $47.47 per year</td>
<td>$47.47</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Project Management Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>24 Lots @ $12.00 per lot</td>
</tr>
</tbody>
</table>
Sub Total 2006-2007 $2,065.11
15% Reserve Fund $309.76
Total 2006-2007 Initial Assessment $2,374.87

**Lighting costs are based on 29% benefit of total cost because lights are spaced closer together resulting in 40% more lights than the city standard outside the maintenance district.**

After the 2006-2007 fiscal year, the assessments shall be increased with the cost of service. The increased cost of services shall be the lesser of the actual prior year’s cost or the prior year’s estimated cost adjusted according to the annualized Consumer Price Index rate. The Consumer Price Index is based on the San Francisco Model, and any increase for the year 2007/2008 will refer back to the prior year’s CPI. In the event that the costs of services provided do not increase to exceed the full amount of CPI from one year, such excess CPI percentage shall be carried over from year to year and may be utilized to increase the amount of assessment in future years.

SECTION 6. Assessment Diagram

A copy of the proposed assessment diagram entitled “Landscape and Lighting Maintenance District No. 36 is attached to this report and by reference is made part thereof.

SECTION 7. Assessment

The initial cost of constructing improvements has been borne by the developer. The improvement areas are established for the benefit of all properties within the proposed Landscape and Lighting Maintenance District No. 36. The establishment and maintenance of the improvements is a vital part of the development of Amalene Estates Subdivision. The City
Council of Porterville has determined that to insure satisfactory levels of maintenance for the landscape and lighting at Amalene Estates Subdivision, it should become Landscape and Lighting Maintenance District No. 36. The subdivision consists of 24 Lots. The Landscape area, which benefits the 24 lots, is located along the easterly boundary of the district.

Landscape and Lighting Maintenance District No. 36 will consist of an area comprising approximately 11.13 acres. A total of 24 lots are proposed to be developed. The improvements will consist of those improvements described in Section 4 of this report. The maintenance of the improvements is a vital part of the development for the protection or safety, economic and humanistic values. The City Council has determined that, for the preservation of values incorporated within this development, all lots will receive equal benefit from the landscaping and street lighting.

The determination of benefits takes into consideration the following facts:

1. The purpose of the improvements is to provide a favorable aesthetic appearance of the area.

2. Properly maintained landscaping and lighting benefits all properties in the development.

3. The lots not adjacent to the landscaping and lighting facility improvements benefit for the maintenance equally to those lots adjacent to the improvements.

Estimated 2006-2007 Assessment

Assessment \( A \) = \( \frac{\text{Cost (C)}}{\text{Number of Lots (L)}} \)

\[
A = \frac{2,374.87}{24} = 98.94 \text{ per lot for Amalene Estates Subdivision}
\]
Total Assessment for 2006-2007 = $2,374.87

Total developed lot count is 24 lots.

SECTION 8. Order of Events


2. City Council Adopts Resolution of Preliminary Approval of Engineer's Report.

3. City Council Adopts Resolution of Intention to Order the Formation of Landscape and Lighting Maintenance District No. 36 and determines the district.

4. City Council adopts Resolution Ordering the Improvements and the Formation of Landscape and Lighting Maintenance District No. 36.

5. Every year between April and June the Engineer of Work file a report with the City Council.

6. Every year between April and June, the City Council conducts a public hearing and approves, or modifies the individual assessments.

Douglas Wilson
Engineer of the Work
Amalene Estates
Landscape & Lighting District No. 36

That portion of the North half of the Northeast quarter of Section 32, Township 21 South, Range 27 East, Mount Diablo Base and Meridian, in the City of Porterville, County of Tulare, State of California, described as follows:

Beginning at a point in the East line of said Northeast quarter, said point being South 00°15'22" West, 987.35 feet of the Northeast corner of said Northeast quarter;

Thence, North 89°56'25" West, 42.00 feet to the Northeast corner of Lot 1 of The Ford Estates, Unit No. 1, per map recorded in Book 37, page 99 of Maps, Tulare County Records;

Thence, North 89°56'25" West, 165.08 feet along the North line of said Lot 1 and the Westerly prolongation thereof;

Thence, South 00°14'04" West, 41.54 feet to the Northeast corner of Lot 20 of said The Ford Estates, Unit No. 1;

Thence, North 89°57'12" West, 105.00 feet to the Northwest corner of said Lot 20;

Thence, South 00°14'04" West, 30.00 feet to the Northeast corner of Lot 18 of said The Ford Estates, Unit No. 1;

Thence, North 89°57'12" West, 537.95 feet along the North line of said The Ford Estates, Unit No. 1 and the Westerly prolongation thereof;

Thence, North 00°15'22" East, 84.28 feet;

Thence, South 89°55'28" East, 85.00 feet;

Thence, North 00°15'22" East, 315.00 feet;

Thence, South 89°55'28" East, 105.00 feet;

Thence, North 00°15'22" East, 200.00 feet;

Thence, South 89°55'28" East, 230.00 feet;

Thence, South 00°15'22" West, 120.00 feet;
Thence, South 89°55'28" East, 209.90 feet to the beginning of a 330.00 foot radius tangent curve, concave to the South;

Thence, Easterly, along said curve, through a central angle of 11°40'06" an arc distance of 67.20 feet, to the beginning of a 270.00 foot radius reverse curve, concave to the North, a radial to said beginning bears South 11°44'38" West;

Thence, Easterly, along said curve, through a central angle of 11°40'06" an arc distance of 54.99 feet;

Thence, tangent to said curve, South 89°55'28" East, 36.71 feet;

Thence, North 45°09'57" East, 28.33 feet;

Thence, South 89°44'38" East, 42.00 feet to a point in the East line of said Northeast quarter;

Thence, South 00°15'22" West, 414.82 feet to the point of beginning.
CITY OF PORTERVILLE
ENGINEER’S REPORT FOR LANDSCAPING AND LIGHTING MAINTENANCE DISTRICT NO. 37

SECTION 1. Authority for Report

This report is prepared by order of the City Council of the City of Porterville Resolution No. 28-2006. The report is in compliance with the requirement of Article 4, Chapter 1, Division 15 of the Streets and Highways Code, State of California (Landscape and Lighting Act of 1972).

SECTION 2. General Description

The City Council has elected to include lighting at Riverview Estates, Phase 4 Subdivision into the Landscape and Lighting Maintenance District No. 37. The City Council has determined that the areas to be lighted will have an effect upon all parcels within the proposed boundaries of the District. The District includes lighting on Parkwest Street and Union Lane as a part of the subdivision. Proposed areas for lighting are on both sides of the streets located within the subdivision.

SECTION 3. Plans and Specifications

The plans and specifications for the lighting were prepared by the developer and are in conformance with the requirements of the City of Porterville. All lights to be maintained will be shown on the subdivision maps as roadway rights-of-way, or easements to be granted to the City of Porterville. The total street lights to be maintained are 5.

SECTION 4. Improvements

Landscape and lighting improvements were made by the developer of Riverview Estates, Phase 4 Subdivision.
SECTION 5. Estimated Costs

The construction cost will be borne by the developer and will not be assessed. The subdivision map has been filed for record and it is intended that the improvements will be constructed during or before the 2006 – 2007 fiscal year and certain lighting costs will be incurred during fiscal year 2006 -2007. It is appropriate that the assessments be made in advance of the anticipated expenditure to provide working capital for the maintenance effort. District 37 assessments during the 2006-2007 Fiscal Year are as follows.

Estimated Assessment 2006-2007

Electricity/Lighting*

5 fixtures, 5,800 lumens @ $30.21 per year $151.05

Project Management Costs

17 Lots @ $15.00 per lot $255.00

Sub Total 2006-2007 $406.05

Incidental Expenses

15% Reserve Fund $ 60.91

Total 2006-2007 Initial Assessment $466.96

*Lighting costs are based on 29% benefit of total cost because lights are spaced closer together resulting in 40% more lights than the city standard outside the maintenance district.

After the 2006-2007 fiscal year, the assessments shall be increased with the cost of service. The increased cost of services shall be the lesser of the actual prior year’s cost or the
prior year’s estimated cost adjusted according to the annualized Consumer price Index rate. The Consumer Price Index is based on the San Francisco Model, and any increase for the year 2007/2008 will refer back to the prior year’s CPI. In the event that the costs of services provided do not increase to exceed the full amount of CPI from one year, such excess CPI percentage shall be carried over from year to year and may be utilized to increase the amount of assessment in future years.

SECTION 6. Assessment Diagram

A copy of the proposed assessment diagram entitled “Landscape and Lighting Maintenance District No. 37 is attached to this report and by reference is made part thereof.

SECTION 7. Assessment

The initial cost of constructing improvements has been borne by the developer. The improvement areas are established for the benefit of all properties within the proposed Landscape and Lighting Maintenance District No. 37. The establishment and maintenance of the improvements is a vital part of the development of Riverview Estates, Phase 4 Subdivision. The City Council of Porterville has determined that to insure satisfactory levels of maintenance of street lighting at Riverview Estates, Phase 4 Subdivision, it should become Landscape and Lighting Maintenance District No. 37. The lighting includes 5 street lights.

Landscape and Lighting Maintenance District No. 37 will consist of an area comprising approximately 3.81 acres. A total of 24 lots are proposed to be developed in Riverview Estates, Phase 4 Subdivision. The improvements will consist of those improvements described in Section 4 of this report. The maintenance of the improvements is a vital part of the development for the
protection or safety, economic and humanistic values. The City Council has determined that, for
the preservation of values incorporated within this development, all lots will receive equal
benefit from the landscaping and street lighting.

The determination of benefits takes into consideration the following facts:

1. The purpose of the improvements is to provide a favorable aesthetic appearance of the area.
2. Properly maintained landscaping and lighting benefits all properties in the development.
3. The lots not adjacent to the landscaping and lighting facility improvements benefit for the maintenance equally to those lots adjacent to the improvements.

Estimated 2006-2007 Assessment

\[
A = \frac{\text{Cost (C)}}{\text{Number of Lots (L)}}
\]

\[
A = \frac{466.96}{17} = 27.46 \text{ per lot for Riverview Estates, Phase 4 Subdivision}
\]

Total Assessment for 2006-2007 = $466.96
Total developed lot count is 17 lots.

SECTION 8. Order of Events


2. City Council Adopts Resolution of Preliminary Approval of Engineer’s Report.

3. City Council Adopts Resolution of Intention to Order the Formation of Landscape and Lighting Maintenance District No. 37 and determines the district.

5. Every year between April and June the Engineer of Work file a report with the City Council.

6. Every year between April and June, the City Council conducts a public hearing and approves, or modifies the individual assessments.

Douglas Wilson
Engineer of the Work
CITY OF PORTERVILLE

BEING A PORTION OF PARCEL 2 AND OF PARCEL 4 OF PARCEL MAP NO. 4239, PM 43-43,
LOCATED WITHIN THE NORTHEAST 1/4 OF SECTION 33, T.21S., R.27E., M.D.B.&M.,
IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA.

LEGEND

- STREET LIGHTS (5 ea.)
- FIRE HYDRANT

SCALE: 1" = 100'

LOCATION MAP
NOT TO SCALE
That portion of Parcel 2 and of Parcel 4 of Parcel Map No. 4239, in the City of Porterville, County of Tulare, State of California per map recorded in Book 43, page 43 of Parcel Maps in the Office of the County Recorder, described as follows:

Beginning at the Northeast corner of said Parcel 4;

Thence, South 89°51'04" West, 421.41 feet along the North line of said Parcel 4 and the North line of said Parcel 2;

Thence, North 78°20'43" West, 61.15 feet along the North line of said Parcel 2;

Thence, South 89°51'04" West, 100.00 feet to the Northwest corner of said Parcel 2;

Thence, South 00°32'34" West, 300.09 feet along the West line of said Parcel 2;

Thence, South 89°27'26" East, 160.00 feet;

Thence, North 00°32'34" East, 9.49 feet;

Thence, North 89°51'04" East, 421.40 feet to a point in the East line of said Parcel 4;

Thence, North 00°32'34" East, 280.02 feet to the point of beginning.
CITY COUNCIL AGENDA: APRIL 18, 2006
PUBLIC HEARING

TITLE: CONDITIONAL USE PERMIT 2-2006 (WESTERN STAR CONSTRUCTION)

SOURCE: COMMUNITY DEVELOPMENT DEPARTMENT - PLANNING DIVISION

COMMENT: The applicant is requesting approval of Conditional Use Permit 2-2006 to allow for the construction of one (1) two-story four-plex, and one (1) two-story duplex on a vacant 16,741± square foot vacant lot zoned R-2 (Four Family Residential). The subject site is generally located at the terminus of Murry Street and Kanai Avenue. Sewer, water, curb, gutter and sidewalk exist across the full frontage of the site.

Pursuant to Section 301 A-2 (R-2 Zoning) of the Porterville Zoning Ordinance, two (2) to four (4) family units per lot are allowed. Additional units may be allowed subject to the approval of a Conditional Use Permit, provided the minimum lot area per family does not exceed one family unit per three thousand (3,000) square feet. Based on the 16,741± square foot site, a total of 5.60 units would have been allowed. The applicant has requested an increase to allow rounding up the number of units from 5.60 to 6.

Pursuant to Section 3001 B 5(b) of the Porterville Zoning Ordinance, the Zoning Administrator may approve the rounding upwards to the next highest whole number of any major fraction of calculation of units. The Zoning Administrator has approved rounding up the allowable units from 5.6 to 6 units contingent upon Council’s approval of the Conditional Use Permit.

The four-plex will be located on the west side of the lot and the duplex will be located on the east side of the lot. Six (6) covered parking stalls and four (4) uncovered parking stalls will be provided. The buildings will have a stucco finish, earth tone in color and composition roof, black in color. Landscaping will be provided around the perimeter of the site with some additional interior landscaping.

ENVIRONMENTAL: This project is Categorically Exempt pursuant to Section 15332 of the CEQA Guidelines - construction of in-fill development. Under the Permit Streamlining Act (Section 65950 of the Government Code), the City has 60 days from the date the project was accepted as complete to reach a determination regarding this project.

RECOMMENDATION: That the City Council:

1. Adopt the draft resolution approving Conditional Use Permit 2-2006

ATTACHMENT:
1. Complete Staff Report

[Signature]

APPROPRIATED/FUNDED CM ITEM NO. 14
PUBLIC HEARING - STAFF REPORT

TITLE: Conditional Use Permit 2-2006

APPLICANT: West Star Construction
13837 S. Zediker
Kingsburg, CA 93631

PROJECT LOCATION: Generally the terminus of Murry Street and Kanai Avenue.

SPECIFIC REQUEST: The applicant is requesting approval of Conditional Use Permit 2-2006 to allow for the construction of one (1) two-story four-plex, and one (1) two-story duplex on a vacant 16,741± square foot vacant lot zoned R-2 (Four Family Residential). The subject site is generally located at the terminus of Murry Street and Kanai Avenue. Sewer, water, curb, gutter and sidewalk exist across the full frontage of the site.

Pursuant to Section 301 A-2 (R-2 Zoning) of the Porterville Zoning Ordinance, two (2) to four (4) family units per lot are allowed. Additional units may be allowed subject to the approval of a Conditional Use Permit, provided the minimum lot area per family does not exceed one family unit per three thousand (3,000) square feet. Based on the 16,741± square foot site, a total of 5.60 units would have been allowed. The applicant has requested an increase to allow rounding up the number of units from 5.60 to 6.

Pursuant to Section 3001 B 5(b) of the Porterville Zoning Ordinance, the Zoning Administrator may approve the rounding upwards to the next highest whole number of any major fraction of calculation of units. The Zoning Administrator has approved rounding up the allowable units from 5.6 to 6 units.

PROJECT DETAILS: The four-plex will be located on the west side of the lot and the duplex will be located on the east side of the lot. Six (6) covered parking stalls and four (4) uncovered parking stalls will be provided. The buildings will have a stucco finish, earth tone in color and composition roof, black in color. Landscaping will be provided around the perimeter of the site with some additional interior landscaping.

STAFF ANALYSIS: Development of the site as proposed will provide needed housing in conformance with the City’s General Plan Land Use and Housing Elements and requirements of the State Subdivision Map Act and local ordinances.

The proposal to develop the site with a multiple family residential uses is consistent with the General Plan’s High Density Residential land use designation and R-2 (Four Family Residential) Zone. Additionally, this will in-fill a site that has been vacant for several years.
The maximum allowed density for R-2 zoned property cannot exceed 40% of lot coverage. As proposed, 21.7% of the subject site will be covered with garages and residential units.

GENERAL PLAN LAND USE DESIGNATION: Medium Density Residential

EXISTING ZONING: R-2 (Four Family Residential)

SURROUNDING AREA ZONING AND LAND USE:

North: City – Vacant land and Grand Avenue.
South: City - Single family dwelling and condominiums.
East: City - Vacant.
West: City – Forest Service storage yard.

ALTERNATIVES TO THE PROJECT AND THEIR EFFECT:

1. Denial of the proposed project would prohibit the use of the site as proposed.

2. Approval of the conditional use permit would allow for the existing vacant site to be developed as proposed.

ENVIRONMENTAL: This project is Categorically Exempt pursuant to Section 15332 of the CEQA Guidelines - construction of in-fill development. Under the Permit Streamlining Act (Section 65950 of the Government Code), the City has 60 days from the date the project was accepted as complete to reach a determination regarding this project.


DATE ACCEPTED AS COMPLETE: March 14, 2006

RECOMMENDATION: That the City Council:

1. Adopt the draft resolution approving Conditional Use Permit 2-2006.

ATTACHMENTS:

1. Locator, zoning and general plan map
2. Conditional Use Permit Application
3. Letter requesting the rounding up the number of units from 5.60 to 6.
4. Notice of Exemption
5. Draft resolution approving Conditional Use Permit 2-2006 to include Exhibit “A”- Site Plan and elevation plans.
APPLICATION FOR CONDITIONAL USE PERMIT
(See Page 3 of this form for information on preparing and filing this application)

The Applicant(s) WEST STAR CONSTRUCTION are the owner(s) or tenant(s) of property situated at 541 N. Murry St. between E. KANAI Street/Avenue and E. MORTON Street/Avenue. Exact legal description of said property being (Use separate sheet if necessary)

APN # 253-230-008, LOT 8 OF THE WESTERN HILLS SUBDIVISION OF PARCEL 1 OF PARCEL MAP NO. 1850, RECORDED IN VOL 19, PAGES 1 OF TCR.

As applicable, a Plot Plan and 300' radius property owners map, and corresponding mailing list are hereto attached and made a part of this application (See detailed instructions on Page 3 of this form).

(A) Above described property is owned by WEST STAR CONSTRUCTION
Date acquired 02-27-2006

(B) If applicant is the lessee, give date property was leased:

(C) List below the original deed restrictions, if any, that were placed on the property which pertain to the type of improvements permitted.
Give date said restrictions expire NONE

(You may attach copy of original printed restrictions in answer to this question after property underlining those features controlling the type and class of uses permitted thereby).

(D) REQUEST: The applicant requests a Conditional Use Permit to USE the above described property for the following purposes:

(Use this space ONLY to state exactly what is intended to be done, on or with the property).

To allow an increase by rounding up the number of units from 5.6 to 6.0 units for said parcel number,
Pursuant to Section 3.001 B-(b) of the Zoning Ordinance.
NOTE: The basic purpose of the Conditional Use Permit Article of The City Zoning Ordinance is to assure that the design and subsequent operation of a conditional use will be reviewed in order to carry out the purposes of the Ordinance and to protect the public health, safety and welfare, due to the unique and special characteristics of such uses.

1. State how the proposed use will not be materially detrimental to the public welfare or injurious to property or improvements in such vicinity and zone in which the use is proposed to be located.

   Such improvement will not be detrimental to the public welfare by requesting rounding up from 5.6 to 6.0 units.

2. Principal requirements of intended use (Please answer the following statements, if applicable):
   (a) Total number of people that the building (or grounds if the use is not conducted in a building) can accommodate at one time (Seating Capacity).

      N/A

   (b) Total number of employees that will work on the property.

      N/A

   (c) Total number of off-street parking spaces provided or planned.

      None

   (d) Maximum height of buildings or structures.

      17' 6"

   (e) If the application is not intended to be for a permanent conditional use, state the length of time for which it is requested.

      N/A
We, the undersigned OWNERS of ADJACENT PROPERTY as shown upon the map attached to the application, hereby certify that we have read the foregoing petition and agree that the facts stated correctly and completely present the conditions surrounding the property involved in the application, and believe the application SHOULD BE GRANTED (Add additional sheets where necessary. These signatures are desirable but not required).

<table>
<thead>
<tr>
<th>No. on Map</th>
<th>Name</th>
<th>Address</th>
<th>Lot</th>
<th>Block</th>
<th>Tract</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>West Star Construction</td>
<td>541 N. Muuy St.</td>
<td>8</td>
<td>PM</td>
<td>1850</td>
</tr>
</tbody>
</table>

| Telephone No. | (559) 897-0349 |

<table>
<thead>
<tr>
<th>Mailing Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>13837 S. A FEDER, TULARE, CA 93271</td>
</tr>
</tbody>
</table>

This is to certify that the foregoing application has been inspected by me and has been found to be thorough and complete in every particular and to conform to the rules and regulations of the City of Porterville governing the filing of such application.

By __________________________

Date Received __________________________
March 17, 2006

City of Porterville
291 N. Main St.
Porterville, CA 93257

RE: CUP Application Request

Dear Mr. Frasher,

In regards to the letter we received from our Project Review Committee meeting on January 25, 2006, we are responding to the condition Item 3, which states that we are requesting the rounding up of the number of units from 5.6 units to 6.0 units for said parcel.

Pursuant to Section 3001 B – (b) of the Zoning Ordinance, the Zoning Administrator has the Authority to allow to round upward to the next higher number.

We would like to ask for this approval.

Thank you!

Sincerely,

Gary L. Guillet
NOTICE OF EXEMPTION

TO: ______ Office of Planning and Research
1400 Tenth Street, Room 121
Sacramento, CA 95814

Tulare County Clerk
County Civic Center
Visalia, CA 93291

FROM: City of Porterville
291 N. Main Street
Porterville, California 93258

Western Star Construction
13837 S. Zediker
Kingsburg, CA 93631

Conditional Use Permit 2-2006

Project Title

Generally at the terminus of Murry Street and Kanai Avenue.

Project Location (Specific)

City of Porterville

City of Porterville

Tulare

Project Location (City)

Project Location (County)

Conditional Use Permit 2-2006 proposes to allow for the development of one (1) two (2) story four-plex and one (1) two (2) story duplex on a vacant 16,741 square foot lot in the R-2 (Four Family Residential) Zone. Sewer, water, curb, gutter and sidewalk exist across the full frontage of the site. Pursuant to Section 301 A (2) of the Porterville Zoning Ordinance, more than four (4) units require approval of a Conditional Use Permit.

Description of Nature, Purpose, and Beneficiaries of Project

City of Porterville

Name of Public Agency Approving Project

Western Star Construction, 13837 S. Zediker, Kingsburg, CA 93631

Name of Person or Agency Carrying Out Project

Exempt Status: (Check One)

________ Ministerial (Section 15073)

________ Declared Emergency (Section 15071 (a))

X Categorical Exemption. State type and section number: 15332

In-fill development.

Reasons why project is exempt

Bradley D. Dunlap, Community Development Director
Contact Person

If Filed by Applicant:

1. Attached certified document of exemption finding.

2. Has a Notice of Exemption been filed by the public agency approving the project? Yes: ________

Date Received for filing: ________

Signature

Community Development Director
Title

U/NoticeExemptCUP2-2006

ATTACHMENT
ITEM NO. 4
RESOLUTION NO.  _________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE
CONTAINING FINDINGS IN SUPPORT OF CONDITIONAL USE PERMIT 2-2006 TO
ALLOW THE CONSTRUCTION OF ONE (1) TWO-STORY FOUR-PLEX, AND ONE (1)
TWO-STORY DUPLEX FOR THAT SITE GENERALLY LOCATED AT THE TERMINUS
OF MURRY STREET AND KANAI AVENUE

WHEREAS: The City Council of the City of Porterville at its regularly scheduled meeting
of April 18, 2006, conducted a public hearing to consider Conditional Use Permit 2-2006, being a
request to allow for the construction of one (1) two-story four-plex and one (1) two-story duplex on a
vacant 16,741± square foot vacant lot zoned R-2 (Four Family Residential). The subject site is
generally located at the terminus of Murry Street and Kanai Avenue; and

WHEREAS: Pursuant to Section 301 A-2 (R-2 Zoning) of the Porterville Zoning
Ordinance, two (2) to four (4) family units per lot are allowed. Additional units may, subject to the
approval of a Conditional Use Permit, be constructed provided the minimum lot area per family does
not exceed one family unit per three thousand (3,000) square feet. Based on the 16,741± square feet,
a total of 5.60 units would be allowed. The applicant has requested an increase to allow rounding up
the number of units from 5.60 to 6; and

WHEREAS: Pursuant to Section 3001 B 5(b) of the Porterville Zoning Ordinance, the
Zoning Administrator has allowed rounding upwards the number of allowable units contingent upon
the approval of the conditional use permit by the City Council.

WHEREAS: This project is Categorically Exempt pursuant to Section 15332 of the
CEQA Guidelines - construction of in-fill development. Under the Permit Streamlining Act
(Section 65950 of the Government Code), the City has 60 days from the date the project was
accepted as complete to reach a determination regarding this project; and

WHEREAS: The City Council made the following findings with respect to the subject
project:

1. The General Plan designates the subject site as Medium Density Residential.

The subject site is zoned R-2 (Four Family Residential) which is supported by the
General Plan. The proposed use is allowed pursuant to approval of a Conditional Use
Permit.
2. That the site is physically suitable for the type of development proposed. The site is generally level. The soil is not highly expansive and therefore will not create any barriers to the construction of a duplex and four-plex.

3. That the design of the project or the proposed improvements are not likely to cause substantial environmental damage.

The subject site is vacant and absent of any vegetation due to weed control. Staff conducted an on-site inspection. No natural habitat was observed. As such, no endangered, threatened or rare species or habitats exist and no impact will occur.

4. That the proposed location of the project and the conditions under which it will be operated and maintained will not be detrimental to the public health, safety or welfare, or materially injurious to properties or improvements in the vicinity.

Conditions of approval are included to ensure adequate development standards are met.

5. That the standard of population density, site area dimensions, site coverage, yard spaces, height of structures, distance between structures, off-street parking facilities, and landscaped areas will produce an environment of stable and desirable character consistent with the objectives of the Zoning Ordinance.

6. The project as proposed complies with all design standards of the Zoning Ordinance.

NOW, THEREFORE, BE IT RESOLVED: That the City Council of the City of Porterville does hereby approve Conditional Use Permit 2-2006, subject to the following conditions:

1. Submit three (3) complete sets of plans, signed by a licensed Architect or Engineer, to include two (2) sets of energy calculations and structural calculations. Compliance with access laws (both State and Federal) is required.

2. Compliance with all applicable codes is required.

3. Soils compaction test will be required.

4. School Development fees and all other City fees are due at the time of building permit issuance.

5. Signs require a separate permit.
6. The developer/applicant shall pay all applicable fees according to the Municipal Code and State Law.

7. The landscaped area will be on an automatic water system. The street trees shall be from the approved list of trees from the Parks and Leisure Department. The trees shown on the plan need to be shown located on the property and not on the sidewalk.

8. A waiver of liability for the City refuse needs to be signed. Applications are available in the Engineering division or the City Field Services Division.


10. The developer/applicant shall pay all applicable fees in accordance with the Municipal Code and State law. Fees are subject to change annually. The developer/applicant is hereby notified that you have the right to pay fees, dedications, reservations or other exactions, under protest, pursuant to Government Code Section 66020(a). You have 90 days from the date fees are paid to file a written protest.

11. The developer/applicant shall follow Appendix Chapter 33 of the California Building Code including provision of a grading and drainage plan signed by a licensed civil engineer or architect. The developer/applicant shall comply with City Retaining Wall Standards (adopted by City Council January 3, 1989) at lot lines where such standards are applicable.

12. The developer/applicant is hereby notified that earthwork, grading, drainage, foundation, etc. construction for the proposed apartments shall comply with a Preliminary Soils Report on file with the Chief Building Inspector’s office.

13. The developer/applicant shall construct street paving, curb, gutter, sidewalk, water, sewer, etc. along the full frontage of the parcel except where they exist and are in good condition in the opinion of the City Engineer.

14. The developer/applicant shall, under City inspection, remove all existing abandoned and unnecessary items, to the satisfaction of the City Engineer, prior to the issuance of an occupancy permit (e.g., foundations, septic tanks, irrigation pipes, etc.).

15. The developer/applicant shall abandon existing wells, if any, after first obtaining an abandonment permit from the County Department of Environmental Health, and shall provide the City Engineer with proof of compliance with County regulations prior to performing any grading.
16. The developer/applicant shall design and improve the parking lot in conformance with Section 2206 and 2211 (Exhibit A) of the Zoning Ordinance.

17. The developer/applicant shall install all required refuse container enclosures according to City standards. The developer/applicant shall also sign a waiver of liability for refuse truck damage to the parking lot if the refuse container locations require refuse trucks to travel on the parking lot. The location shall be northwesterly of and near the proposed driveway. The enclosure opening shall face east, 45-degree orientation to the access point.

18. The developer/applicant shall comply with City standard for “backflow” prevention pursuant to Resolution No. 9615.

19. Fire hydrant spacing shall be as follows: Residential development, one hydrant shall be installed at 500 foot intervals.

20. When any portion of the building to be protected is in excess of 150 feet from a water supply on a public street, there shall be installed on-site fire hydrants capable of supplying the required flow.

21. Depending on the location of the existing fire hydrant(s), additional fire hydrants may be required. All hydrants must be in place and accepted by the Fire Dept. prior to any combustibles being brought onto the site.

22. Access roads shall be provided for every facility, building or portion of a building, when any portion of the facility or portion of an exterior wall is located more than 150 feet from a fire apparatus access as measured by an approved route around the exterior of the building.

23. Project must meet minimum fire flow requirements per table in appendix III-A & III-B of the California Fire Code. Fire flow for this project as proposed would be 1750 GPM requiring a minimum of 1 hydrant. If no current testing is available hydrants must be tested for required fire flow at the developers expense at a cost of $65 per hydrant tested.

24. The developer/applicant shall install a refuse container enclosure according to City standards. Enclosure location to be approved by City prior to issuance of building permit. Enclosure should be oriented for direct stab pick up. The developer/applicant shall also sign a waiver of liability for refuse truck damage to the parking lot if the refuse container location requires refuse trucks to travel on the parking lot.

25. Although precise calculations have not yet been made, the developer/applicant should be aware that traffic impact fees will apply to this project. The current rate for multiple family residential development is $541 per unit. As of May 22, 2006, fees will increase.
26. Automatic irrigation systems for all landscaping will be required.

27. The following regulations of the San Joaquin Valley Air Pollution Control District (Rule 4901 - Wood Burning Fireplaces and Wood Burning Heaters) will apply to this project:

   a. In new residential developments with a density greater than two (2) dwelling units per acre, no person shall install a wood-burning fireplace.
   b. In new residential development with a density equal to or greater than three (3) dwelling units per acre, no person shall install more than two (2) EPA Phase II Certified wood burning heaters (wood-stove, pellet-stove, or wood-burning insert) per acre.
   c. No person shall install more than one (1) wood burning fireplace or wood burning heater in each new dwelling unit.
   d. A new residential development is defined as any single or multi-family housing unit, for which construction begins on or after January 1, 2004. Construction has begun when the foundation for the structure is constructed.

28. At all times, the apartment complex shall be constructed, operated and maintained to comply with State Law, the City of Porterville Municipal Code, adopted Building Codes and all other applicable laws and ordinances.

29. That the subject site will be developed in accordance with the site plan, elevation plans and building colors and materials labeled EXHIBIT “A”.

30. The Conditional Use Permit shall become null and void if not undertaken and actively and continuously pursued within one (1) year.

Pedro R. Martinez, Mayor

ATTEST:

John Longley, City Clerk

By __________________________
  Georgia Hawley, Chief Deputy City Clerk
SUBJECT: SECOND READING - ORDINANCE 1693, AMENDING PERS CONTRACT

SOURCE: Administrative Services Department/City Clerk Division

COMMENT: Ordinance No. 1693, authorizing an amendment to the contract between the City Council of the City of Porterville and the Board of Administration of the California Public Employees’ Retirement System, was given First Reading on March 7, 2006, and has been printed.

RECOMMENDATION: That Council give Second Reading to Ordinance No. 1693 and waiving further reading, and adopt said ordinance.

Attachment: Ordinance No. 1693
ORDINANCE 1693


THE CITY COUNCIL OF THE CITY OF PORTERVILLE DOES ORDAIN AS FOLLOWS:

Section 1.

That the amendment to the contract between the City Council of the City of Porterville and the Board of Administration of the California Public Employees’ Retirement System is hereby authorized, a copy of said amendment being attached hereto, marked “Exhibit,” and by such reference made a part hereof as though herein set out in full.

Section 2.

The Mayor of the City of Porterville is hereby authorized, empowered, and directed to execute said amendment for and on behalf of said Agency.

Section 3.

This Ordinance shall take effect thirty days after the date of its adoption, and pursuant to City Charter, three days prior to the adoption thereof, shall be published at least once in the Porterville Recorder, a newspaper of general circulation, published and circulated in the City of Porterville and thenceforth and thereafter the same shall be in full force and effect.

ADOPTED and approved this ______ day of April, 2006.

______________________________
Pedro R. Martinez, Mayor

ATTEST:

John Longley, City Clerk

______________________________
By: Georgia Hawley, Chief Deputy
AMENDMENT TO CONTRACT

Between the
Board of Administration
California Public Employees' Retirement System
and the
City Council
City of Porterville


A. Paragraphs 1 through 13 are hereby stricken from said contract as executed effective January 1, 2004, and hereby replaced by the following paragraphs numbered 1 through 14 inclusive:

1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean age 55 for local miscellaneous members and age 55 for local safety members.

2. Public Agency shall participate in the Public Employees' Retirement System from and after January 1, 1982 making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.
3. Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:

a. Local Fire Fighters (herein referred to as local safety members);

b. Local Police Officers (herein referred to as local safety members);

c. Employees other than local safety members (herein referred to as local miscellaneous members).

4. In addition to the classes of employees excluded from membership by said Retirement Law, the following classes of employees shall not become members of said Retirement System:

a. ELECTED OFFICIALS; AND

b. MEMBERS OF THE LOCAL SYSTEM WHO UPON CONTRACT DATE DID NOT EXECUTE AND FILE A WAIVER OF RIGHTS WITH RESPECT TO SAID LOCAL SYSTEM.

5. Assets heretofore accumulated with respect to members under the local retirement system who waived their rights under that system have been transferred to the Public Employees' Retirement System and applied against the liability for prior service incurred thereunder. That portion of assets so transferred which represent the accumulated contributions (plus interest thereof) required of the employees under said local system have been credited to the individual membership account of each such employee under the Public Employees' Retirement System.

6. The percentage of final compensation to be provided for each year of credited prior and current service as a local miscellaneous member in employment before and not on or after the effective date of this amendment to contract shall be determined in accordance with Section 21354 of said Retirement Law (2% at age 55 Full).

7. The percentage of final compensation to be provided for each year of credited prior and current service as a local miscellaneous member in employment on or after the effective date of this amendment to contract shall be determined in accordance with Section 21354.5 of said Retirement Law (2.7% at age 55 Full).

8. The percentage of final compensation to be provided for each year of credited prior and current service as a local safety member shall be determined in accordance with Section 21363.1 of said Retirement Law (3% at age 55 Full).
9. Public Agency elected and elects to be subject to the following optional provisions:

a. Section 21536 (Local System Service Credit Included in Basic Death Benefit).

b. Section 21573 (Third Level of 1959 Survivor Benefits) for local safety members only.

c. Section 20042 (One-Year Final Compensation).

d. Section 20965 (Credit for Unused Sick Leave).

e. Section 21024 (Military Service Credit as Public Service).

f. Sections 21624, 21626 and 21628 (Post-Retirement Survivor Allowance) for local miscellaneous members only.

g. Section 21574 (Fourth Level of 1959 Survivor Benefits) for local miscellaneous members only.

10. Public Agency, in accordance with Government Code Section 20834, shall not be considered an "employer" for purposes of the Public Employees' Retirement Law. Contributions of the Public Agency shall be fixed and determined as provided in Government Code Section 20834, and such contributions hereafter made shall be held by the Board as provided in Government Code Section 20834.

11. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members and local safety members of said Retirement System.

12. Public Agency shall also contribute to said Retirement System as follows:

a. Contributions required per covered member on account of the 1959 Survivor Benefits provided under Section 21573 of said Retirement Law. (Subject to annual change.) In addition, all assets and liabilities of Public Agency and its employees shall be pooled in a single account, based on term insurance rates, for survivors of all local safety members.

b. Contributions required per covered member on account of the 1959 Survivor Benefits provided under Section 21574 of said Retirement Law. (Subject to annual change.) In addition, all assets and liabilities of Public Agency and its employees shall be pooled in a single account, based on term insurance rates, for survivors of all local miscellaneous members.
c. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodic investigation and valuations required by law.

d. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.

13. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.

14. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

B. This amendment shall be effective on the ___ day of ____________, ______

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY
LORI MCGARTLAND, CHIEF
EMPLOYER SERVICES DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

CITY COUNCIL
CITY OF PORTERVILLE

BY
PRESIDING OFFICER

Witness Date
Attest:

__________________________

Clerk

AMENDMENT ER# 1297
PERS-CON-702A (Rev 10/05)
Aries Consultants, in conjunction with Tartaglia Engineering have completed the Airport Layout Plan Narrative Report (ALP) for the Porterville Municipal Airport.

Staff has reviewed the report and has determined it meets the City's obligations to the Federal Aviation Administration. Staff has also presented the report to the users of the Porterville Airport (the technical advisory committee) and they are in concurrence with staff's recommendation.

The completion of the ALP is required for the City to receive FAA funding for capital improvement projects at our airport. The report identifies projects that should be done over the next 20 years and for which the City is requesting funding. The next step in the process is for the Council to accept the report as submitted and for staff to schedule a meeting with the FAA in Burlingame. At that meeting, staff will present the ALP, discuss the capital improvement plan and request funding options for implementation.

RECOMMENDATION: That the City Council:

1. Accept the Airport Layout Plan Narrative Report
2. Direct staff to meet with the FAA and request funding

ATTACHMENTS: 1- Airport Layout Plan Narrative Report
(the above report was delivered to Council under separate cover and is available for public review at the City Clerk's office)
SUBJECT: CRITERIA FOR CONNECTING TO CITY SEWER

SOURCE: Public Works Department - Engineering Division

COMMENT: On April 3, 2006, six county areas located throughout the City were annexed to the City. With the annexation came some unexpected problems associated with new building construction and the issue of connecting to the City’s sewer system.

On October 18, 1983, City Council adopted the “Criteria For Septic Tank Installation” addressing the issue of septic tanks in the City or in the outer fringes of the City not presently served by the City’s sewer system. Under the City’s sewer connection policy, a property owner proposing to construct a new dwelling must connect to the City sewer system if the sewer main is within 1320’ of the property in question. Tulare County policy allows the installation of a septic tank if the City’s sewer main is further than 200’ from the property.

One month prior to the annexation of the six county areas, the Tulare County Building Department agreed not to process any more building permits knowing that the properties would be annexed to the City at the end of the month. The City has received a building plan from a former County resident. The property owner is alarmed that the City is insisting that he connect to the City sewer system. In this particular case, the sewer main is approximately 600’ away from the property. To complicate matters further, the Building Department is receiving calls from former County residents who indicate that they are considering new residential construction and wish to know if the City has different building criteria than the County.

The principal complaint besides the cost to extend the sewer main is the fact that the property owner did not voluntarily agree to the annexation. Had he remained in the County he would have been allowed to install a septic tank at considerably less cost than the cost of extending a sewer main and paying City sewer connection fees. Staff has heard his complaint and finds merit in the argument. Staff is looking for direction in this matter and proposes the following options:

1. Stay the course and enforce the City’s policy requiring connection to the City’s sewer system if a sewer main is within 1320’ of the property to be developed.
2. Temporarily adopt Tulare County's "Building Sewers" policy. This policy is the same as Chapter 7 of the Uniform Plumbing Code. This policy considers sewer to be unavailable if the controlling agency's sewer system is further than 200' from the proposed building. It is recommended that a "sunset clause" of 12 months be adopted if this option is selected. Further, it is recommended that the City modify and adopt language stating that the sewer be considered unavailable if the controlling agency's sewer system is further than 200' from the property owner's property line.

A copy of the City's "Sewer Connection" policy and a copy of Tulare County's "Building Sewers" policies are attached for Council's review.

RECOMMENDATION: That City Council provides direction on the proper course relative to the installation of septic tanks versus connecting to City sewer.

ATTACHMENTS: Tulare County's "Building Sewers" Policy
City of Porterville's "Sewer Connection" Policy
(3048 mm) head of water. In testing successive sections, at least the upper ten (10) feet (3048 mm) of the next preceding section shall be tested, so that no joint or pipe in the building (except the uppermost ten (10) feet (3048 mm) of the system) shall have been submitted to a test of less than a ten (10) foot (3048 mm) head of water. The water shall be kept in the system, or in the portion under test, for at least fifteen (15) minutes before inspection starts. The system shall then be tight at all points.

### 712.3 Air Test

The air test shall be made by attaching an air compressor testing apparatus to any suitable opening, and, after closing all other inlets and outlets to the system, forcing air into the system until there is a uniform gage pressure of five (5) pounds per square inch (34.5 kPa) or sufficient to balance a column of mercury ten (10) inches (254 mm) in height. The pressure shall be held without introduction of additional air for a period of at least fifteen (15) minutes.

#### PART II – BUILDING SEWERS

### 713.0 Sewer Required

#### 713.1 Every building in which plumbing fixtures are installed and every premises having drainage piping thereon, shall have a connection to a public or private sewer, except as provided in Sections 101.4.1.3, 713.2 and 713.4.

#### 713.2 When no public sewer, intended to serve any lot or premises, is available in any thoroughfare or right of way abutting such lot or premises, drainage piping from any building or works shall be connected to an approved private sewage disposal system.

#### 713.3 Within the limits prescribed by Section 713.4 hereof, the rearrangement or subdivision into smaller parcels of a lot which abuts and is served by a public sewer shall not be deemed cause to permit the construction of a private sewage disposal system, and all plumbing or drainage systems on any such smaller parcel or parcels shall connect to the public sewer.

#### 713.4 The public sewer may be considered as not being available when such public sewer or any building or any exterior drainage facility connected thereto, is located more than two hundred (200) feet (60.8 m) from any proposed building or exterior drainage facility on any lot or premises which abuts and is served by such public sewer.

#### 713.5 No permit shall be issued for the installation, alteration, or repair of any private sewage disposal system, or part thereof, on any lot for which a connection with a public sewer is available.

#### 713.6 On every lot or premises hereafter connected to public sewer, all plumbing and drainage systems or parts thereof, on such lot or premises shall be connected with such public sewer.

**Exception:** Single family dwellings and buildings or structures accessory thereto, existing and connected to an approved private sewage disposal system prior to the time of connecting the premises to public sewer may, when no hazard, nuisance, or insanitary condition is evidenced and written permission has been obtained from the Administrative Authority, remain connected to such properly maintained private sewage disposal system when there is insufficient grade or fall to permit drainage to the sewer by gravity.

#### 714.0 Damage to Public Sewer or Private Sewage Disposal System

#### 714.1 It shall be unlawful for any person to deposit, by any means whatsoever, into any plumbing fixture, floor drain, interceptor, sump, receiver or device which is connected to any drainage system, public sewer, private sewer, septic tank, or cesspool, any ashes, cinders, solids, sludge, flammable, poisonous, or explosive liquids or gases, oils, grease, and any other thing whatsoever which would or could cause damage to the public sewer, private sewer, or private sewage disposal system.

#### 714.2 No rain, surface, or subsurface water shall be connected to or discharged into any drainage system, unless first approved by the Administrative Authority.

#### 714.3 No cesspool, septic tank, seepage pit, or drainfield shall be connected to any public sewer or to any building sewer leading to such public sewer.

#### 714.4 No commercial food waste grinder shall be connected to a private sewage disposal system unless permission has first been obtained from the Administrative Authority.

#### 714.5 An approved type watertight sewage or waste water holding tank, the contents of which, due to their character, must be periodically removed and disposed of at some approved off-site location, shall be installed only when required by the Administrative Authority or the Health Officer to prevent anticipated surface or subsurface contamination or pollution, damage to the public sewer, or other hazardous or nuisance condition.

### 715.0 Building Sewer Materials

#### 715.1 The building sewer, beginning two (2) feet
(610 mm) from any building or structure, shall be of such materials as may be approved by the Administrative Authority under the approval procedures set forth in Chapter 3 of this Code.

715.2 Joining methods and materials shall be as prescribed in this Code.

716.0 Markings
All pipe, brick, block, prefabricated septic tanks, prefabricated septic tank or seepage pit covers or other parts or appurtenances incidental to the installation of building sewers or private sewage disposal systems, shall conform to the approval requirements of Chapter 3 of this Code and shall be marked and identified in a manner satisfactory to the Administrative Authority.

717.0 Size of Building Sewers
The minimum size of any building sewer shall be determined on the basis of the total number of fixture units drained by such sewer, in accordance with Table 7-8. No building sewer shall be smaller than the building drain.

The sewer system shall have the capacity to remove all waste from the various processing and cleaning operations and to minimize or prevent stoppage and surcharging at the system.

For alternate methods of sizing building sewers, see Appendix L.

718.0 Grade, Support, and Protection of Building Sewers
718.1 Building sewers shall be run in practical alignment and at a uniform slope of not less than one-fourth (1/4) of an inch per foot (20.9 mm/m) toward the point of disposal.

Exception: When approved by the Administrative Authority and where it is impractical, due to the depth of the street sewer or to the structural features or to the arrangement of any building or structure, to obtain a slope of one-fourth (1/4) of an inch per foot (20.9 mm/m), any such pipe or piping four (4) inches (100 mm) through six (6) inches (150 mm) may have a slope of not less than one-eighth (1/8) of an inch per foot (10.5 mm/m) and any such piping eight (8) inches (200 mm) and larger may have a slope of not less than one-sixteenth (1/16) of an inch per foot (5.3 mm/m).

718.2 Building sewer piping shall be laid on a firm bed throughout its entire length, and any such piping laid in made or filled-in ground shall be laid on a bed of approved materials and shall be adequately supported to the satisfaction of the Administrative Authority.

718.3 No building sewer or other drainage piping or part thereof, which is constructed of materials other than those approved for use under or within a building, shall be installed under or within two (2) feet (610 mm) of any building or structure, or part thereof, nor less than one (1) foot (305 mm) below the surface of the ground. The provisions of this subsection include structures such as porches and steps, whether covered or uncovered, breezeways, roofed porte-cocheres, roofed patios, carports, covered walks, covered driveways, and similar structures or appurtenances.

719.0 Cleanouts
719.1 Cleanouts shall be placed inside the building near the connection between the building drain and the building sewer or installed outside the building at the lower end of the building drain and extended to grade.

Additional building sewer cleanouts shall be installed at intervals not to exceed one hundred (100) feet (30480 mm) in straight runs and for each aggregate horizontal change in direction exceeding one hundred thirty-five (135) degrees (2.36 rad).

719.2 When a building sewer or a branch thereof does not exceed ten (10) feet (3048 mm) in length and is a straight line projection from a building drain which is provided with a cleanout, no cleanout will be required at its point of connection to the building drain.

719.3 All required building sewer cleanouts shall be extended to grade and shall comply with all appropriate sections of Cleanouts, Section 707.0, for sizing, construction and materials. When building sewers are located under buildings, the cleanout requirements of Section 707.0 shall apply.

719.4 Each cleanout shall be installed so that it opens to allow cleaning in the direction of flow of the soil or waste or at right angles thereto, and except in the case of wye branch and end-of-line cleanouts, shall be installed vertically above the flow line of the pipe.

719.5 Cleanouts installed under concrete or asphalt paving shall be made accessible by yard boxes, or extending flush with paving with approved materials and be adequately protected.

719.6 Approved manholes may be installed in lieu of cleanouts when first approved by the Administrative Authority. The maximum distance between manholes shall not exceed three hundred
720.0 Sewer and Water Pipes

Building sewers or drainage piping of clay or materials which are not approved for use within a building shall not be run or laid in the same trench as the water pipes unless both of the following requirements are met:

1. The bottom of the water pipe, at all points, shall be at least twelve (12) inches (305 mm) above the top of the sewer or drain line.
2. The water pipe shall be placed on a solid shelf excavated at one side of the common trench with a minimum clear horizontal distance of at least twelve (12) inches (305 mm) from the sewer or drain line.

Water pipes crossing sewer or drainage piping constructed of clay or materials which are not approved for use within a building shall be laid a minimum of twelve (12) inches (305 mm) above that sewer or drain pipe.

Note: For the purpose of this section, "within the building" shall mean within the fixed limits of the building foundation.

721.0 Location

721.1 Except as provided in Section 721.2, no building sewer shall be located in any lot other than the lot which is the site of the building or structure served by such sewer; nor shall any building sewer

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**TABLE 7-7**

Minimum Horizontal Distance Required From Building Sewer

<table>
<thead>
<tr>
<th>Buildings or structures</th>
<th>2 feet (610 mm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property line adjoining private property</td>
<td>Clear²</td>
</tr>
<tr>
<td>Water supply wells</td>
<td>50 feet³ (15240 mm)</td>
</tr>
<tr>
<td>Streams</td>
<td>50 feet (15240 mm)</td>
</tr>
<tr>
<td>On-site domestic water service line</td>
<td>1 foot⁴ (305 mm)</td>
</tr>
<tr>
<td>Public water main</td>
<td>10 feet⁵,⁶ (3048 mm)</td>
</tr>
</tbody>
</table>

**Note:**
1. Including porches and steps, whether covered or uncovered, breezeways, roofed porte-cochères, roofed patios, carports, covered walks, covered driveways, and similar structures or appurtenances.
2. See also Section 313.3.
3. All drainage piping shall clear domestic water supply wells by at least fifty (50) feet (15240 mm). This distance may be reduced to not less than twenty-five (25) feet (7620 mm) when the drainage piping is constructed of materials approved for use within a building.
4. See Section 720.0.
5. For parallel construction.
6. For crossings, approval by the Health Department or Administrative Authority shall be required.

---

**TABLE 7-8**

Maximum/Minimum Fixture Unit Loading On Building Sewer Piping

<table>
<thead>
<tr>
<th>Size of Pipe, Inches (mm)</th>
<th>Slope, Inches per Foot (mm/m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>6 and smaller (150)</td>
<td>1/16 (5.3)</td>
</tr>
<tr>
<td>8 (200)</td>
<td>1/8 (10.5)</td>
</tr>
<tr>
<td>10 (250)</td>
<td>1/4 (20.9)</td>
</tr>
<tr>
<td>12 (300)</td>
<td></td>
</tr>
</tbody>
</table>

*(As specified in Table 7-5/No minimum loading)*

See also Appendix K, Private Sewage Disposal Systems. For alternate methods of sizing drainage piping, see Appendix L.
be located at any point having less than the minimum distances indicated in Table 7-7.

721.2 Nothing contained in this Code shall be construed to prohibit the use of all or part of an abutting lot to:

(1) Provide access to connect a building sewer to an available public sewer, when proper cause and legal easement not in violation of any other requirements has been first established to the satisfaction of the Administrative Authority.

(2) Provide additional space for a building sewer when proper cause, transfer of ownership, or change of boundary not in violation of any other requirements has been first established to the satisfaction of the Administrative Authority. The instrument recording such action shall constitute an agreement with the Administrative Authority which shall clearly state and show that the areas so joined or used shall be maintained as a unit during the time they are so used. Such an agreement shall be recorded in the office of the County Recorder as part of the conditions of ownership of said properties, and shall be binding on all heirs, successors, and assigns to such properties. A copy of the instrument recording such proceedings shall be filed with the Administrative Authority.

723.0 Building Sewer Test

Building sewers shall be tested by plugging the end of the building sewer at its points of connection with the public sewer or private sewage disposal system and completely filling the building sewer with water from the lowest to the highest point thereof, or by approved equivalent low pressure air test, or by such other test as may be prescribed by the Administrative Authority. The building sewer shall be watertight at all points.

724.0 [For AGR] Meat and Poultry Processing Plant Drainage

724.1 The drainage and plumbing system must permit the quick runoff of all water from plant buildings, and of surface water around the plant buildings, and of surface water around the plant and on the premises; and all such water shall be disposed of in such a manner as to prevent a nuisance or health hazard.

724.2 Toilet soil lines shall be separated from house drainage line to a point outside the building unless an automatic backwater check valve is installed to prevent back flow. Drainage from toilet bowls and urinals shall not be discharged into a grease catch basin, nor shall such drainage be permitted to enter the sewer lines at a point where there might be a possibility of such drainage backing up and flooding the floor of the building.

725.0 [For AGR] Collection Center and Facilities Drainage. Drainage and plumbing system shall meet the requirements of Section 724.1.

726.1 The outer premises of every official establishment, including docks, areas where cars and other vehicles are loaded, driveways, approaches, yards, pens and alleys, shall be drained.

726.2 Toilet soil lines shall be separated from house drainage lines to a point outside the building, and drainage from toilet bowls and urinals shall not be discharged from toilet bowls and urinals shall not be discharged into a grease catch basin.

727.0 [For OSHPD 1] Emergency Sanitary Drainage

727.1 For acute care hospital facilities required to meet
NPC-5, an on site emergency holding tank(s) sufficient to store 150 gallons (567.9 L) (based on 50 gallons/day/bed for 72 hours) of waste water per licensed bed shall be provided. The emergency holding tanks shall have fittings to allow for transfer of the waste water to other disposable sources, such as tank trucks.

Exceptions: (1) With the licensing agency approval of a water rationing plan, the emergency waste water holding capacity may be computed based on the approved water rationing plan to provide for 72 hours of operation.

(2) With the approval of the Office of the licensing agency, hook-ups that allow for the use of transportable means of waste water disposal may be provided in lieu of on-site storage.
SUBJECT: CRITERIA FOR SEPTIC TANK INSTALLATION

SOURCE: Community & Financial Services Dept. - Engineering

COMMENT: From time to time, the Engineering Division is presented with a request for the installation of a septic tank for sewage disposal. Under the Municipal Code for the City of Porterville, all new construction must be connected to the City sewer system unless the City Council shall determine, by resolution, that a different method of sewage disposal shall be utilized (Sec. 25-34.1).

In some instances, the individual requesting authorization to use a septic tank for sewage disposal does not have access to a City sewer or access is such that the value of the sewer system exceeds the value of the property and improvements.

Staff has reviewed this problem with some of the other agencies in the area and determined that these agencies allow the use of septic tanks in certain circumstances.

RECOMMENDATION: That the City Council, by resolution, adopt the guidelines for the installation of septic tank sewage disposal systems.

GRK:jt

ATTACHMENT: Guidelines
          Resolution
CITY OF PORTERVILLE GUIDELINES FOR SEPTIC TANK SEWAGE DISPOSAL SYSTEMS FOR RESIDENTIAL DEVELOPMENTS - R-A

PURPOSE

The purpose of these guidelines is to establish conditions under which a property owner may develop property and use of septic tank and leach fields for the sewerage disposal within City limits.

It is the intent of these guidelines to be used only for individual "single family" rural residential (R-A) zoned parcels with dwelling units and to provide for development of such housing on the outer fringes of the City or in any location not presently served by the City sewer systems or a reasonable extension thereof. These guidelines are not applicable to organized development of more than one parcel by a single owner/developer and shall not be a basis to waive required sewerage or water improvements specified by City Codes.

SCOPE

The provisions contained herein are to be used as guidelines for individuals wishing to develop single parcels of land in areas not currently served by City sewer systems. These guidelines are meant to serve as a supplement to the Uniform Plumbing Code Appendix I, "Private Sewage Disposal Systems", governing the installation of septic tanks and leach fields.

REQUIREMENTS

Area: With off-site water source

1. Lot to have a minimum of 12,500 sq. ft.

2. Lot to provide required areas and separation distance for septic tank and leach lines per Uniform Plumbing Code.

3. Area requirements may be increased when poor soil types are encountered (subject to soil and percolation tests).

With on-site water

1. Lot to have minimum one acre.

2. Lot to provide required areas and separation distance for septic tank and leach fields per the Uniform Plumbing Code.

3. Area requirements may be increased when poor soil types are encountered (subject to soil and percolation testing).
Distance:

1. Subject property must be in excess of 1320 feet from the closest point of an existing sewer and connection to the existing sewer requires special methods, i.e., pumping, installation of backflow prevention devices, etc.

2. Owner must be able to obtain permission to connect to existing sewer line from the controlling agency.

Density:

1. Septic tanks will not be allowed if the area is such that three (3) or more homes fall within a 500 foot radius.

2. Septic tanks will not be allowed in areas that abut fully developed residential areas with sewer service unless it be determined that natural physical obstructions provide adequate separation.

Character:

1. Septic tanks will not be allowed in any area that is zoned as Low Density (R-1) single family residential neighborhood or developed residential area.

2. The City planning staff shall make the determination as to what constitutes a developed residential neighborhood based on density, development, zoning and improvements.

Authorization:

1. Property owner must obtain authorization of the City Council for the installation of sewerage septic tanks.

2. Property owner must provide soils testing data, lot area, lot layout and engineering calculations as required by the City Engineer. The soils data, lot area, lot layout, and engineering calculations shall be reviewed and recommendations on the system made by the Department of Health Services, Division of Environmental Health to the City Engineer for approval, modification, or disapproval.

3. Septic tank and leach field design shall conform to the requirements of the Uniform Plumbing Code.
Connection to Sewer System:

1. Property owner agrees to connect to sewer collection system within 90 days from the time sewer collection is made available to the property.

2. Availability shall mean a sewer line:
   a. Adjacent to any property line,
   b. Available in the street or roadway serving the property, and
   c. Within the distance requirements and when deemed appropriate to connect by the City Engineer to protect the quality of the area.

3. Property owner shall pay all sewer line fees at the time of connection to the City sewer collection system.
TITLE: REPORT ON STATUS OF CABLE FRANCHISE AGREEMENT, CONSIDERATION OF RETENTION OF FRANCHISE COMPLIANCE/RENEWAL CONSULTANT, AND CONSIDERATION OF LETTER ADDRESSING AB 2987 (LEGISLATION RELATED TO CABLE AND VIDEO SERVICE)

SOURCE: CITY ATTORNEY

COMMENT: The current franchise agreement between the City of Porterville and Charter Communications (originally between the City and Falcon), for cable video service to the City is set to expire on December 2, 2006. On February 23, 2006, Charter Communications submitted a letter to the City requesting a one year extension to the current contract, in lieu of negotiating a franchise agreement for a longer term. However, there is pending legislation at both the federal and state level that proposes to lessen and in some cases eliminate local governmental controls in this area; this legislation is discussed further in greater detail below, but the bottom line is that the City will have greater leverage in ensuring that as the franchising authority, the cable operator is complying fully with the terms of the franchise and is providing the best possible customer service to this community, if the City commences the long term renewal process now. The current pending legislation will allow terms of “grand fathered” franchises to apply if those franchises are entered into prior to the effective date of the legislation if and when it is adopted.

The renewal of a franchise is not an “open bid” process. The incumbent cable operator has a right to negotiate with the City for renewal. This is usually done through an informal process, but nonetheless even the “informal” process is quite involved. As part of its due diligence preceding renewal and especially given the major mergers and acquisitions going on in the industry (and the consequential changes in staffing, billing systems, channel line-ups, etc.), the performance of compliance audits has become a necessary responsibility. The performance of a compliance audit would also improve the City’s position during the renewal negotiations, promote better cable television service to the community members, improve the City’s ability to collect underpaid fees and taxes, promote safer television systems, and improve public, educational, or governmental access services and facilities. Complicating matters in this area is an array of potential legislation that could eliminate or lessen the franchising authority to control compliance, as well as the fact that technology for delivery of television programming is changing dramatically with the addition of satellite and telecommunications delivery systems.
Important issues for the City to consider in the compliance/renewal process include 1) whether the current system needs upgrading/rebuilding, 2) whether there is support for public, educational, and governmental channels, or an institutional network 3) whether there is adequate customer service representation, and 4) whether the cable operator is meeting the local community’s interests and needs. Common areas of negotiation and of particular interest to the City include 1) whether there was compliance with the terms of the old franchise, 2) the term of renewal, 3) how franchise fees are calculated (definition of “gross revenues,” 4) how many “PEG” channels are available, is other upfront monetary support provided for facilities and equipment, and are these charges passed through to subscribers, 5) does the City want an “institutional network,” at what cost, and will there be other public agency participation, 6) the extent of service to public buildings, 7) rebuilding/upgrading issues, 8) safety and code compliance, 9) trenching issues and timely new area build, 10) street furniture/encroachment permits, 11) whether there is a “level playing field” with regard to new entrants in the service area and non-franchised entities, 12) transfer of franchise, 13) required insurance and bonding, and 14) breach and remedies. There are also areas where the City cannot venture. The City cannot require specific programming or services, regulate and require specific rates, require that the operator provide telephone service, or establish a particular technology.

The City Manager, Deputy City Manager, and City Attorney have met to discuss the City’s options concerning the renewal process and determined that it would beneficial to the City to retain a specialist in this area to assist in developing a strategy for renewal negotiations and for the performance of a franchise compliance audit and fee review. Attached is a proposal from John Risk, of Communications Support Group, Inc. Mr. Risk recently spoke on local cable franchise issues at a League of Cities City Attorney’s conference in February of this year. The company has extensive experience in this area and has submitted a proposal to assist the City with its due diligence preceding any renewal, at a total not to exceed cost of $17,500 - $19,000. If the City were to decide to utilize this group for the entire renewal process, which would include advice and facilitation of community needs ascertainment, evaluation of the technical condition of the plant, the establishment/amendment of the City’s regulatory ordinance, the drafting of the franchise agreement, and the completion of the renewal negotiations, the rough estimate for the entire project (including the not-to-exceed range provided above) is approximately $45,000-50,000. This estimate is based on a recent negotiations completed by the group in the City of Walnut (similar in population/size) with the same cable operator, but this is only a rough estimate in that there are so many factors that can affect the cost of the negotiations process.

There may also be some opportunity for cost sharing: Charter Communications paid for half the cost of the entire process in the City of Walnut. I have also been in discussion with the City of Lindsay, which faces similar circumstances with its Charter Communications franchise and may be willing to share the costs. Mr.
Risk has informed me that combining efforts with the City of Lindsay would likely result in very little additional costs.

Consequently, I recommend that the City Council authorize retention of Communications Support Group, Inc. and commence the compliance and renewal process with Charter Communications.

The second item for consideration is a draft letter that the League of Cities proposes to be sent to the appropriate legislators concerning the various legislation proposed at the State and federal levels. The letter is particularly important given the most recent California legislation (AB 2987), introduced in late February. This bill is backed by AT&T and Verizon, which have recently introduced their respective video service technologies. The bill would set up a statewide franchising authority for cable and video services and remove local agencies from the franchising process. Despite the language in findings, which provides that the purpose of the legislation is to increase and promote competition and better customer service, the League’s position is that the proposed legislation does not create a fair and level playing field, does not promote widespread access in a nondiscriminatory manner, and does not protect local government revenues. The proposed letter does not expressly oppose any specific proposed legislation; however it does set forth a set of principles that the League feels should be adhered to. The principles cover revenue protection, the protection of local rights of way, access, public education and government support, institutional network services, public safety services, public utility undergrounding, and customer service protection.

RECOMMENDATION: That the City Council

1. Authorize the City to retain Communications Support Group, Inc., pursuant to the proposal received (cost not to exceed $17,500-19,000).

2. Consider submitting the draft letter to its state and federal representatives.

ATTACHMENTS:
1. Letter dated February 26, 2006 from Charter Communications
3. Draft letter to Legislators
4. Proposed Legislation AB 2987, as Amended April 6, 2006
February 23, 2006

Hand Delivery w/Receipt

John Longley
City Manager
City of Porterville
291 N. Main St.
Porterville, CA 93257

Dear Mr. Longley:

As you are aware, our franchise with the City of Porterville is due to expire on December 2, 2006. Although we wish to informally negotiate in good faith for the renewal of our cable franchise, we respectfully requests that you extend our franchise for a period of 12 months with a new expiration date of December 2, 2007.

Therefore, Charter Communications Holding Company, LLC t/a Charter Communications agrees to operate under and comply with the terms of the existing franchise, subject to applicable law, for one year or until such time as a renewed agreement is effective, or until either party sends thirty days written notice to the other of its intent to terminate the extension.

We respectfully request that you acknowledge below your agreement to these terms by having an authorized representative of the City affix his/her signature below. Please note that this letter has been sent to the City in duplicate. Please sign both of the letters where indicated and return one (1) original signed letter to Charter for its records.

Although we are confident that a renewed franchise will be agreed upon through the informal process, we understand that both parties continue to reserve all rights under the formal procedures of Section 626 of Title VI of the Communications Act of 1934, as amended, and do not waive any rights related thereto.

We look forward to a successful renewal of the franchise and to providing quality cable service in the City of West Sacramento for many years to come.

Very truly yours,

Charter Communications Holding Company, LLC, t/a Charter Communications

[Signature]

Juan Herrera
Operations Manager

Acknowledged and agreed to by ___________________________ (print name and title), lawfully representing the City of Porterville, this ____ day of __________________, ________.

(Signature)
March 28, 2006

Frank Guyton, Deputy City Manager  
Julia Lee, City Attorney  
City of Porterville  
291 North Main St,  
Porterville, CA 93257

Dear Frank and Julia,

Thank you for an opportunity to propose professional services regarding the City’s cable television renewal with Charter. We are pleased to offer information regarding our standard services in the following areas; however, we recommend an engagement regarding only the first three at this time.

1) Strategy Development and Planning  
2) Franchise fee review  
3) Compliance Audit

CSG is well qualified to offer the City services in these areas. We have conducted needs assessments, compliance audits, and/or performed franchise fee audits for the following franchising authorities:

- Alameda, CA (TCI/AT&T)  
- Albany, CA (Adelphia/Comcast)  
- Anaheim, CA (Century)  
- Arcadia, CA (Adelphia)  
- Berkeley, CA (TCI/AT&T/Comcast)  
- Beverly Hills, CA (Century/TCI/Adelphia)  
- Chino, CA (TCI/AT&T/Adelphia)  
- Chino Hills, CA (Century/TCI/AT&T/Adelphia)  
- Commerce, CA (Charter)  
- Diamond Bar, CA (Adelphia)  
- Fullerton, CA (Comcast/Adelphia)  
- Fort Bragg, CA (Adelphia)  
- Fremont, CA (Comcast)  
- Hermosa Beach, CA (Century)  
- Huntington Beach, CA (Time Warner)  
- Indian Wells, CA (Colonial)  
- Irvine, CA (Cox)  
- Manhattan Beach (Century/TCI/Adelphia)  
- Maryland Heights, MO (AT&T)  
- Mission Viejo, CA (Adelphia Communications)  
- Mendocino County, CA (Adelphia)  
- Monrovia, CA (TCI/Century)  
- Moreno Valley (Adelphia)  
- Monterey County (Falcon/Charter)  
- Pasadena, CA (Charter)  
- Petaluma, CA (AT&T)  
- Redondo Beach (Adelphia)  
- Richmond (AT&T/Comcast)  
- San Bernardino County (10 MSO's)  
- San Bernardino City  
- Santa Barbara County, CA (Cox)  
- Santa Cruz, CA (AT&T/Comcast)  
- Santa Ana, CA (Comcast/Adelphia)  
- San Francisco City/County (AT&T)  
- San Luis Obispo County CA (Charter)  
- Ukiah, CA (Adelphia)  
- Willits, CA (Adelphia)  
- Walnut, CA (Charter)
Frank Guyton and Julia Lee  
City of Porterville  
March 28, 2006

We are an innovative and detail-oriented company that offers tremendous customer service and performance. We have provided detailed descriptions of all work tasks in the sections that follow. Please contact any of our references page 11 of this letter for information regarding our work habits, performance and professionalism. Please also see our biography that was previously emailed to you.

Furthermore, CSG is actively involved in cable television projects involving Charter in Duarte, Walnut, Long Beach and Pasadena. Three of these projects involve franchise fee audits, compliance, and renewal negotiations. We have built constructive working relationships with Charter’s governmental affairs staff and bring current knowledge of Charter’s policies to your project.

1.0 OUR TEAM

Mr. John Risk, CSG’s President, will serve as project administrator and will personally supervise all phases of the work to be performed. Mr. Risk holds a Bachelors Degree (with high honors) in Social Research from the University of Michigan. Mr. Risk is a former five-year board separate tasks of the National Association of Telecommunications Officers and Advisors (NATOA) and a member of the Alliance for Community Media (formerly National Federation of Local Cable Programmers - NFLCP). Since, 1979, Mr. Risk has held a variety of private and public sector management positions encompassing cable television franchise administration, policy, programming, production, and technology. Mr. Risk has performed compliance audits and franchise fee audits for a number of California franchising authorities. Additionally, Mr. Risk has held jobs within the cable industry with Falcon Cable and Group W Cable. His broad range of experience and expertise strengthens CSG’s ability to respond to clients’ needs. Mr. Risk has also consulted for the counties of Alameda, Mendocino, Monterey, Orange, Santa Barbara, San Bernardino, San Diego and San Francisco.

Mr. Bill Morgan is Diehl, Evans cable television consultant and lead CPA and will assist CSG in any accounting practices policy analysis on this project. Mr. Morgan has been with Diehl, Evans & Company, LLP since 1972 with extensive experience in accounting, auditing, consulting, financial reporting, taxation and cable television issues related to California governmental agencies. Diehl, Evans & Company, LLP, (DECO) has extensive experience in governmental accounting, auditing and consulting. Mr. Morgan is a graduate of the University of Southern California and is an associate member of the Southern California and Nevada Chapter of the National Association of Telecommunications Officers and Advisors (SCAN/NATOA).

Mr. Bill Kohutanycz. Mr. Kohutanycz is a nationally recognized cable television and communications engineer with broad practical as well as comprehensive theoretical experience. Holding his degree in Radio Communications, Mr. Kohutanycz serves as the Operations Division Head of the Naval Media Center in Washington D.C. He has served in a variety of technical management and field technical roles in the fields of
cable television, broadband communications, telephony, and radio communications. He became well known during the 1980's as a technical auditor for the Cable Television Information Center, a well-known consulting firm. He is a member of the National Association of Telecommunications Officers and Advisors. In 1989, Mr. Kohutanycz served on NATOA's national Technology and Applications Committee and assisted in the negotiation of proposed national technical standards with the National Cable Television Association and the Community Antenna Television Association. Mr. Kohutanycz's expertise includes all phases of technical operations including satellite, microwave, local origination, headend and system construction and maintenance, and franchise compliance, telephony, audio design, digital design, and radio communications. Mr. Kohutanycz has worked with Mr. Risk in performing technical inspections in Beverly Hills, Fullerton, Santa Ana, Temple City, and Encinitas. Mr. Kohutanycz will conduct any technical services described in this proposal.

Dr. Greg Robinson, PhD is the Director of the Social Science Research Center at California State University Fullerton (SSRC). Dr. Robinson's expertise includes applied research and evaluation design, survey research methods, and qualitative approaches to data collection and analysis. He has successfully conducted over fifty applied research and evaluation projects with foci in education, health care, and criminal justice. He has provided extensive consultation to the Latino and Vietnamese communities of Southern California. Dr. Robinson consults to the Tobacco Control Section of the California Department of Health Services, and to the Bureau of Justice Assistance providing research assistance and evaluation training. Prior to joining the SSRC, Dr. Robinson was a Research Associate at the Public Policy Research Institute at UC Irvine. Greg holds a Ph.D. in social ecology from the University of California at Irvine and an undergraduate degree in psychology from the University of California at Berkeley. He is available to provide expertise related sampling public opinion if the City wishes to engage us for this purpose.

Ms. Melissa Wise is CSG's management analyst. She is involved in the review, research and drafting of audit reports and telecommunications related documents. Ms. Wise has a substantial administrative services background with over ten years experience in public and private business management. She has extensive experience with statutory and administrative analysis and has handled complex audits for a number of CSG clients.

For Miscellaneous Outside Legal Support, CSG relies on the expertise of the following Counselors for telecommunications and cable television franchise renewal projects: Mr. Bill Rudell and Mr. Greg Stepanich of Richards Watson & Gershon; Mr. Bill Marticorena of Rutan & Tucker; Mr. Rick Ellrod and Mr. Nick Miller of Miller and Van Eaton; and Mr. Bradley Wohlenberg of Jenkin and Hogin for legal counsel in the matter of regulatory ordinance and franchise agreement drafting. All of these attorneys are members of the National Association of Telecommunications Officers and Advisors and active in California municipal consulting. We plan to discuss the involvement of an outside law firm to assist the City during Task 1.1 of the project.
2.0 PROPOSED SERVICES AND ESTIMATED COSTS

As mentioned above, we perceive seven primary work tasks associated with renewal projects involving Charter Communications. The first three are the matters of strategic planning, a review of franchise fee payments during the past one to three years (optional); and a compliance audit of Charter under the terms of the current franchise. These tasks are considered necessary due diligence related to determining Charter's eligibility for a franchise renewal and are recommended to be commenced now. The remaining four task for you to consider in the future include:

1. advice and facilitation of community needs ascertainment
2. evaluating the technical condition of the plant.
3. establishing a cable television and wireline Multichannel video programming provider franchise regulatory ordinance.
4. write a draft franchise agreement, and complete renewal negotiations.

We recommend beginning Tasks 1, 2 and 3 in the current fiscal year. Given the unique nature of this work and in order to give the City an opportunity to modify the workscope being proposed, we are proposing all pricing elements on an hourly time and materials basis with estimated not-to-exceed ceilings.

Task 1: STRATEGY DEVELOPMENT AND TASK PLANNING

Task 1.1 Meet And Confer with City Manager and City Attorney Regarding Project Goals, Fact-Finding and Strategy Development Related to Overall Renewal and Compliance Issues

CSG proposes up to 12 hours to perform the following:

1) Review any franchise and transfer documents provided to CSG by the City relating to Charter and its predecessors; and

2) Discuss how to perform cursory reviews of performance and fee payments under the current franchise agreement while conserving staff and consulting resources. Meet to perform research, discuss and schedule tasks associated with requests for information, field audits, and other franchise matters.

3) Discuss and develop policy strategies for other wireline Multichannel Video Programming Providers (such as QVS) and one-way video-over-IP services offered by traditional telecommunications companies. This task will also include strategies for renewal negotiations and general strategies for ordinance development.

The fee to perform Task 1.1 is $2,500 and includes two ninety minute conference calls.
Frank Guyton and Julia Lee  
City of Porterville  
March 28, 2006

**Task 2: ONE-YEAR FRANCHISE FEE AUDIT (with option for 2 additional years)**

We recommend an "agreed-upon procedures" audit of franchise fee payments for the period January 1, 2005, through December 31, 2005. We recommend that priority be given to inspecting major categories of revenue (subscriber revenue, local origination fees, advertising, shopping, and modem fees—when applicable, etc.), using test months to sample procedures and accuracy. Audit depth is increased based on discrepancies and compliance issues.

Our franchise fee audit will answer the following questions:

1) Are Charter's accounting procedures sufficient to assure proper franchise fee payments to the City?

2) Is Charter revenue reporting supported by our review of various financial records of Charter?

3) Do the City and Charter share the same definition of "gross revenues?"

4) Were the franchise fee payments submitted during the audit period accurate and consistent with franchise requirements as substantiated by the accounting records?

5) Do franchise fee calculations comply with the 5th Circuit Court of Appeals decision (the Dallas decision a.k.a. "fee on fee") and with requirements of the FCC (47 CFR Part 76.924) as substantiated by audit findings?

6) Are revenues from digital services, modem fees where applicable, advertising, and home shopping being properly accounted for or allocated?

To perform its investigation, CSG will do the following:

1) Shortly after we receive a signed engagement letter or purchase order, we will send a document request to you and to the cable company. The letter to you will include a request for the following documents:

   - Copy of franchise agreement between the City and Charter, together with any amendments;
   - Copies of any transfer or renewal agreements that affect franchise fees;
   - Franchise fee returns filed with the City by Charter for 2001-2004; and
   - Respective City and County maps.

2) Prepare and forward a questionnaire to Charter along with the following:
Perform an on-site meeting and inspection of financial documents at Charter’s regional accounting office in Irwindale.

Review the franchise agreement and any transfer agreements between the City and Charter to identify definitions of “gross revenues,” franchise fee rates, late payment provisions, etc.

3) Schedule a telephone conference with Charter accounting staff to develop an understanding of the Company’s revenue cycle and general ledger chart of accounts. The purpose of this procedure is to gain an understanding of the cycle used to record revenue transactions for the Charter franchise.

4) Obtain a list of line items and numbers for all general ledger revenue accounts.

5) Obtain copies of the monthly accounting analysis summary reports (if available) and quarterly reports or worksheets used by accounting staff to summarize revenue data used in the franchise fee calculations for the City. These reports will be used to verify revenue attributed to the City’s franchise areas (by agent; these are Charter’s internal codes representing franchise areas to support Charter’s calculation of prorated revenues such as local origination (LO), advertising, and home shopping).

6) Obtain billing system reports (Cable Services Group equivalents CPSM-300, or CPSM-318) used to calculate revenue and derive subscriber numbers for all agent specific subscriber revenue categories for all month-ends during 2001-2004. (Area totals may be necessary for comparison purposes for quarter ending months.)

PROPOSED FRANCHISE FEE AUDIT SCHEDULE AND PRODUCT DELIVERY

<table>
<thead>
<tr>
<th>Phase</th>
<th>Description</th>
<th>Time Frame</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phase I</td>
<td>Pre-Project Administration</td>
<td>First two weeks</td>
</tr>
<tr>
<td>Phase II</td>
<td>Planning, Fact-Finding, and Strategy Development</td>
<td>Next 30 days</td>
</tr>
<tr>
<td>Phase III</td>
<td>Conduct field audits</td>
<td>Next 30 days</td>
</tr>
<tr>
<td>Phase IV</td>
<td>Audit Reports</td>
<td>Next 45 Days</td>
</tr>
</tbody>
</table>

Our not-to-exceed estimate of fees for a review the franchise payments for Charter for the period of January 1, 2005, through December 31, 2005, is $8,000.

Typically, our financial audit work is performed on an hourly, time-and-materials basis. For the purposes of budgeting, we agree not to exceed the following budgetary estimates. Directly related project expenses (i.e., travel, lodging, rental car, meals) for
out of town travel are billed at cost plus ten percent (10%). Travel time for local staff and contract CPA is billed at straight time.

In addition, at the City’s sole option, we make our services available to the City to review payments by Charter for the two-year period of January 1, 2003, through December 31, 2004.

The estimated fee to add-on these additional two years is $10,000.

The fixed fees quoted above were estimated based upon the following assumptions:

- Charter will complete, sign and return all of questionnaires, together with all requested documents and prepared schedules.
- Charter will have personnel, who are knowledgeable regarding franchise fee reporting, available to work with DECO and CSG.
- No travel time or expenses to Charter’s corporate offices.

Should Charter not provide the requested questionnaires, information or documents, or should travel be necessary, these circumstances will be communicated to the City in writing. A quote related to travel costs will be provided when and if it is determined that travel is necessary. A fee increase to cover any additional services or expenses that may be involved will also be requested from the City.

Task 3: COMPLIANCE AUDIT

Task 3.1 Review of Relevant Documents, Identify Issues of Non-Compliance, Draft Compliance Matrix

CSG proposes between 40 and 50 hours of various staff time for review of Charter’s compliance under the requirements of the cable television franchise agreements, the 1984 and 1992 Cable Communications Acts, and the 1996 Telecommunications Act. CSG proposes to investigate Charter’s compliance to franchise provisions including customer service, insurance, bonding, letters of credit, and compliance to federal rules. We will pay particular attention to Charter’s performance in the area of customer service. We will look at technical service department records showing average time to install, categories of service calls, average telephone response time, volume of customer complaints, outages, and other matters related to customer satisfaction. We will also conduct telephone interviews with the City staff, review pertinent records, and make necessary findings. In addition, we will assist the City in determining corrective actions related to issues of non-compliance.

CSG will create a compliance audit grid for use in substantiating Charter’s performance. This grid will include all relevant customer service provisions of federal laws as well as
specific local customer service standards (if applicable). Performance categories to be reviewed include:

1) Billing Practices:
   CSG will review and document Charter's subscriber billing system and note its adequacy in terms of industry standards. This review will include on-site or off-site billing handling, staggered or block billing, number of days for payment remittance, subscriber grace period prior to late notice, number of days before determining delinquent, process for soft or hard disconnect, and requirements/charges for reconnection.

2) Complaints:
   Subscriber complaints received by City for the past six months will be reviewed and categorized into general areas.

3) Complaint Handling:
   CSG will review and document subscriber complaint handling by Charter for consistency with industry standards. Company complaint logs (if available) will be reviewed and documented.

4) Status of Bonds, Insurance, Letters of Credit, and Grants:
   CSG will obtain and review for compliance to franchise provisions all bonds, insurance, letters of credit, and grants.

5) Telephone Performance:
   CSG will review and document the customer service telephone processing equipment and procedures of Charter. Our review will include the following:
   a) Data from Charter in order to verify Company goals and actual statistics for response times, average waiting time, and abandonment rates, etc., for the quarter ending March 31, 2005.
   b) After-hours telephone answering process, noting its adequacy according to apparent community need.

Following interviews with the City Clerk, the cable company's operations and customer service staff, and the company's governmental affairs personnel, we will issue a report of findings and recommendations for further action by the City.

*The estimated fee to perform Task 3.1 is a variable range of no less than $7,000 and no more than $8,500.00.*

*After this work is performed, the City could discuss whether additional tasks related to 1) Community Needs, Technical Reviews, Governing ordinances, and Renewal negotiations should be performed.*
3.0 SCHEDULE OF FEES AND TERMS

All of our work is performed on an hourly, time-and-materials basis at the rates shown in the table below. In this proposal we provide estimates of work to be performed. We will bill monthly and apprise the City of the status of work related to our budgetary estimates. Directly related project expenses (e.g., travel, lodging, rental car, and meals for out-of-town sub-consultants) are billed at cost plus ten percent (10%). Travel time for local staff is billed at straight time and is included in the estimated not-to-exceed prices shown.

<table>
<thead>
<tr>
<th>Title</th>
<th>Hourly Rate</th>
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<tr>
<td>Project Manager, Partner</td>
<td>$175</td>
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<tr>
<td>Senior Engineering Associate</td>
<td>$175</td>
</tr>
<tr>
<td>Auditor - Senior Associate</td>
<td>$115</td>
</tr>
<tr>
<td>Policy Analyst - Research Associate</td>
<td>$95</td>
</tr>
<tr>
<td>Clerical</td>
<td>$55</td>
</tr>
<tr>
<td>CPA</td>
<td>$195</td>
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Pricing to Perform the following in the Current Fiscal Year:

1. **Strategy Development and Task Planning**
   Task 1.1: Meet and Confer with City Staff and Outside Counsel Regarding Project Goals, Fact-Finding and Strategy Development $2,500

2. **ONE-YEAR FRANCHISE FEE AUDIT**
   Task 2.1: One Year Franchise Fee audit\(^1\) $8,000

3. **COMPLIANCE AUDIT**
   Task 3.1: Customer Service and Compliance Audit $7,000 - $8,500
   $17,500 - $19,000

On cable television renewal projects, CSG requests an initial retainer fee of $3,000 from which fees are credited on a monthly "work-in-progress" basis. Once the retainer is exhausted, CSG bills on a monthly basis until project completion. The payment of the retainer invoice will be due thirty (30) days after the formalization of a purchase order, or

\(^1\) Add $10,000 if additional two years are added to the review
Frank Guyton and Julia Lee  
City of Porterville  
March 28, 2006

purchase orders, between the City and CSG. Subsequent payments will be due every 30th (thirtieth) day thereafter (based on hourly fees incurred since the last invoice). CSG's final invoice will be submitted upon delivery of its final report. CSG invoices shall be due and payable upon presentation, and shall be considered past due thirty (30) days after submission.

Balances owed to us for more than thirty (30) days after invoice date may, at our option, accrue compound interest at 1% per month. Any other work that exceeds, modifies, or extends the items proposed herein will also be billed at our standard hourly rates.

This proposal and statement of qualifications shall remain valid, firm, and in force until 11:59 P.M. Pacific Time on May 31, 2006, at which time it shall automatically be withdrawn.

We would be delighted to assist the City in any capacity in the near or distant future regarding this project. Given that we are currently performing franchise fee auditing for Duarte, Long Beach, Pasadena, and Walnut many benefits may be realized if you award this part of the project as soon as possible.

We hope you find our proposal worthy of consideration. If you are interested, please sign your acceptance at the lines below and return a copy of this letter to me. Please indicate whether you wish to exclude any tasks in the proposal or if you wish to defer some tasks for a later date. Please write-in a total amount for services you wish to secure at this time. We are happy to work under a purchase order or other form of authorization following your acceptance.

If you have questions, please call me at (510) 595-0405.

Sincerely,

John Risk  
President

Attachment: References
REFERENCES

Roger Miller, Parks and Recreation Management Analyst
City of Berkeley (510) 981-6705

David Doyle, Assistant City Manager
City of Diamond Bar (909) 472-2800

Curti Tani, IT Director
City of Long Beach (562) 570-6234

Lori Sandoval, Information Technology Manager
City of Pasadena (626) 744-4710

Maggie Healy, City Manager’s Office
City of Redondo Beach (310) 372-1171 ext 2224

Charles Robinson, City Manager's Office
City of Walnut (909) 595-7543 ext. 305
Frank Guyton and Julia Lee  
City of Porterville  
March 28, 2006

ACCEPTANCE OF PROPOSAL LETTER:

If the City would like to retain Communications Support Group, Inc. (CSG) for the consulting services described in this letter dated March 28, 2006, please sign below and return it to us for our files.

ACCEPTED BY:

By: Frank Guyton
Title: Assistant City Manager
City: City of Porterville

Date: ______________________________

Signature: ____________________________

Tasks to be excluded: ____________________

Amount we authorize to have billed for services at this time: ______________

Page 12 of 12
Communications Support Group (CSG) provides consultant services related to financial audits, compliance audits, franchise administration, franchise enforcement, and renewal and transfer proceedings.

Our services include:

- Telecommunications Policy Analysis and Regulatory Action Planning -
- Cable Television Performance Appraisals and Technical Research --
  - Franchise Fee and Utility Tax Audits -
  - Cable Television Franchise Renewals and Transfers -
  - Community Needs Assessments -
- Review of Open Video System Certification Requests --
  - Rate Regulation -
- Public Access Performance Audits -
- Cable Television Utilization Master Plans for Municipal and Educational Access -

CSG performs routine off-site and on-site services in a number of northern and southern California cities. We are also keenly practiced at organizing existing files and providing clients with strategies to maintain effective telecommunications and cable television records.
COMMUNICATIONS SUPPORT GROUP, INC.

Mr. John Risk is the founder and president and Communications Support Group, Incorporated. Mr. Risk has worked in cable television since 1979. He holds a Bachelors Degree (with High Honors) in Social Research from the University of Michigan. A former five-year Board member of the National Association of Telecommunications Officers and Advisors (NATOA), and a member of the Alliance for Community Media (formerly the NFLCP), Mr. Risk has held a variety of private and public sector management positions encompassing cable television production, programming, and franchise administration. His broad range of experience and expertise strengthens CSG's ability to respond to the ever-changing needs of municipalities and public agencies. Mr. Risk is knowledgeable about federal and state policies related to universal service and telecommunications discounts for public schools and libraries. Mr. Risk has worked with a number of school districts and recognizes the importance of telecommunications and Internet access in the classroom. Mr. Risk has been nationally recognized for his contributions in the field of cable television franchise administration and municipal cable programming. His work has earned his operations 6 "ACE" awards, 6 "Hometown" awards, 8 NATOA awards, and finalist honors in the League of California Cities' "Helen Putnam" award and the Los Angeles Academy of Television Arts and Sciences' "Emmy" competitions. In his capacity as contract Cable Television Manager for the cities of Beverly Hills and Santa Ana, Mr. Risk's compliance, auditing and programming concepts have served as models for other communities seeking to create cable television offices.

Mr. Risk has worked for each of the following jurisdictions:

<table>
<thead>
<tr>
<th>Alameda</th>
<th>Fontana</th>
<th>Maryland Heights, MO</th>
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</thead>
<tbody>
<tr>
<td>Alameda County</td>
<td>Fountain Valley</td>
<td>Mendocino County</td>
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<td>Fremont</td>
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<td>Monterey County</td>
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Santa Cruz | Santa Cruz County |
Sierra Madre | Stanton |
Twenty-Nine Palms | Temple City |
Ukiah | Villa Park |
Walnut | West Covina |
Westminster | Willits |
Yorba Linda | Yucca Valley |
TELECOMMUNICATIONS POLICY DEVELOPMENT AND PLANNING

CITY OF BERKELEY, CALIFORNIA
(Roger Miller, Office of Information Technology)

In November 2000, the City of Berkeley contracted with Communications Support Group, Inc., and its subcontractor, the Social Science Research Center (SSRC) at California State University, Fullerton, to assess the telecommunications needs, concerns, and interests of residential households in Berkeley. Telephone interviews were conducted from the SSRC's survey research laboratory, utilizing Computer Assisted Telephone Interviewing (CATI) equipment and software. The purpose of this study was to collect useful demographic and frequency data concerning residential use of cable television and telecommunications in Berkeley and to ascertain users' satisfaction with cable television and telecommunications service. The City used the data from the survey to write a Telecommunications Master Plan for the City of Berkeley and recommend telecommunications policies to the City Council.

CITY OF REDONDO BEACH, CALIFORNIA
(Maggie Healy, Assistant to the City Manager)

In 2001 and 2002 the City retained Communications Support Group, Inc. (CSG) to facilitate a study of City telecommunications right-of-way (ROW) policies. CSG assisted the City Manager's Office and the City Attorney's Offices by reviewing methods used by the City to grant permits for both wireline and wireless telecommunications companies. CSG presented a series of objectives to be considered during the development of local policies, which City personnel ranked in the order of priority. Outcomes of this project included:

- A central point of contact for all telecommunications matters;
- Centralized record keeping of telecommunications applications;
- Enabled the City's IT facilities to develop and support a practical database of telecommunications permit and franchising matters;
- Revised fee schedules for all departments pertaining to right of way and telecom planning matters;
- New and improved private line agreements related to TCG and TYCOM;
- Improved centralized mapping to identify and control placement of ROW entrants;
- Improved inter-departmental communications;
- Improved tracking of City/staff costs and time spent on telecommunications applications review;
- Began the development of a "level playing field" for all telecommunications companies by assessing non-discriminatory taxes and fees on service providers in the City and/or companies that wish to use City ROW;
- Specific guidelines for better administration of encroachment permit applications that, among other things, resulted in a new set of application forms for various types of permits.

CITY OF SAN DIEGO, CALIFORNIA
(Marc Jaffe, Cable Television Program Manager)

In 1999 the City retained CSG to analyze current City telecommunications policies and to identify areas regarding modification or amendment. As part of the analysis, CSG:

- Addressed the City's issues of ROW management and compensation under federal and state law;
- Conducted a comprehensive audit of the City's telecommunications regulatory process, structure, fees and practices and evaluated the various departments for compliance to City codes or regulations;
- Reviewed Finance Department forecasts and revenues attributable to telecommunications;
- Evaluated the City's organizational infrastructure involved with telecommunications management, planning, permitting, facility attachment approvals and ROW use management;
- Conducted a variety of educational programs for City staff;
- Developed strategic and action plans for ongoing telecommunications management;
- Developed an inventory of known ROW users, locally assessed fees, taxes, or other compensation;
- Identified new revenue streams, economic development initiatives, and organizational restructuring devices designed to increase and enhance service delivery and reduce operating costs.

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TELECOMMUNICATIONS POLICY DEVELOPMENT AND PLANNING

CITY OF MARYLAND HEIGHTS, MISSOURI
(Steve Rasmussen, Assistant to the City Administrator)

Since 2000, CSG has performed a number of third-party auditor projects for the City. CSG has audited franchise fees, license fees, per-foot ROW fees, and utility taxes for 14 telecommunications licenses serving residents and businesses within the City. During 1999-2000, as part of a team of consultants, CSG was retained to report on the City's existing telecommunications regulatory and permitting structure in the context of existing and future telecommunications service providers. CSG made recommendations for a comprehensive telecommunications regulatory and permitting framework that is consistent with state and federal law. CSG also provided recommendations on the evaluation criteria to be used for telecommunications provider use of the public ROW and City-owned facilities and property.

FRANCHISE FEE AUDITING

CSG performs what is known as “agreed-to procedures” audits of both cable television and telecommunications companies. Priority is given to inspecting major categories of revenue (subscriber revenue, equipment rental, advertising, and shopping) using test months to sample procedures and accuracy. Audit depth is increased based on discrepancies and compliance issues. Since 1987, we have performed franchise fee audits for the following agencies:

| City of Berkeley (as part of franchise renewal in 1988, and change of control in 2002 and including utility tax auditing) - TCI/AT&T | City of Duarte (Municipally Owned) (1987-1988) |
| City of Brea (2005) - Adelphia Communications | City of Emeryville (2004) - Comcast Communications |
| City of Brentwood (2001-2004) - Comcast Communications | City of Fremont (2001-2003) - Comcast Communications |
| City of Carlsbad (2003, 2005) five city audit of Adelphia Communications including Carlsbad, Solana Beach, Encinitas, Del Mar, and San Marcos | City of Fullerton (2005) - Adelphia Communications |
| City of Chino (2005) - Adelphia Communications | City of Hawthorne (2005) - Time Warner Cable |
| City of Chino Hills (1999, 2005) - Century/Adelphia system and Adelphia Communications | City of La Canada/Flintridge (1998) - Charter Communications |
## FRANCHISE FEE AUDITING

| City of La Habra (1994, 2005) - Century and Adelphia Communications including UUT and Access Fees | City of Petaluma (2000) - AT&T |
| City of Lawndale (2005) - Time Warner Cable | City of Pomona (2000) - Adelphia Communications |
| City of Long Beach (2005) - Charter Communications | City of Redondo Beach (2005) - Adelphia Communications |
| City of Manhattan Beach (1999, 2005) - Century/Adelphia and Adelphia Communications | City of Richmond (2002) - One year franchise fee audit of Comcast |
| City of Mission Viejo (1989) - Dimension Cable | County of San Bernardino (1993, 2003, 2005) reviewed franchise fee payments of fourteen Adelphia Communications cable franchisees |
| City of Maryland Heights, MO (1999-2003) - Allegiance, Ionex, TCG, MCI/Worldcom, AT&T and Cable America including utility tax auditing. | County of San Diego - Adelphia Communications, Cox, Time Warner Cable |
| City of Moreno Valley (2003, 2005) twelve city franchise fee and four City utility tax audit of Adelphia, including Desert Hot Springs, Fontana, Moreno Valley, and San Bernardino | City and County of San Francisco (1996-97) - during transfer from Viacom to TCI |
| City of Monrovia (1992, 2005) TCI system; audit of PEG fees in 2003 of Altroio Communications; Adelphia Communications | City of Santa Cruz (2002) - three year franchise fee audit of Comcast |
| City of Norwalk (1993) Charter Communications | City of Temple City (1993) - Charter Communications |
| City of Oakland (2005) - Comcast Communications | City of Walnut (as part of franchise renewal 1993-1994) - Charter Communications |
| City of Pasadena (1999, 2005) Charter Communications; audit of PEG fees in 2003 of Altroio Communications |
COMPETITIVE CABLE TELEVISION AND OPEN VIDEO SYSTEM (OVS) REVIEW

From 1999 to the present, CSG has assisted the following California cities with professional support related to granting of franchises to competitive cable television and OVS providers:

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<tr>
<th>Arcadia</th>
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<td>Hermosa Beach</td>
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<td>Sierra Madre</td>
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The competitive OVS companies involved were RCN, Western Integrated Networks, Champion and Altro Communications. CSG performed detailed financial analysis, an evaluation of the incumbent cable companies' PEG obligations, a review of other contractual franchise provisions, and assisted the respective City Attorneys in crafting language for the competing cable television or OVS franchise agreements. Incumbent cable companies involved in these proceedings included Adelphia and Charter Communications. In 2003, on behalf of Arcadia, Monrovia, and Pasadena, CSG researched and audited the calculations of Altro Communications in the proper payments of PEG grants and fees in compliance with the agreements between Altro and those cities respectively.

FRANCHISE TRANSFERS AND RENEWALS

CITY OF ALAMEDA, CALIFORNIA
(Marge McLean, Management Analyst)

In 1996, CSG assisted the City in preparing a survey of community needs. In 1997 and 1998 CSG reviewed franchise language and gave recommendations for negotiations with TCI related to renewal of the franchise agreement.

CITY OF ALBANY, CALIFORNIA
(Beth Pollard, City Administrator)

Since March 1993 CSG has performed a number of compliance related audits of the City’s cable television operators. Most recently, in 2002, CSG performed an audit of AT&T as due diligence related to the AT&T Comcast merger. Task included technical department inspections, customer service audits, and audits of bonds, insurance, franchise fees and letters of credit. CSG assisted the City in its negotiations regarding the transfer of a cable franchise from Century Cable to TCI Cablevision. CSG assisted the City with various franchise administrative services including strategic planning and clarification regarding issues of transfer. CSG also conducted a comprehensive compliance audit of Century Communications, along with a comparative analysis of franchise transfers, a needs ascertainment and assessment, and document review, including review of FCC Form 394 when Century was being transferred to Adelphia. CSG was particularly helpful in negotiating a settlement of a dispute of first refusal in the transfer of the franchise from Century to TCI in 1998. In this transaction, the City received a settlement in excess of $100 per subscriber.

CITY OF ANAHEIM, CALIFORNIA
(Kris Thalman, Intergovernmental Relations)

Between 1990 and 1995, CSG was retained to provide the City with a variety of franchise administrative services to assist in franchise compliance reviews. These reviews have included construction practices, interconnects, and local programming. In 1991, CSG assisted the City of Anaheim in transferring a cable franchise from Empire Cable to Jones Spacelink, LTD, resulting in $75,000 in grants for video production equipment. CSG also assisted the City develop methods and forms for monitoring cable operator customer service performance. In addition, CSG evaluated the cable operator's FCC Form 393. In 1993, 1994, and 1995, CSG performed services related to rate regulation.

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FRANCHISE TRANSFERS AND RENEWALS

CITY OF ARCADIA, CALIFORNIA
(Bill Kelly, City Manager/Steve Deitch, City Attorney)

Since 1994, CSG has assisted the City in general franchise administrative duties and has provided the City with consultant services related to the renewal and transfer of the City's franchise with TCI Cablevision and several transfers of ownership involving Century and Adelphia Communications. CSG completed a community needs assessment including public meetings and extensive interviews with City staff, comprehensive franchise performance audit, and technical evaluation for franchise renewal. In addition, CSG assessed department needs related to municipal cable television services and managed the bidding and procurement of nearly $400,000 in television production equipment. CSG also provided extensive rate regulation assistance to the City. In 2001 and 2003, CSG provided a variety of services related to Adelphia and the City's competitive OVS company, Attiro Communications. Since Attiro's reorganization and dissolution, CSG has been actively involved in the City's negotiations and FCC Form 394 review with Champion Communications, a potential successor franchisee. In 2005, CSG assisted the City in transferring ownership of the cable T.V. franchise.

CITY OF BERKELEY, CALIFORNIA
(Chris Mead, Office of Information Technology)

During 2003, CSG performed a review of Comcast's proposed cable television rates and made comparisons to rates charged in 11 other cities nation-wide. From March 2002 to November 2003, CSG has performed a number of compliance related audits of AT&T as due diligence related to the AT&T-Comcast merger. Tasks included technical department inspections, customer service audits, and audits of bonds, insurance, franchise fees and letters of credit. In July 2000, CSG conducted a site survey and technical review of AT&T's cable plant to confirm completion of AT&T's 1999 rebuild in the City of Berkeley. CSG's review included analysis of system demographics, service call and outage records, FCC proof of performance reports, sweep testing, and subjective observations. CSG completed a survey of residential households. The workscope included meeting with City staff and task force to finalize ascertainment depth, survey administration, analysis and report of findings. For a two-year period (1989-1990) CSG conducted a comprehensive test and technical evaluation of the Lenfest Cable system to determine the cable operator's level of franchise compliance, financial condition, and assessment of public, educational and municipal needs. The results of CSG's needs analysis were used by the City during franchise renewal negotiations and served as a benchmark to shape the terms and conditions of a new cable television franchise.

CITY OF BEVERLY HILLS, CALIFORNIA
(Fred Cunningham, Exec. Director, Public Affairs and Information)

From 1988 to 1995, CSG provided part-time, on-site franchise administration services related to all aspects of local monitoring and enforcement of cable television company performance, including utilization of cable technology by City agencies and management of the City's Office of Cable Television. Duties included staff supervision, budgeting, monthly reports, audits, customer service appraisals, technical inspections, management of all video productions and long-range plans for cable utilization. CSG also managed a $500,000 capital improvement project involving teleproduction facilities and I-Net equipment within the renovated City Hall. Since August 1995, CSG has provided off-site consulting related to rate regulation and specialized franchise administration work. In 1997 CSG gave assistance to franchise regulatory matters concerning the 5th Circuit Court decision. In 1998, 1995, 1992, and 1990 CSG conducted franchise fee audits of Century Cable.

CITY OF CHINO HILLS, CALIFORNIA
(Raymond Hansen, Senior Administrative Analyst)

From 1995 to 2002, CSG provided the City with general franchise administrative duties and later provided the City with consultant services related to the renewal and transfer of the City's franchise with Century Cable and TCI Cablevision. Along with extensive planning, fact finding, and strategy development, CSG conducted a community needs assessment, a comprehensive franchise performance audit, and technical evaluation for franchise renewal/transfer, as well as furnishing the City with a comparative analysis of franchise transfers. Services included extensive rate regulation assistance, a review of documents, evaluation of compliance, and recommendations for franchise renewal negotiations. CSG also negotiated the terms and conditions of a
FRANCHISE TRANSFERS AND RENEWALS

renewal agreement with Adelphia Communications. In 2005, CSG assisted the City in transferring ownership of the cable T.V. franchise.

CITY OF COMMERCE, CALIFORNIA
(Raul Romero, Former City Administrator)

From June 1992 to October 1994, and in 1998, CSG provided the City with a variety of franchise administrative services. CSG assisted the City in transferring negotiations and conducted a financial procedures audit. Between 1992 and 1994, CSG provided five levels of professional services to the City related to franchise/license renewal: 1) Asset inventory auditing of the City's municipally owned cable television equipment; 2) legal opinion and negotiation planning concerning the City's lease agreement with Cencom cable; 3) lease agreement performance auditing, 4) specialized reporting concerning future trends, telephone entry into cable television, and market factors concerning municipal ownership of cable television systems, and 5) negotiating a new lease agreement with Charter Communications.

CITIES OF CYPRESS, LAKewood, AND LA PALMA, CALIFORNIA
(Ron Kenny, Director of Recreation and Community Services)

In 1996 CSG was retained to conduct a comprehensive review of Media One's compliance under the customer service requirements of the cable television franchise agreement and the 1984, 1992 Cable Communications Acts, along with the 1996 Telecommunications Act, in each of three cities (La Palma, Lakewood, and Cypress). This performance assessment of the cable operator also includes the provisions of the franchise agreement and City Code, including any special performance requirements.

CITY OF DIAMOND BAR
(Ryan McNeal, Assistant to the City Manager)

In 2005, CSG assisted the City in transferring ownership of the cable T.V. franchise. CSG also performed a compliance audit of Adelphia.

CITY OF DUARTE, CALIFORNIA
(Don Pryun, Former Assistant City Manager)

In 1998, CSG conducted a comprehensive analysis of the City's municipally held cable system. Multifaceted audits were performed in the following four areas: Financial; Contract Compliance; Management; and Marketing. The results of our work supported the City's decision to sell its interest in this municipally held cable television system for $15,000,000.

CITY OF GARDENA, CALIFORNIA
(Mitch Lansdell, City Manager)

From 1989 to 1992, CSG performed a variety of technical, administrative, and policy related services concerning Group W Cable. Services included compliance auditing, franchise fee analysis, public access planning and development, and technical audits of the cable system associated with customer service.

CITY OF FULLERTON, CALIFORNIA
(Chris Meyer, City Manager and Ed Paul, Former Revenue Director)

In 1998, CSG was engaged to perform consulting services related to the City's franchise renewal with Comcast Cablevision. CSG conducted a comprehensive review of Comcast compliance under the customer service requirements of the cable television franchise agreement, the 1984, 1992 Cable Communications Acts, and the 1996 Telecommunications Act. CSG also conducted a comprehensive needs ascertainment. This performance assessment included provisions of the franchise agreement and City Codes, including any special performance requirements associated with customer service. From 1993 to 1994, CSG assisted the City in setting up a customer service performance monitoring and rate regulatory program. This program includes: identification of performance related criteria contained in ordinance and franchise documents; creation of a customer service protection ordinance based on existing ordinance, state laws, federal laws and FCC rules and regulations; development of a complaint process and monitoring of performance for the
FRANCHISE TRANSFERS AND RENEWALS

City; and a review of rate requests for reasonableness. In 2000 and 2001, CSG worked with the City in its transfer of ownership proceedings between Comcast Cablevision and Adelphia Communications, and a review of service rates. In 2005, CSG assisted the City in transferring ownership of the cable T.V. franchise.

CITY OF HERMOSA BEACH, CALIFORNIA
(Mary Rooney, Former Assistant City Manager)

In 1989, CSG completed a comprehensive franchise performance audit and technical evaluation. CSG reviewed documents, offered evaluations, recommendations, and action plans for continued enforcement of cable regulatory provisions by City staff and for documenting community access needs. In 1993 and 1994, CSG assisted the City with its franchise renewal proceedings including ordinance and franchise review, financial analysis and an assessment of the impact of rate regulation. Later, in 2000, CSG assisted the City in reviewing community needs and franchise provisions for an OVS competitive cable television franchise with RCN Communications. This matter required a thorough review of historic and transfer related franchise requirements related to fiber connectivity, public, educational, and governmental access equipment and facilities. CSG also performed a financial analysis of RCN’s proforma. In 2005, CSG assisted the City in transferring ownership of the cable T.V. franchise.

CITY OF INDIAN WELLS, CALIFORNIA
(Charlie Francis, Former Administrative Services Director)

In 1992 and 1993, CSG assisted the City’s renewal/transfer negotiations with Palmer CableVision. CSG completed a community needs assessment including public meetings and extensive interviews with City staff, a comprehensive franchise performance audit, and technical evaluation for franchise renewal. Services included a review of documents, evaluation of compliance, and recommendations for franchise renewal negotiations. In addition, CSG provided extensive rate regulation assistance to the City.

CITY OF IRVINE, CALIFORNIA
(Rick Paikoff, Budget Manager)

In 1993 and 1994, CSG monitored the cable operator’s franchise compliance, provided support to the City’s Cable Television Advisory Board, handled customer complaints, provided rate regulation assistance, and facilitated the City’s use of cable technology. In early 1993, CSG assisted the City in exploring potential competitors to Dimension Cable. In 1994, CSG prepared a comprehensive ordinance for improved cable television customer service standards and assisted the City transfer of the cable television franchise to Cox Cable. Beginning in 2005, CSG has been studying public needs associated with a renewal with Cox Cable. The project studied a concept to expand facilities and operations into an integrated multipurpose Media Center within the Orange County Great Park (OCGP). The City contracted with Communications Support Group, Inc., (CSG) to perform research to identify and estimate cable television capital and operating expenses associated with a potential concept to develop a community media center located within the proposed OCGP. This facility should also be considered as a backup emergency operations center (EOC) for the City. We offer three variable and scalable capital improvement models based on three levels of ICTV Channel 30 operating assumptions.

CITY OF LONG BEACH
(Sherry Blohm, Cable TV Manager and Curtis Tani, Director, Information and Technology Department)

Since 2002, CSG has provided general administrative and regulatory consulting services to the City, including telecommunications and regulatory strategy development and franchise compliance review. In 2003 CSG began assisting the City’s renewal process with Charter Communications, which included a technical compliance audit and an extensive financial due diligence review. CSG has also conducted extensive research on “effective competition” on behalf of the City.

CITY OF LOS ANGELES, CALIFORNIA
(David Hankin, Former Deputy General Manager, Telecommunications)

From 1989 to 1993, CSG served as the City’s public access compliance auditors. CSG’s services included periodic reviews and compliance reports for all fourteen cable television franchises in the City, including the
FRANCHISE TRANSFERS AND RENEWALS

inspection of more than $2,000,000 in video equipment. CSG's services also included recommendations for corrective actions and franchise enforcement.

CITY OF MISSION VIEJO, CALIFORNIA
(Danial Hopp, Former Assistant to the City Manager)

From June 1991 to June 1995, CSG provided a variety of cable television consulting services. In 1991, CSG monitored franchise compliance and established action plans for cable utilization by the City. Duties included research and report writing concerning equipment, staffing, budgeting, and other elements of municipal programming operations and facilities. Work scope also included production of City Council meetings, other special meetings, and capital project management of a $130,000 video production facility. In 1993, CSG prepared a strategic plan for provisions of the franchise dealing with public, educational, and government access television. In 1994, CSG implemented and managed a community access television model at Mission Viejo High School. In 1993 and 1994, CSG performed rate regulatory consulting and assisted the City in transferring its cable franchise from Multivision to Cox Cable.

COUNTY OF MONTEREY, CALIFORNIA
(Aleta Cozart, Former Deputy CAO)

From 1992 to 1995, CSG was contracted to update and revise provisions of County's ordinance as they relate to customer service and performance. CSG completed a compliance audit of the two cable operators as a part of the process. CSG also provided a variety of services related to the County's rate regulation proceedings and franchise administrative issues in general.

CITY OF NORWALK, CALIFORNIA
(Dan Keen, Assistant City Manager)

In 1993 and 1994 CSG was contracted to assist the City with franchise renewal proceedings with Crown Cable. Tasks included a compliance audit, community needs assessment, franchise fee audit, renewal questionnaire, and assistance in renewal negotiations.

CITY OF PASADENA, CALIFORNIA
(Lori Sandoval, Technical Planning Manager)

From 1998 to present, CSG has assisted the City in general franchise administrative duties, and has provided the City with consultant services related to the renewal of the City's franchise with Charter Communications, and granting of a competitive OVS franchise with Altroio Communications. Along with extensive planning, fact-finding, and strategy development, CSG has provided the City with a community needs assessment, comprehensive franchise performance audit, and technical evaluation for franchise renewal. Services have included a review of documents, evaluation of compliance, and recommendations for franchise renewal negotiations. CSG has been serving as an expert witness in defending the City against litigation threatened by the City's cable operator related to level playing field and commercial practicability claims. Since Altrom's reorganization and dissolution, CSG has been actively involved in the City's negotiations and FCC Form 394 review with Champion Communications, a potential successor franchisee.

CITY OF PETALUMA, CALIFORNIA
(Gene Beatty, Former Assistant City Manager)

In 2000, CSG performed a fourth year review of AT&T Cable Services related to franchise compliance, technical compliance, and franchise fee payments made to the City during the period of July 1998 through December 1999. Services included a review of documents, evaluation of compliance, and recommendations.
FRANCHISE TRANSFERS AND RENEWALS

PUBLIC CABLE TELEVISION AUTHORITY
(Mary Morales, Executive Director)

In 2004, CSG performed analysis related to the PCTA's renewal with Time Warner. This Joint Powers Authority serves the Cities of Fountain Valley, Huntington Beach, Stanton and Westminster. During the course of this engagement, CSG led a strategic planning effort, developed PEG funding scenarios, conducted a rigorous residential survey and compiled a community needs assessment in preparation for negotiations with Time Warner. In 2005, CSG provided further specification and modeling consideration for improvements to playback of programming in Huntington Beach.

CITY OF REDONDO BEACH, CALIFORNIA
(Maggie Healy, Management Analyst)

During 1995, CSG performed a comprehensive evaluation of Century Cable's compliance to the City's customer service standards. Identification of non-compliance, recommendation for corrective actions, and draft correspondence was provided. CSG continues to provide administrative expertise related to cable television matters on a case-by-case basis. In 2000 and 2001, CSG performed a variety of services related to reviewing an application for an OVS franchise by RCN Communications. Since 2003, CSG has provided services related to renewal of the City's Adelphia franchise.

CITY OF RICHMOND, CALIFORNIA
(Cecily McMahan, Cable Television and Telecommunications)

Since May 2002, CSG has performed a number of compliance related audits of AT&T as due diligence related to the AT&T-Comcast merger. Tasks included technical department inspections, customer service audits, and audits of bonds, insurance, franchise fees and letters of credit. Also, in June 2002, CSG conducted a site survey and technical review of AT&T's cable plant to confirm completion of AT&T's 1999 rebuild in the City of Richmond. CSG's review included analysis of system demographics, service call and outage records, FCC proof of performance reports, sweep testing, and subjective observations. In addition, in 2002, CSG completed a survey of residential households. The workscope included meeting with City staff and task force to finalize ascertainment depth, survey administration, analysis and report of findings. The results of CSG's needs analysis were used by the City during franchise renewal negotiations and served as a benchmark to shape the terms and conditions of a new cable television franchise.

COUNTY OF SAN BERNARDINO, CALIFORNIA
(Gerry Hansen, Former Director Department of Weights and Measures)

From June 1992 to July 1993, CSG provided on-site cable television administration services related to the County's 18 cable television franchise areas. CSG services included customer complaint handling, customer service performance auditing, franchise fee reconciliation, and technical performance auditing. Compliance reports were provided on a quarterly basis. Meetings and compliance hearings were coordinated as needed. CSG provided additional consumer affairs support via telephone hotline services available to more than 100,000 subscribers.

CITY OF SAN FERNANDO, CALIFORNIA
(Mary Stretn, Former City Manager)

In 1993, 1994, and 1995, CSG audited cable TV franchise documents, records and complaints concerning a transfer of ownership between Valley Cable TV and Cablevision Industries. CSG submitted a compliance checklist and report. CSG also provided legal and technical assistance for City negotiations with Valley Cable and assisted with the development and management of the Cable Television Advisory Board and implementation of rate regulation matters.
FRANCHISE TRANSFERS AND RENEWALS

CITY AND COUNTY OF SAN FRANCISCO
(Ed Harrington, Controller)

In 1996, CSG performed a three-year procedures audit of Viacom Cable related to franchise fee payments made to the City during the period of July 1993 through June 1996. Detailed audits were performed of all sources of revenues relating to subscriber and non-subscriber revenue. Recommendations were made for collecting amounts found underreported and for drafting franchise language for future agreements.

COUNTRY OF SANTA BARBARA, CALIFORNIA
(Patricia Montenayor, Cable Television Administrator)

In 1990, CSG conducted a review of the County’s cable television enforcement activities and made recommendations for improvements. Activities included technical assessments and operational recommendations. Project planning focused on costs and benefits between full-time personnel and contract staffing.

CITY OF SANTA BARBARA, CALIFORNIA
(Pete Wilson, Assistant City Manager)

CSG assisted the City in 1991-92 in negotiating a modification of its franchise agreement with Cox Cable concerning more than $200,000 for public access support and facilities. CSG provided an analysis of developing and operating a non-profit access corporation and audited public access operations to evaluate the City’s regulatory and fiscal relationship to PEG access in the City.

SIERRA MADRE, CALIFORNIA
(Tammy Gates, Former City Manager)

In 2001, the City retained our services to be lead negotiator in a franchise renewal for two franchises involving Adelphia Communications and Altico. Tasks included determination of resources, delegation of duties between other consultants, financial reviews, and drafting franchise agreement language. We continue to negotiate the terms of the franchise and reached conclusion by summer 2003.

SAN LUIS OBISPO COUNTY
(Ellen Sturtz, Franchise Administrator)

In 2001, the County retained our services to be lead negotiator in a franchise renewal for two franchises of the County involving Charter Communications. Tasks included determination of resources, delegation of duties between other consultants, financial reviews, and drafting franchise agreement language.

CITY OF SANTA ANA, CALIFORNIA
(Joe Fletcher, City Attorney, and Gerardo Mouet, Executive Director, Recreation and Community Services)

From 1984 to 1990, and from 1993 through October 1995, CSG provided professional support in administering the City's cable franchise and managing the City's award-winning cable television division. On a regular, part-time basis, CSG monitored the cable operator's franchise compliance, provided support to the City's Cable Television Advisory Board, provided support to the City's Finance Department in monitoring franchise fee payments of the cable company, helped handle customer complaints, monitored budget activity, and facilitated the City's use of cable technology. CSG was completely responsible for concept and execution of all video/cable programming produced by the City between 1985 and 1990, and purchased more than $500,000 in video equipment. CSG's President also handled the majority of staff duties associated with transferring the Group W franchise agreement to Comcast in 1987, including the deposition and relocation of more than $1,000,000 in video production equipment and supplies. Mr. Risk, CSG's President, was employed full-time as the City's Cable Administrator from 1986-1987. CSG advised the City in matters related to renewal of Adelphia's franchise agreement from 2002 through present. This support included development of an interim franchise extension, leading franchise negotiations and assisting the City Attorney with franchise renewal.
FRANCHISE TRANSFERS AND RENEWALS

CITY OF TEMPLE CITY, CALIFORNIA
(Isa Kravitz, Former Assistant to City Manager)

In 1993, 1994, and 1995, CSG was contracted to assist the City with franchise renewal proceedings and rate regulatory activities related to its cable company, Crown Cable. Tasks included a compliance audit; community needs assessment, franchise fee audit, renewal questionnaire, rate reviews, rate hearings, and planning for renewal negotiations.

CITY OF WALNUT, CALIFORNIA
(Tony Ramos, Assistant City Manager)

From 1992 to November 1996, CSG assisted the City in general franchise administrative duties, rate regulation services, and with the renewal of the City's franchise with Charter Communications. Again, beginning in 2005, CSG has assisted the City in assessing community needs, a comprehensive franchise performance audit and technical evaluation for franchise renewal. In addition, CSG assessed department needs related to governmental and educational access. CSG acted as lead negotiator on the former renewal project and will serve as lead negotiator with Charter on this renewal.
RATE REGULATION SERVICES

CSG performs rate regulation services including: analyzing benchmark rates; review of rate freeze violations; filing of certification forms and cable programming services complaints; review of FCC Forms 393, 1200, 1210, 1220, and 1240; secondary auditing of cable records to support figures in FCC Forms; adoption of rate regulation ordinances, and defense of appeals. Also, we recently performed due diligence for several municipalities in verifying the pass-through of franchise fees on non-subscriber revenues. CSG has performed financial and/or rate regulatory services for the following entities:

CITY OF ALAMEDA (1994-1996)
(Marge McLean, Management Analyst)

CITY OF ALBANY (1994-1999)
(Bill Jones, Former Ex. Director Parks and Recreation)

CITY OF ANAHEIM (1994-1996)
(Kristine Thalman, Cable TV Administrator)

CITY OF ARCADIA (1994-present)
(Chris Ludlum, Former Community Relations Officer)

CITY OF BEVERLY HILLS (1993-1995)
(Fred Cunningham, Executive Director, Public Affairs)

CITY OF BERKELEY (2002-2003)
(Chris Mead, Director Information Technology)

CITY OF BREA (1994-1995)
(Doug Stevenson, Assistant to City Manager)

CITY OF CERRITOS (1993-1995)
(John Saunders, Internal Services Director)

CITY OF CHINO HILLS (1997-present)
(Ray Hansen, Senior Administrative Analyst)

CITY OF EMERYVILLE (1994-1995)
(Theresa Cho, Assistant City Attorney)

CITY OF FREMONT (1994-1995)
(Doug Eads, Assistant City Manager)

CITY OF FULLERTON (1994-present)
(Ed Paul, Revenue Manager)

CITY OF HAYWARD (1994-1995)
(Sallie Melendez, Cable Manager)

CITY OF INDIAN WELLS (1994-1995)
(Charlie Francis, Director, Admin. Services)

CITY OF IRVINE (1994-1995)
(Rick Paikoff, Director of Budget)

CITY OF LA HABRA (1993-1995)
(Park Morse, Former Assistant City Manager)

CITY OF MONROVIA (1994-1996)
(Rod Gould, Former City Manager)

COUNTY OF MONTEREY (1994-1995)
(Aleta Cozart, Former Deputy CAO)

CITY OF MORENO VALLEY (1994-1995)
(Clarence Brown, Sr. Management Analyst)

CITY OF REDONDO BEACH (1995-present)
(Maggie Healy analyst)

CITY OF SAN FERNANDO (1993-1994)
(Mary Stenn, Former City Administrator)

CITY OF SAN LEANDRO (1993-1994)
(Kathy Ormeelas, Community Affairs)

CITY OF SAN PABLO (1994)
(Brian Libow, City Attorney)

CITY OF TEMPLE CITY (1994)
(Lynne Pahner, City Clerk)

CITY OF YORBA LINDA (1993-1995)
(Glenn Yasui, Sr. Administrative Assistant)

CITY OF VILLA PARK (1994-1995)
(Fred Malley, City Manager)

CITY OF WALNUT (1993-1995)
(Tony Ramos, Assistant City Manager)

CITY OF WEST COVINA (1993-1995)
(Judy Orr, Assistant City Manager)
PUBLIC OR GOVERNMENT ACCESS PROJECTS

VIDEO EQUIPMENT SERVICES

CITY OF ARCADIA, CALIFORNIA
(Bill Kelly, City Manager/Mike Miller, City Attorney)

In 1994, CSG assisted the City negotiate $290,000 in capital improvement funds for use in purchasing a five camera teleproduction facility in the City Council chambers. Service included evaluation of needs, bid specifications, selection of vendor, installation sign-off, and training of staff.

CITY OF BEVERLY HILLS, CALIFORNIA
(Fred Cunningham, Exec. Director, Public Affairs and Information)

In 1988 and 1989, CSG provided audits of utilization of cable technology by City agencies and management of the City's Office of Cable Television. Duties included staff supervision, budgeting, monthly reports, audits, technical inspections, management of all video productions and long-range plans for cable utilization. In addition, CSG managed a $500,000 capital improvement involving tele-production facilities and I-Net equipment within the renovated City Hall. From 1988 to 1995, CSG managed personnel responsible for producing all cable television productions. During this period, CSG assisted the City in winning several nominations and awards in such prestigious competitions as ACE, NATOA, and others.

CITY OF CERRITOS, CALIFORNIA
(Annie Hylton, Public Affairs)

In 1993, CSG developed a master plan for public, educational, and government access channel utilization. Services included management of a $250,000 equipment procurement project, planning for organizational development, and needs ascertainment. CSG also assisted the City in identifying funding resources to provide long term operating support for access organizations. CSG was retained to provide contract services related to production of live broadcasts of City Council meetings.

CITY OF CHINO HILLS, CALIFORNIA
(Ray Hansen, Senior Administration Analyst)

In 2001, CSG provided a master plan concerning equipment procurement and other elements pertaining to the municipal programming operations and facilities. Equipment purchases spanning three phases were contemplated for a total capital budget of $550,000. Work included negotiations with the cable company for cost recovery and some review of the company's existing public access production inventory.

THE CITY OF CYPRESS, CALIFORNIA
(Howard Crisp, Former Central Services Manager)

In 1987, CSG provided a master plan concerning equipment, staffing, budgeting, and other elements pertaining to the municipal programming operations and facilities. In 1992, CSG managed a capital project totaling $130,000 for a City Council chamber video production facility.

CITY OF DANA POINT, CALIFORNIA
(Rita Geldert, Assistant to the City Manager)

In 1992, CSG provided management of a $50,000 capital improvement project involving live cablecasting facilities being installed with the City Council chambers. Work scope also included production of City Council meetings and other special programs.

THE CITY OF GARDEN GROVE, CALIFORNIA
(Gaston Castellanos, Management Analyst)

In 1988, CSG provided a master plan concerning equipment, staffing, budgeting, and other elements pertaining to the municipal programming operations and facilities. Total capital spending amounted to $120,000 for a City Council chamber video production facility.
PUBLIC OR GOVERNMENT ACCESS PROJECTS

CITY OF GLENDORA
(Connie Tiffany, Library-Cable TV Director)

In 1994, CSG performed a technical evaluation and design specifications for an RFP to construct and install a $100,000 television production and cablecasting facility in the City Council chambers. Services included evaluation of bids, selection of vendor, installation sign-off and training of staff.

CITY OF MANHATTAN BEACH, CALIFORNIA
(Mike Daly, Assistant Administrative Services Director)

CSG assessed the City's needs related to live cable television coverage of City Council meetings, developed purchasing specifications for new equipment, and ascertained compliance by cable operator of various franchise performance criteria. In July 1991, CSG reviewed steps to renew the City's cable television franchise. In 1993, CSG assisted the City with equipment purchases and installation.

CITY OF MISSION VIEJO, CALIFORNIA
(Danian Hopp, Former Assistant to the City Manager)

In 1991, CSG provided a master plan concerning equipment, staffing, budgeting, and other elements pertaining to the municipal programming operations and facilities. In 1992, CSG managed a capital project totaling $130,000 for a City Council chamber video production facility. In 1993, CSG conducted needs assessments and strategic planning for enforcing provisions of the franchise dealing with public, educational, and government access television. In 1994, CSG implemented and managed a community access television model at Mission Viejo High School. CSG was retained to provide contract production services related to production of live broadcasts of City Council meetings.

CITY OF MONROVIA, CALIFORNIA
(Rod Gould, Former City Manager)

In 1991, CSG was engaged to document television needs related to their City Council chambers. CSG developed purchase specifications and supervised the installation of this $100,000 municipal production facility. CSG commented on the cable company's signal transmission of community access channels. In 1993, CSG returned to the City to assist in an ownership transfer between Cablevision and Century, which resulted in additional funds for maintenance and repair of teleproduction equipment. In 2001, CSG revisited capital needs of the City's non-profit access corporation, Community Media of the Foothills.

CITY OF SANTA ANA, CALIFORNIA
(Allen Doby, Former Executive Director, Rec. and Community Services)

In 1984 and 1985, CSG's President handled the majority of staff duties associated with transferring the Group W franchise agreement to Comcast, including the deposition and relocation of more than $1,000,000 in video production equipment and supplies to the City. CSG was completely responsible for concept and execution of all video/cable programming produced by the City between 1985 and 1990, and purchased more than $500,000 in video equipment.

CITY OF YORBA LINDA, CALIFORNIA
(Glenn Yasui, Sr. Administrative Assistant)

In 1992-93, CSG provided the City and it's Council with a technical evaluation and design specifications for an RFP to construct and install a $125,000 television production and cablecasting facility in the City Council chambers. Services included evaluation of bids, selection of vendor, installation sign-off, and training of staff. CSG was retained to provide contract services related to production of live broadcasts of City Council meetings.
PUBLIC OR GOVERNMENT ACCESS PROJECTS

CITY OF WALNUT, CALIFORNIA
(Tony Ramos, Assistant City Manager)

In 2005, CSG was retained by the City to perform a technical evaluation and design specifications for upgrading its studio and playback facility from an analog platform to a digital platform. Work tasks include interviews with staff, IT integration planning, and specifying hardware and general design for use in drafting language for franchise provisions. Walnut is in renewal with Charter Communications, and Mr. Risk and Mr. Ramos are Walnut's principal negotiators related to the renewal.

PCTA – HUNTINGTON BEACH, FOUNTAIN VALLEY, WESTMINSTER, AND STANTON
(Mary Morales, Executive Director)

In 2004, the PCTA retained CSG to perform a number of tasks associated with determining public opinions and an ascertainment of public needs related to a renewal of the cable television franchise agreement between the PCTA and Time Warner Cable (“Time Warner”). The focus of the research was two fold: 1) to conduct a community survey and 2) to conduct focus groups to assess government access activities and make recommendations for implementing a regional model for programming the respective cities’ government access channels under a centralized management model. CSG conducted needs assessments, equipment reviews and other PEG related inquiries and put forth recommendations for conceptualizing and valuing this function as a precursor to renewal negotiations. CSG in 2005 has been retained to study the implementation of the model and not only is conducting research related to participating cities, but also conducting interviews with additional participating parties, including Golden West Community College and Time Warner’s production division.

INSTITUTIONAL NETWORKS RELATED TO SCHOOL DISTRICTS

ARCADIA UNIFIED SCHOOL DISTRICT
(Earl Davis, Former Business Manager)

In 1995 and 1996 and again in 2000, CSG conducted equipment audits and prepared an operating model and equipment specifications for a telecommunications and video production facility at Arcadia High School.

BEVERLY HILLS UNIFIED SCHOOL DISTRICT
(Sol Levine, Superintendent)

From 1991 through 1994, CSG conducted equipment audits and implemented equipment and modulation gear for linking classrooms to cable television and activating a two-way video institutional network for training and communications purposes between five schools.

SADDLEBACK VALLEY UNIFIED SCHOOL DISTRICT
(Bob Metz, Principal Mission Viejo High School)

In 1993 and 1994, CSG conducted equipment audits and implemented studio equipment and modulation gear for cablecasting onto the cable television system from a classroom studio. CSG developed operating plans for a vocational program to manage the City’s public access needs.

PASADENA UNIFIED SCHOOL DISTRICT
(Pete Arnold, Former ROP Program Coordinator)

In 2000, CSG worked closely with the PUSD to identify needs of the District and assist in articulation of these needs into the renewal agreement with Charter Communications.
PUBLIC OR GOVERNMENT ACCESS PROJECTS

RANCHO SANTIAGO COMMUNITY COLLEGE DISTRICT
(Jan Parks and Burt Peachy, Former District Administrator)

CSG's President worked closely during the period from 1982 to 1995 in assisting the College District in negotiations between the City and Group W Cable relating to the establishment of a joint curriculum/vocational public access production and programming facility in one of the District's Santa Ana campuses.

SANTA ANA UNIFIED SCHOOL DISTRICT
(Robert Reed, Former Director of Instructional Television)

From 1982 to 1985, and in 1994, CSG conducted equipment audits and implemented equipment and modulation gear for linking classrooms to cable television and activating a two-way video institutional network for training and communications purposes between forty schools. CSG served as principal liaison between District, City, and cable operator.

AUDITS OF PUBLIC ACCESS OPERATIONS

CSG provides audit services for public access operations in the areas of governance/policy development, equipment/technical, performance, and finance. Since 1988 CSG has performed audit related services for the following entities:

- Pasadena Community Access Corporation, 1999-2000
- Arcadia Community Television Model Development, 1996
- Beverly Hills Community Access Corporation Transition Plan, 1995
- Franchise compliance of all 14 Cable Operators Serving City of Los Angeles, 1993-1994
- Cox Cable New Orleans Franchise Compliance Audit, 1989
- Austin Community Television, 1988-1989

Mr. John Risk, CSG's President serves as project administrator and personally supervises all phases of the work performed. Mr. Risk holds a Bachelors Degree (with high honors) in Social Research from the University of Michigan. Mr. Risk is a former five-year Board member of the National Association of Telecommunications Officers and Advisors (NATOA) and a member of the Alliance For Community Media (ACM). Since, 1979, Mr. Risk has held a variety of private and public sector management positions encompassing cable television franchise administration, policy, programming, production, and technology. His broad range of experience and expertise strengthens CSG's ability to respond to clients' needs.

Ms. Anne Risk is CSG's policy analyst. She is involved in the review, research and drafting of reports and correspondence. Ms. Risk has a substantial legal background with over ten years experience in non-profit law as well as several years experience as an appellate research attorney. She received her J.D. from Golden Gate University School of Law and was admitted to the California Bar in 1982. She has extensive experience with statutory and administrative analysis and has reviewed the results of several CSG audits and franchise negotiations.

Mrs. Lori Epstein is CSG's Administrative Services Manager. Michele coordinates with clients’ project scheduling, billing, and delivery of CSG reports and deliverables. Mrs. Epstein work previously as a CPA.

Ms. Sandra Amick is CSG’s a Senior Research Associate and accountant. Ms. Amick is a retired Controller and now specializes in small company CFO duties. Due to her recent work with CSG on financial reviews of Comcast in Fremont, Santa Cruz, Berkeley, Richmond, Ms. Amick possesses working knowledge of the cable industry’s accounting practices.

Ms. Melissa Wise is CSG’s Business Analyst Associate. Ms. Wise is an experienced researcher and spreadsheet analyst and specializes in subscriber revenue accounting. Due to her recent work with CSG on financial reviews in Westminster, Maryland Heights, MO, and Moreno Valley, Fremont, Santa Cruz, Berkeley, Brentwood, Carlsbad, and Richmond, Ms. Wise possesses working knowledge of the cable industry’s accounting practices.
THE CSG TEAM

Subcontractors:

Mr. Darren Doerschel is an experience video engineer. He is currently employed at the City of Santa Monica, but also free-lances in integration and system design projects throughout southern California. Mr. Doerschel has performed multimedia/video/audio projects for Cerritos, Long Beach, Culver City and Walnut. He is well studied in digital playback and automation systems and non-linear editing, and system integration. Mr. Doerschel and Mr. Risk are currently performing significant research related to cable television production and programming in a digital media center environment for the cities of Huntington Beach, Fountain Valley, Stanton, and Westminster.

Mr. Bill Kohutanycz is a nationally recognized cable television and communications engineer with broad practical as well as comprehensive theoretical experience. Holding his degree in Radio Communications, Mr. Kohutanycz serves as the Operations Division Head of the Naval Media Center in Washington D.C. He has served in a variety of technical management and field technical roles in the fields of cable television, broadband communications, telephony, and radio communications. He is a member of the National Association of Telecommunications Officers and Advisors. In 1989, Mr. Kohutanycz served on NATOA's national Technology and Applications Committee and assisted in the negotiation of proposed national technical standards with the National Cable Television Association and the Community Antenna Television Association. Mr. Kohutanycz's expertise includes all phases of technical operations including satellite, microwave, local origination, headend and system construction and maintenance, franchise compliance, telephony, audio design, digital design, and radio communications.

Mr. Bill Morgan is Diehl, Evans' cable television consultant and lead CPA. Mr. Morgan has been with Diehl, Evans & Company, LLP, since 1972 with extensive experience in accounting, auditing, consulting, financial reporting, taxation and cable television issues related to California governmental agencies. Diehl, Evans & Company, LLP, has extensive experience in governmental accounting, auditing and consulting. Mr. Morgan is a graduate of the University of Southern California and is an associate member of the Southern California and Nevada Chapter of the National Association of Telecommunications Officers and Advisors (SCAN/NATOA). Mr. Morgan has partnered with CSG on a number of engagements related to franchise fee auditing.

Greg Robinson, PhD is the Director of the Social Science Research Center (SSRC). Dr. Robinson's expertise includes applied research and evaluation design, survey research methods, and qualitative approaches to data collection and analysis. He has successfully conducted over fifty applied research and evaluation projects with foci in education, health care, and criminal justice. Prior to joining the SSRC, Dr. Robinson was a Research Associate at the Public Policy Research Institute at UC Irvine. He holds a Ph.D. in social ecology from the University of California at Irvine and an undergraduate degree in psychology from the University of California at Berkeley.
April 18, 2006

Dear Senator/Congressman/woman/Assembly Member:

The revolutionary changes in communications technology are forcing a serious reexamination of the regulatory framework for the telecommunications industry at the federal, state and local levels. For the purposes of this communication, telecommunications means the transmission of voice, data and video services to businesses and consumers in our communities. The 2006 state and congressional legislative sessions are poised to focus on this issue and we can expect a new paradigm for the regulation of telecommunications services to emerge in the not-too-distant future.

From the perspective of California’s city officials we approach this debate with a combination of optimism and concern. We are optimistic because of the promise of new and robust telecommunications services for our communities that will enhance the quality of life, improve the business climate and give local agencies the tools to better protect our citizens. On the other hand, we have concerns that vital local resources and authority may be ignored in this debate and in turn cause financial hardship and loss of control over an important taxpayer investment – the local transportation system (the public’s right-of-way).

This communication to you serves as our city’s statement that we are going to take this debate seriously and want to open up an on-going dialogue with you as this debate progresses in Congress and the state legislature. To guide us in this debate, the League of California Cities has adopted the following principles, and the City of ____________ agrees with those principles, for you to consider in this debate. Those principles are:

**REVENUE PROTECTIONS**

- Protect the authority of local governments to collect revenues from telecommunications providers and ensure that any future changes are revenue neutral for local governments.
- Regulatory fees and/or taxes should apply equitably to all telecommunications service providers.
- A guarantee that all existing and any new fees/taxes remain with local governments to support local public services and mitigate impacts on local rights-of-way.
- Oppose any state or federal legislation that would pre-empt or threaten local taxation authority
RIGHTS-OF-WAY

- To protect the public’s investment, the control of public rights-of-way must remain local.
- Local government must retain full control over the time, place and manner for the use of the public right-of-way in providing telecommunications services, including the appearance and aesthetics of equipment placed within it.

ACCESS

- All local community residents should be provided access to all available telecommunications services.
- Telecommunications providers should be required to specify a reasonable timeframe for deployment of telecommunications services that includes a clear plan for the sequencing of the build-out of these facilities within the entire franchise area.

PUBLIC EDUCATION AND GOVERNMENT (PEG) SUPPORT

The resources required of new entrants should be used to meet PEG support requirements in a balanced manner in partnership with incumbent providers.

For cities currently without PEG support revenues, a minimum percentage of required support needs to be determined.

INSTITUTIONAL OR FIBER NETWORK (INET)

The authority for interested communities to establish INET services and support for educational and local government facilities should remain at the local level.

PUBLIC SAFETY SERVICES

- The authority for E-911 and 911 services should remain with local government, including any compensation for the use of the right-of-way. All E-911 and 911 calls made by voice over internet protocol shall be routed to local public safety answering points (PSAPs); i.e., local dispatch centers.

- All video providers must provide local emergency notification service.

CUSTOMER SERVICE PROTECTION

- State consumer protection laws should continue to apply as a minimum standard and should be enforced at the local level. Local governments should retain the authority to assess penalties to improve customer service
OTHER ISSUES

Existing telecommunications providers and new entrants shall adhere to local city policies on public utility undergrounding.

It is our intent to contact your office and set up a meeting to discuss these principles and issues of importance to local government, our constituents and yours. We hope this will prove helpful in starting the dialogue. We look forward to speaking with you in the near future.

Sincerely,

Pedro R. Martinez
Mayor, City of Porterville
ASSEMBLY BILL

No. 2987

Introduced by Assembly Members Nunez and Levine

February 24, 2006

An act to add Article 3.7 (commencing with Section 53058) to Chapter 1 of Part 1 of Division 2 of Title 5 of the Government Code, relating to cable and video service.

LEGISLATIVE COUNSEL'S DIGEST

AB 2987, as amended, Nunez. Cable and video service.

Existing law provides that any city, county, or city and county may authorize by franchise or license the construction and operation of a community antenna television system and prescribe rules and regulations to protect the subscribers. Existing law provides that cable and video service providers comply with specified customer service standards and performance standards.

This bill would state the intent of the Legislature to create the Digital Infrastructure and Video Competition Act of 2006 and would define the term “franchise” for that purpose.

This bill would establish a procedure for state-issued authorizations for the provision of cable service or video service that would be administered by the Department of Corporations. The department would be the sole franchising authority of state-issued authorizations to provide cable or video services. The bill would require any person who seeks to provide cable service or video service in this state to file an application with the department for a state-issued authorization.
Current franchise holders would be eligible to apply for state-issued authorizations on the expiration of their current franchise agreements. Cities, counties, or cities and counties would receive fees for cable or video services provided within their jurisdictions, based on gross revenues, pursuant to specified procedures. The bill would require these local agencies to permit the installation of networks by holders of state-issued authorizations and would preclude enforcement of standards by the local agencies.


The people of the State of California do enact as follows:

SECTION 1. Article 3.7 (commencing with Section 53058) is added to Chapter 1 of Part 1 of Division 2 of Title 5 of the Government Code, to read:

Article 3.7. The Digital Infrastructure and Video Competition Act of 2006

53058. This act shall be known and may be cited as the Digital Infrastructure and Video Competition Act of 2006.
53058.1. (a) This article shall be known and may be cited as the Digital Infrastructure and Video Competition Act of 2006.
(b) The Legislature finds and declares all of the following:
(1) Video and cable services provide numerous benefits to all Californians including access to a variety of news, public information, education, and entertainment programming.
(2) Increased competition in the cable and video service sector provides consumers with more choice, lowers prices, speeds the deployment of new communication and broadband technologies, creates jobs, and benefits the California economy.
(3) To promote competition, the state should establish a state-issued franchise authorization process that allows market participants to use their networks and systems to provide video, voice, and broadband services to all residents of the state.
(4) Legislation to develop this new process should adhere to the following principles.
(i) Create a fair and level playing field for all market
competitors that does not disadvantage or advantage one service
provider or technology over another.
(ii) Promote the widespread access to the most technologically
advanced cable and video services to all California communities
in a nondiscriminatory manner regardless of socioeconomic
status.
(iii) Protect local government revenues and their control of
public rights of way.
(iv) Require market participants to comply with all applicable
consumer protection laws.
(v) Complement efforts to increase investment in broadband
infrastructure and close the digital divide.
(vi) Continue access to and maintenance of the public,
education, and government (PEG) channels.

53058.2. For purposes of this article, the following words
have the following meanings:

(a) “Cable operator” means any person or group of persons
that either provides cable service over a cable system and
directly, or through one or more affiliates, owns a significant
interest in a cable system; or that otherwise controls or is
responsible for, through any arrangement, the management and
operation of a cable system, as set forth in Section 522(5) of Title
47 of the United States Code.
(b) “Cable service” is defined as the one-way transmission to
subscribers of either video programming, or other programming
service, and subscriber interaction, if any, that is required for the
selection or use of video programming or other programming
service, as set forth in Section 522(6) of Title 47 of the United
States Code.
(c) “Cable system” is defined as set forth in Section 522(7) of
Title 47 of the United States Code.
(d) “Department” means the Department of Corporations.
(e) “Franchise” means an initial authorization, or renewal of
an authorization, issued by a franchising entity, regardless of
whether the authorization is designated as a franchise, permit,
license, resolution, contract, certificate, agreement, or otherwise,
that authorizes the construction and operation of a cable system
in public rights-of-way.
(f) "Franchising entity" means the city, county, or city and county entitled to require franchises and impose fees on cable operators, as set forth in Section 53066.

(g) "Incumbent cable operator" means the cable operator serving the largest number of cable subscribers in a particular city, county, or city and county franchise area on the effective date of this article.

(h) "Local entity" means any city, county, or city and county within the state within whose jurisdiction a holder of a state-issued authorization under this article may provide cable service or video service.

(i) "Network" means a component of a facility that is wholly or partly physically located within a public right-of-way and that is used to provide video service, cable service, or voice or data services.

(j) "Public right-of-way" means the area along and upon any public road or highway, or along or across any of the waters or lands within the state.

(k) "Subscriber" means a person who lawfully receives cable service or video service from the holder of a state-issued authorization or franchise for a fee.

(l) "Video programming" means programming provided by, or generally considered comparable to programming provided by, a television broadcast station, as set forth in Section 522(20) of Title 47 of the United States Code.

(m) "Video service" means video programming services provided through wireline facilities located at least in part in public rights-of-way without regard to delivery technology, including Internet protocol technology. This definition does not include any video programming provided by a commercial mobile service provider defined in Section 322(d) of Title 47 of the United States Code.

(n) "Video service provider" means an entity providing video service. This term does not include a cable operator.

53058.3. (a) The Department of Corporations is the sole franchising authority for a state-issued authorization to provide cable service or video service under this article. Neither the department nor any franchising entity or other local entity of the state may require the holder of a state-issued authorization to obtain a separate franchise or otherwise impose any fee or
requirement on any holder of a state-issued authorization except as expressly provided in this article. Sections 53066, 53066.01, 53066.2, and 53066.3 shall not apply to holders of a state-issued authorization.

(b) The application process described in subdivisions (d) and (e) and the authority granted to the department under this section shall not exceed the provisions set forth in this section.

(c) Any person who seeks to provide cable service or video service in this state after the effective date of this article shall file an application for a state-issued authorization with the department. The department may impose a fee on the applicant that shall not exceed the actual and reasonable costs of processing the application and shall not be levied for general revenue purposes.

(d) The application for a state-issued authorization shall be made on a form prescribed by the department and shall include all of the following:

(1) A sworn affidavit, signed by an officer or another person authorized to bind the applicant, that affirms all of the following:

(A) That the applicant has filed or will timely file with the Federal Communications Commission all forms required by the Federal Communications Commission before offering cable service or video service in this state.

(B) That the applicant agrees to comply with all federal and state statutes, rules, and regulations, including, but not limited to, the following:

(i) A statement that the applicant will not discriminate in the provision of video or cable services as provided in Section 53058.7.

(ii) A statement that the applicant will abide by all applicable consumer protection laws and rules as provided in Section 53058.8.

(iii) A statement that the applicant will remit the fee required by Section 53058.4 to the local entity.

(iv) A statement that the applicant will provide PEG channels as required by Section 53058.5.

(C) That the applicant agrees to comply with all lawful city, county, or city and county regulations regarding the time, place, and manner of using the public rights-of-way.
2 (2) The applicant’s legal name and any name under which the
3 applicant does or will do business in this state.
4 (3) The address and telephone number of the applicant’s
5 principal place of business, along with contact information for
6 the person responsible for ongoing communications with the
7 department.
8 (4) The names and titles of the applicant’s principal officers.
9 (5) The legal name, address, and telephone number of the
10 applicant’s parent company, if any.
11 (6) A description of the service area footprint to be served
12 including the social economic information of all residents within
13 the service area footprint.
14 (7) If the applicant is a telephone corporation, as defined in
15 Section 234 of the Public Utilities Code, a description of the
16 territory in which the company provides telephone service. The
17 description shall include social economic information of all
18 residents within the telephone corporation’s service territory.
19 (8) The expected date for the deployment of video service in
20 each of the areas identified in paragraph (6).
21 (e) (1) The department shall notify an applicant for a
22 state-issued authorization whether the applicant’s affidavit
23 described by subdivision (d) is complete or incomplete before the
24 30th calendar day after the applicant submits the affidavit.
25 (2) If the department finds the affidavit is complete, it shall
26 issue a certificate of state-issued authorization before the 14th
27 calendar day after that finding.
28 (3) If the department finds that the application is incomplete, it
29 shall specify with particularity the items in the application that
30 are incomplete and permit the applicant to amend the application
31 to cure any deficiency. The department shall have 30 calendar
32 days from the date the application is amended to determine its
33 completeness.
34 (4) The failure of the department to notify the applicant of the
35 completeness or incompleteness of the applicant’s affidavit
36 before the 44th calendar day after receipt of an affidavit shall be
37 deemed to constitute issuance of the certificate applied for
38 without further action on behalf of the applicant.
39 (f) The state-issued authorization issued by the department
40 shall contain all of the following:
(1) A grant of authority to provide cable service or video service, or both, in the service area footprint as requested in the application.

(2) A grant of authority to use the public rights-of-way in the delivery of that service, subject to the laws of this state.

(3) A statement that the grant of authority is subject to lawful operation of the cable service or video service by the applicant or its successor in interest.

(g) The state-issued authorization issued by the department may be terminated by the cable operator or video service provider by submitting notice to the department.

(h) Subject to the notice requirements of this article, a state-issued authorization may be transferred to any successor in interest of the holder to which the certificate is originally granted.

(i) In connection with, or as a condition of, receiving a state-issued authorization, the department shall require a holder to notify the department and any applicable local entity within 14 business days of any of the following changes involving the holder or the state-issued authorization:

(1) Any transaction involving a change in the ownership, operation, control, or corporate organization of the holder, including a merger, an acquisition, or a reorganization.

(2) A change in the holder’s legal name or the adoption of, or change to, an assumed business name. The holder shall submit to the department a certified copy of either of the following:

(A) The amended state-issued authorization.

(B) The certificate of assumed business name.

(3) A change in the holder’s principal business address or in the name of the person authorized to receive notice on behalf of the holder.

(4) Any transfer of the state-issued authorization to a successor in interest of the holder. The holder shall identify the successor in interest to which the transfer is made.

(5) The termination of any state-issued authorization issued under this article. The holder shall identify both of the following:

(A) The number of customers in the service area covered by the state-issued authorization being terminated.

(B) The method by which the holder’s customers were notified of the termination.
(6) A change in one or more of the service areas of this article that would increase or decrease the territory within the service area. The holder shall describe the new boundaries of the affected service areas after the proposed change is made.

(j) As a condition of receiving a state-issued authorization, the holder shall notify all applicable local entities that the local entity is included in the holder's service area under the state-issued authorization being issued and that the holder intends to provide video or cable service in the local entity's jurisdiction. The holder shall give the notice required under this subdivision not later than 10 days before the holder begins providing video or cable service in the local entity's jurisdiction.

(k) The department shall develop information guides and other tools to help educate local entities and other interested parties about the various provisions of this article.

53058.4. (a) The holder of a state-issued authorization that offers cable service or video service within the jurisdiction of the local entity shall calculate and remit to the local entity a state-issued authorization fee, as provided in this section. The obligation to remit the state-issued authorization fee to a local entity begins immediately upon provision of cable or video service within that local entity's jurisdiction. However, the remittance shall not be due until the time of the first quarterly payment required under subdivision (g) that is at least 180 days after the provision of service began. The fee remitted to a city or city and county shall be based on gross revenues earned within that jurisdiction. The fee remitted to a county shall be based on gross revenues earned within the unincorporated area of the county. No fee under this section shall become due unless the local entity provides documentation to the holder of the state-issued authorization supporting the percentage paid by the incumbent cable operator serving the area within the local entity's jurisdiction, as provided below. The fee shall be calculated as a percentage of the holder's gross revenues, as defined in subdivision (d).

(b) The state-issued authorization fee shall be a percentage of the holder's gross revenues, as defined in subdivision (d), as follows:

(1) If there is an incumbent cable operator, 5 percent of the holder's gross revenues or the percentage applied by the local
entity to the gross revenue of the incumbent cable operator, whichever is lesser.
(2) If there is no incumbent cable operator or upon the expiration of the incumbent cable operator’s franchise, a local entity may, by ordinance, set the percentage applied to the gross revenues of all cable operators and video service providers, provided that the fee shall not exceed 5 percent of gross revenues and shall be applied equally to all cable operators and video service providers in the local entity’s jurisdiction.
(c) No local entity or any other political subdivision of this state may demand any additional fees or charges or other remuneration of any kind from the holder of a state-issued authorization other than as set forth in this section and may not demand the use of any other calculation method or definition of gross revenues. However, nothing in this section shall be construed to limit a local entity’s ability to impose utility user taxes under other applicable provisions of state law.
(d) For purposes of this section, the term “gross revenues” means all revenue actually received by the holder of a state-issued authorization, as determined in accordance with generally accepted accounting principles, that is derived from the operation of the holder’s network to provide cable or video service within the jurisdiction of the local entity, including all of the following:
(1) All charges billed to subscribers for any and all cable service or video service provided by the holder of a state-issued authorization.
(2) Any fees imposed on the holder of a state-issued authorization by this section that are passed through to, and paid by, the subscribers.
(3) Compensation received by the holder of a state-issued authorization that is derived from the operation of the holder’s network to provide cable service or video service with respect to commissions that are paid to the holder of a state-issued authorization as compensation for promotion or exhibition of any products or services on the holder’s network, such as a “home shopping” or similar channel, subject to paragraph (4) of subdivision (e).
(4) A pro rata portion of all revenue derived by the holder of a state-issued authorization or its affiliates pursuant to
compensation arrangements for advertising derived from the
operation of the holder's network to provide cable service or
video service within the jurisdiction of the local entity, subject to
paragraph (1) of subdivision (e). The allocation shall be based
on the number of subscribers in the local entity divided by the
total number of subscribers in relation to the relevant regional or
national compensation arrangement.

(e) For purposes of this section, the term "gross revenue" set
forth in subdivision (d) does not include any of the following:

(1) Amounts not actually received, even if billed, such as bad
debt; refunds, rebates, or discounts to subscribers or other third
parties; or revenue imputed from the provision of cable services
or video services for free or at reduced rates to any person as
required or allowed by law, including, but not limited to, the
provision of these services to public institutions, public schools,
governmental agencies, or employees other than forgone revenue
chosen not to be received in exchange for trades, barter,
services, or other items of value.

(2) Revenues received by any affiliate or any other person in
exchange for supplying goods or services used by the holder of a
state-issued authorization to provide cable services or video
services. However, revenue received by an affiliate of the holder
from the affiliate's provision of cable or video service shall be
included in gross revenue as follows:

(A) To the extent that treating the revenue as revenue of the
affiliate, instead of revenue of the holder, would have the effect of
evading the payment of fees that would otherwise be paid to the
local entity.

(B) The revenue is not otherwise subject to fees to be paid to
the local entity.

(3) Revenue derived from services classified as noncable
services or nonvideo services under federal law, including, but
not limited to, revenue derived from telecommunications services
and information services, and any other revenues attributed by
the holder of a state-issued authorization to noncable services or
nonvideo services in accordance with Federal Communications
Commission rules, regulations, standards, or orders.

(4) Revenue paid by subscribers to "home shopping" or
similar networks directly from the sale of merchandise through
any home shopping channel offered as part of the cable services
or video services. However, commissions or other compensation paid to the holder of a state-issued authorization by "home shopping" or similar networks for the promotion or exhibition products or services shall be included in gross revenue.

(5) Revenue from the sale of cable services or video services for resale in which the reseller is required to collect a fee similar to the state-issued authorization fee from the reseller's customers.

(6) Amounts billed to and collected from subscribers to recover any tax, fee, or surcharge imposed by any governmental entity on the holder of a state-issued authorization, including, but not limited to, sales and use taxes, gross receipts taxes, excise taxes, utility users taxes, public service taxes, communication taxes, and any other fee not imposed by this section.

(7) Revenue from the sale of capital assets or surplus equipment not used by the purchaser to receive cable services or video services from the seller of those assets or surplus equipment.

(8) Revenue from directory or Internet advertising revenue, including, but not limited to, yellow pages, white pages, banner advertisement, and electronic publishing.

(9) Revenue received as reimbursement by programmers of marketing costs incurred by the holder of a state-issued authorization for the introduction of new programming.

(10) Security deposits received from subscribers, excluding security deposits applied to the outstanding balance of a subscriber's account and thereby taken into revenue.

(f) For purposes of this section, in the case of a cable service or video service that may be bundled or integrated functionally with other services, capabilities, or applications, the state-issued authorization fee shall be applied only to the gross revenue, as defined in subdivision (d), attributable to cable service or video service, as reflected on the books and records of the holder kept in the regular course of business in accordance with generally accepted accounting principles and Federal Communications Commission or Public Utilities Commission rules, regulations, standards, and orders, as applicable.

(g) The state-issued authorization fee shall be remitted to the applicable local entity quarterly, within 45 days after the end of the quarter for the preceding calendar quarter. Each payment
shall be accompanied by a summary explaining the basis for the
calculation of the state-issued authorization fee.

(b) Not more than once annually, a local entity may examine
the business records of a holder of a state-issued authorization to
the extent reasonably necessary to ensure compensation in
accordance with subdivision (a). Each party shall bear its own
costs of the examination. Any claims by a local entity that
compensation is not in accordance with subdivision (a), and any
claims for refunds or other corrections to the remittance of the
holder of a state-issued authorization, shall be made within three
years and 45 days of the end of the quarter for which
compensation is remitted, or three years from the date of the
remittance, whichever is later. Either a local entity or the holder
may, in the event of a dispute concerning compensation under
this section, bring an action in a court of competent jurisdiction.

(i) The holder of a state-issued authorization may identify and
collect the amount of the state-issued authorization fee as a
separate line item on the regular bill of each subscriber.

53058.5. (a) The holder of a state-issued authorization shall
designate a sufficient amount of capacity on its network to allow
the provision of a comparable number of PEG channels or hours
of programming, at the holder’s discretion, that the incumbent
cable operator has activated and provided within the local entity
under the terms of any franchise in effect in the local entity as of
the effective date of this article. For the purposes of this section,
a PEG channel is deemed activated if it is being utilized for PEG
programming within the municipality for at least eight hours per
day. The holder shall have 12 months from the date the local
entity requests the PEG channels to designate the capacity.
However, the 12-month period shall be tolled by any period
during which the designation or provision of PEG channel
capacity is technically infeasible, including any failure or delay
of the incumbent cable operator to make adequate
interconnection available, as required by this subdivision.

(b) If no PEG channels are activated and provided within the
local entity as of the effective date of this article, a local entity
whose jurisdiction lies within the authorized service area of the
holder of a state-issued authorization may request the holder to
designate not more than a total of three PEG channels in a
locality with a population of more than 50,000, or not more than
a total of two PEG channels in a locality with a population of less than 50,000, as determined by the last decennial census.

The holder shall have 12 months from the date of the request to designate the capacity. However, the 12-month period shall be tolled by any period during which the designation or provision of PEG channel capacity is technically infeasible, including any failure or delay of the incumbent cable operator to make adequate interconnection available, as required by this subdivision.

(c) Any PEG channel provided pursuant to this section that is not utilized by the local entity for at least eight hours per day may no longer be made available to the local entity, and may be programmed at the holder’s discretion. At the time that the local entity can certify to the holder a schedule for at least eight hours of daily programming, the holder of the state-issued authorization shall restore the channel or channels for the use of the local entity.

(d) The content to be provided over the PEG channel capacity provided pursuant to this section shall be the responsibility of the local entity receiving the benefit of that capacity, and the holder of a state-issued authorization bears only the responsibility for the transmission of that content, subject to technological restraints.

(e) The local entity shall ensure that all transmissions, content, or programming to be transmitted by a holder of a state-issued authorization are provided or submitted in a manner or form that is capable of being accepted and transmitted by the holder, without any requirement for additional alteration or change in the content by the holder, over the holder’s particular network, and that is compatible with the technology or protocol utilized by the holder to deliver services. The provision of those transmissions, content, or programming to the holder of a state-issued authorization shall constitute authorization for the holder to carry those transmissions, content, or programming, including, at the holder’s option, beyond the jurisdictional boundaries of that local entity.

(f) Where technically feasible, the holder of a state-issued authorization and an incumbent cable operator shall negotiate in good faith to interconnect their networks for the purpose of providing PEG programming. Interconnection may be
accomplished by direct cable, microwave link, satellite, or other reasonable method of connection. Holders of a state-issued authorization and incumbent cable operators shall provide interconnection of PEG channels on reasonable terms and conditions and may not withhold the interconnection. If a holder of a state-issued authorization and an incumbent cable operator cannot reach a mutually acceptable interconnection agreement, then the duty of the holder of a state-issued authorization shall be discharged if the holder makes interconnection available to the channel originator at a technically feasible point on the holder’s network.

(g) A holder of a state-issued authorization shall not be required to interconnect for, or otherwise to transmit, PEG content that is branded with the logo, name, or other identifying marks of another cable operator or video service provider. The local entity may require a cable operator or video service provider to remove its logo, name, or other identifying marks from PEG content that is to be made available through interconnection to another provider of PEG capacity.

(h) After the effective date of this article and until the expiration of the incumbent cable operator’s franchise, if the incumbent cable operator has existing unsatisfied obligations under the franchise to remit to the local entity any cash payments for the ongoing capital costs of public educational and governmental access channel facilities, the local entity shall divide those cash payments among all cable or video providers as provided in this section. The fee shall be the holder’s pro rata per subscriber share of the cash payment required to be paid by the incumbent cable operator to the local entity for the capital costs of public, educational, and governmental access channel facilities.

(i) In determining the fee on a pro rata per subscriber basis, all cable and video service providers shall report, for the period in question, to the local entity the total number of subscribers served with the local entity’s jurisdiction, which shall be treated as confidential by the local entity and shall be used only to derive the per subscriber fee required by this section. The local entity shall then determine the payment due from each provider based on a per subscriber basis for the period by multiplying the unsatisfied cash payments for the ongoing capital costs of public,
educational, and governmental access channel facilities by a ratio of the reported subscribers of each provider to the total subscribers within the local entity as of the end of the period. The local entity shall notify the respective providers, in writing, of the resulting pro rata amount. After the notice, any fees required by this section shall be remitted to the applicable local entity quarterly, within 45 days after the end of the quarter for the preceding calendar quarter, and may only be used by the local entity as authorized under federal law.

(j) Upon the expiration of the incumbent cable operator’s franchise or if there is no local franchise, the holder or holders of a state-issued authorization shall pay the local entity, in whose jurisdiction it is offering cable or video service, a fee to support the capital costs of public, educational, and governmental access channel facilities and to support of institutional network facilities equal to 1 percent of the holder’s gross revenues, as defined in Section 53058.4, earned in the local entity or, at the holder’s election, the per subscriber fee that was paid by the holder to the local entity pursuant to subdivision (h). The local entity may only use the fee for purposes allowed under federal law. The payment required by this subdivision shall not become due and payable until the expiration of the incumbent cable operator’s franchise, or 180 days after the local entity notifies the holder of the expiration, whichever is later.

(k) The following services shall continue to be provided by the incumbent cable operator that was furnishing services pursuant to a franchise until January 1, 2008, or until the term of the franchise expires, whichever is later:

(1) PEG production or studio facilities.

(2) Institutional network capacity, however defined or referred to in the incumbent cable operator’s franchise, but generally referring to a private line data network capacity for use by the local entity for noncommercial purposes.

(3) Cable services to community public buildings, such as municipal buildings and public schools.

(l) The holder of a state-issued authorization may recover the amount of any fee remitted to a local entity under this section by billing a recovery fee as a separate line item on the regular bill of each subscriber.
(m) A court of competent jurisdiction shall have exclusive jurisdiction to enforce any requirement under this section or resolve any dispute regarding the requirements set forth in this section, and no provider may by barred from the provision of service or be required to terminate service as a result of that dispute or enforcement action.

53058.6. (a) The local entity shall allow the holder of a state-issued authorization under this article to install, construct, and maintain a network within public rights-of-way under the same terms and conditions as applicable to telephone corporations, as defined under Section 234 of the Public Utilities Code, under applicable state and federal law.

(b) A local entity may not enforce against the holder of a state-issued authorization any rule, regulation, or ordinance that purports to allow the local entity to purchase or force the sale of a network.

53058.7. (a) A cable operator or video service provider that has been granted a state-issued authorization under this article may not discriminate against or deny access to service to any group of potential residential subscribers because of the income of the residents in the local area in which the group resides, as required by Section 541(a)(3) of Title 47 of the United States Code.

(b) The holder of a state-issued authorization shall have a reasonable period of time to become capable of providing cable service or video service to all households within the designated service area footprint as defined in as defined in paragraph (6) of subdivision (d) of Section 53058.2 and may satisfy the requirements of this section through the use of (1) direct-to-home satellite service or (2) another alternative technology that provides comparable content, service, and functionality.

(C) Within 36 months after issuance of the holder’s first state-issued authorization, and then annually for seven additional years, the holder shall report the extent to which cable or video service is available to potential subscribers within the holder’s service area, including all of the following:

(1) The demographics of the service area.

(2) The percentage of homes in the service area that have access to service.
(3) The demographics of the portion of the service area that
has access to service.
(4) The technology used by the holder to provide access to
service.
The report shall be filed with the Legislature, the department,
the Governor, and the Attorney General, and posted on the
holder’s Web site. The holder shall not be required to report
competitively sensitive information.
(c) If there is a violation, the exclusive remedy for enforcing
the provisions of this section shall be an action in a court of
competent jurisdiction brought by the local entity, the district
attorney of the county in which the local entity is located, or the
Attorney General on behalf of the department. At least 60 days
before bringing an action, the enforcement entity shall serve the
holder of the state-issued authorization under this article with a
notice setting out the alleged violation and stating that an action
may be brought unless the provider, within the 60-day notice
period, corrects the alleged violation or enters into a binding
agreement to correct the violation. The notice shall contain a
sufficiently detailed description of the alleged violation to enable
the holder of the state-issued authorization to make a specific
response. If the holder of the state issued franchise does not
timely enter into a binding agreement to correct the violation,
then the matter shall proceed before the court of competent
jurisdiction.
(d) If the court finds that the holder of the state issued
franchise is in willful violation of Section 53058.7 herein, it may,
in addition to any other remedies provided by law, impose a fine
not to exceed 1 percent of the holder’s total gross revenue of its
entire cable and service footprint in the state in the full calendar
month immediately prior to the decision.
53058.8. The holder of a state-issued authorization shall
comply with the provisions of Sections 53055, 53055.1, 53055.2,
and 53088.2. A franchising or local entity may not adopt or seek
to enforce any additional or different customer service or other
performance standards under Section 53055.3, subdivision (q),
(r), or (s) of Section 53088.2, or under any other authority or
provision of law. Any reporting or enforcement authority in those
sections shall instead be assigned solely to the department.
53058.9. (a) The holder of a state-issued authorization shall perform background checks of applicants for employment, according to current business practices.

(b) A background check equivalent to that performed by the holder shall also be conducted on all of the following:

1. Persons hired by a holder under a personal service contract.
2. Independent contractors and their employees.
3. Vendors and their employees.

(c) Independent contractors and vendors shall certify that they have obtained the background checks required pursuant to subdivision (f), and shall make the background checks available to the holder upon request.

(d) Except as otherwise provided by contract, the holder of a state-issued authorization shall not be responsible for administering the background checks and shall not assume the costs of the background checks of individuals who are not applicants for employment of the holder.

(e) (1) Subdivision (a) only applies to applicants for employment for positions that would allow the applicant to have direct contact with or access to the holder’s network, central office, or customer premises, and perform activities that involve the installation, service, or repair of the holder’s network or equipment.

(2) Subdivision (b) only applies to person that have direct contact with or access to the holder’s network, central office, or customer premises, and perform activities that involve the installation, service, or repair of the holder’s network or equipment.

(f) This section does not apply to temporary workers performing emergency functions to restore the network of a holder to its normal state in the event of a natural disaster or an emergency that threatens or results in the loss of service.

53058.10. (a) A holder of a state-issued authorization employing more than 750 total employees shall annually report to the department all of the following:

1. The number of California residents employed by the workforce, calculated on a full-time or full-time equivalent basis.
2. The percentage of the holder’s total domestic workforce, calculated on a full-time or full-time equivalent basis.
(3) The number of California residents employed by independent contractors and consultants hired by the holder, calculated on a full-time or full-time equivalent basis, when the holder has obtained this information upon requesting it from the independent contractor or consultant, and the holder is not contractually prohibited from disclosing the information to the public. This paragraph applies only to those employees of an independent contractor or consultant that are personally providing services to the holder, and does not apply to employees of an independent contractor or consultant not personally performing services for the holder.

(b) The department shall annually report the information required to be reported by holders of state-issued authorizations pursuant to subdivision (a), to the Assembly Committee on Utilities and Commerce and the Senate Committee on Energy, Utilities and Communications, or their successor committees, and within a reasonable time thereafter, shall make the information available to the public on its Internet Web site.

53058.11. (a) The provisions of this article are intended to be consistent with the Federal Cable Act (47 U.S.C. Sec. 521 et seq.).

(b) Nothing in this section shall be interpreted to prevent a voice provider, cable operator or video service provider, or local entity from seeking clarification of its rights and obligations under federal law or from exercising any right or authority under federal or state law.

SECTION 1. Article 3.7 (commencing with Section 53058) is added to Chapter 1 of Part 1 of Division 2 of Title 5 of the Government Code, to read:

Article 3.7. The Digital Infrastructure and Video Competition Act of 2006

53058. It is the intent of the Legislature to create the Digital Infrastructure and Video Competition Act of 2006:

53058.1. For the purposes of this article, "franchise" means an initial authorization, or renewal of an authorization, issued by a franchising entity, regardless of whether the authorization is designated as a franchise, permit, license, resolution, certificate;
agreement, or otherwise, that authorizes the construction and operation of a cable system in public rights-of-way.
SUBJECT: COMPLIANCE PROCEDURES FOR SB 564 AND SB 866 AND RESOLUTION OF AFFIRMATION OF INVESTMENT POLICY

SOURCE: Administrative Services, Finance Division

COMMENT: As a result of the crash of the Orange County portfolio, two Senate Bills were adopted, effective January 1, 1996, that further regulated the nature and frequency by which the City Treasurer will provide portfolio information to the City Council during a public meeting. As per SB 564 and SB 866, the City Treasurer/Treasurer will annually prepare and submit to the governing body a written Statement of Investment Policy, as well as quarterly reports on the pooled money invested.

This Statement is the eleventh annual submittal of the written Statement of Investment Policy. This Policy has been developed from the standards established by the National Municipal Treasurer’s Association and the Governmental Finance Officer’s Association. As new legislation appears, this Policy will be updated and brought before Council for approval.

RECOMMENDATION: That City Council adopt a resolution accepting the Statement of Investment Policy in accordance with SB 564 and SB 866.

ATTACHMENTS: 1. Draft Resolution
               2. Statement of Investment Policy

DD Appropriated/funded CM

Item No. 19
RESOLUTION NO. ________

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AFFIRMING THE ANNUAL INVESTMENT POLICY

WHEREAS, The Investment Policy dated April 2006, Attachment “A”, establishes guidelines to be followed for portfolio management practices for the next 12 months; and

WHEREAS, the City Council has determined that the Investment Policy, dated April 2006, Attachment “A”, is appropriate to meet the criteria established by SB 564 and SB 866.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Porterville hereby adopts the Investment Policy dated April 2006, to be re-affirmed annually.

______________________________
Pedro R. Martinez, Mayor

ATTEST:

John Longley, City Clerk

By ____________________________
Georgia Hawley, Deputy
INTRODUCTION

The City of Porterville has a fiduciary responsibility to maximize the productive use of its liquid assets entrusted to its care and to manage those public funds wisely and prudently. The purpose of this document is to identify various policies and procedures that enhance opportunities for a prudent and systematic investment policy and to organize and formalize investment-related activities. Related activities, which comprise good cash management, include accurate cash projections, the expeditious collection of revenue, the control of disbursements, cost-effective banking relations, and short-term borrowing programs which coordinate working capital requirements and investment opportunity. In concert with these requirements are the many facets of an appropriate and secure short-term investment program.

SCOPE

It is intended that this investment policy cover all funds and investment activities under the direct authority of the City of Porterville organization. This policy does not cover any funds held by the fiscal agent in connection with the issuance of any bonds by the City. Such funds shall be invested in accordance with the applicable trust indenture.

PHILOSOPHY

The basic premise underlying Porterville’s investment philosophy is to insure that money is always available when needed. An amount of not less than one month’s payables and one month’s payroll, about $2.5 million, is maintained in immediately available investments, such as the State Treasurer’s Local Agency Investment Fund or other cash equivalents. This may include commercial paper or banker’s acceptances.

Porterville takes an active investment posture in an attempt to earn a higher yield. This investment posture is best demonstrated by the City’s long-term investments. By taking advantage of the positive yield curve (i.e., longer term rates are higher than shorter maturities), in the long run, the City should average a higher yield.

The City’s investments will be limited to an average life of three years or less. When the market warrants purchase of longer maturities to capture a higher rate of return, purchases will be limited to United States Treasury Notes and Bonds and Mortgage Backed Securities. No investment will be made in securities that have a final maturity over five years.

The economy and various markets are monitored carefully to assess the probable course of interest rates. In a market with increasing interest rates, the City will attempt to invest in securities with shorter maturities. This makes funds available for other investments when the interest rates are higher. When interest rates appear to be near a relatively high rate, the City will attempt to purchase investments with medium to long-term maturities to lock in the higher rate of return. When interest rates are falling, the City will invest in securities with longer maturities to hold the higher rate for a longer period of time.

Attachment A
The City will also take advantage of any new vehicle that becomes eligible for municipal investment only after a detailed study of the investment, its safety, liquidity, and yield.

PRUDENCE

The City adheres to the guidance provided by the “prudent person standard,” as set forth in Government Code section 53600.3, which specifically addresses public investing, as follows:

“Except as provided in subdivision (a) of Section 27000.3, all governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to this chapter are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired by law.”

The primary objective is to safeguard the principal of the funds under the City’s control. The secondary objective is to meet the liquidity needs of the City. The third objective is to achieve a return on the funds. Porterville strives to maintain the level of investment of all funds as near 100% as possible through daily and projected cash flow determinations. Investments are made so maturities match or precede the cash needs of the City. The City will maintain adequate cash availability and maximum yield on invested funds while insuring that principal invested is protected from loss.

INVESTMENT CRITERIA

Criteria for selecting investments are:

1. Safety;
2. Liquidity; and
3. Yield.

Porterville attempts to obtain the highest yield available when selecting investments, provided that criteria for safety and liquidity are met. Because ordinarily yield curves are positively sloped, (i.e., longer term rates are higher than shorter maturities), the City attempts to ladder its maturities. This meets anticipated cash needs in such a way that new investment money can be placed in maturities that carry a higher rate than is available in the extremely short market of 90 days or under.

Government and agency paper are the highest quality investments available in terms of safety and liquidity. Certificates of deposit, savings accounts, and bankers acceptances are insured or collateralized. Only direct-issue commercial paper, with A-1 Moody’s and Standard and Poor’s ratings, will be purchased. These quality-rating criteria shall apply at the time of investment. Should a particular issuer fall below these standards (“be downgraded”) while the investment is in the City’s portfolio, the prudent investor rule shall apply. Negotiable Certificates of Deposit are not insured or collateralized.
Most investments are highly liquid, with the exception of collateralized certificates of deposit held by banks, savings and loans, and Small Business Administration notes. Maturities are selected to anticipate cash needs, thereby avoiding the need for forced liquidation.

STATE AND CHARTER REGULATIONS

The City operates its investment pool with many State and self-imposed constraints. In accordance with SB 564 and SB 866, effective January 1, 1996, the City Treasurer will bring this Policy before City Council annually for its reaffirmation. Government Code Section 53601 restricts the City portfolio mix to:

1. 30% in Medium Term Notes;
2. 30% in Negotiable Certificates of Deposit;
3. 40% in Bankers Acceptance Notes, not to exceed 180 days in maturity; and
4. 25% in Commercial Paper, not to exceed 270 days in maturity.

These restrictions primarily apply to short-term investments and are interpreted to apply at the time of investment. If, as the portfolio mix changes over time, a particular segment exceeds these restrictions, the prudent investor rule shall apply. The City does not buy stocks and it does not speculate.

The City will be selective in purchasing long-term negotiable certificates of deposit and medium term notes, placing such an investment only with a large stable institution.

MATURITY OF INVESTMENTS

The City of Porterville will operate a portfolio with an average life of three years or less. This is to insure liquidity and the ability to move with changing markets and interest rate movements.

Accordingly, no investment will be made in securities that have a final maturity over five years. The long-term securities shall only be Treasury Notes and Bonds and Mortgage Backed Securities.

SECURITIES DEALERS AND BROKERS

The City of Porterville will undertake a yearly review of its broker/dealer relationships. The City will deal generally with the major broker/dealer firms or major banks in the country and then with only their institutional investment divisions. Primary government securities dealers are preferred for conducting transactions of all eligible securities. Primary dealers must report daily to the Federal Reserve, are very tightly regulated, and must keep specified levels of working capital. Secondary dealers are those dealers who buy and sell securities in the open market. Secondary and other security dealers who wish to engage in transactions with the City must meet the City's requirements for reliability and safety and be approved prior to purchase. These relationships are formalized through a corporate statement. The City will deal with both after meeting the City's requirements.

The City shall also be open to contracting investment management services for a portion of the portfolio. That portion shall be limited to longer-term investments of two years or longer. Any investment management firm contracted shall meet criteria established by the Finance Department. All investments made under contract will be purchased in the City's name and in accordance with the guidelines established by the City's investment policy.

Attachment A
PERIODIC REPORTING

Also in accordance with SB 564 and SB 866, each quarter, the City Treasurer will issue a report of the City's current investment portfolio, detailing securities, purchase and maturity date, and face and market value. This report will also confirm that current portfolio holdings are in compliance with this policy and that the City’s cash needs will be met.

Each quarter some of the long-term investments will be reviewed in order to determine if it is advantageous to sell those securities and purchase others. The review will consider current market conditions and various spread relationships among security types. The monitoring of the conditions set forth in this policy statement is the responsibility of the City Treasurer or delegate.

TYPES OF INVESTMENTS

Cash management and investment transactions are the responsibility of the City Treasurer or delegated investment officer. Investments are made in the following:

1. Securities of the U.S. Government

Securities of the Government include U.S. Treasury bills, notes and bonds.

\textit{U. S. Treasury Bills} - are issued by the U.S. Treasury and are available in maturities out to one year. They are non-interest bearing and sold on a discount basis. The face amount is paid at maturity.

\textit{Treasury Notes} - are issued by the U.S. Treasury with maturities from two to ten years. They are issued in coupon form and many issues are also available in registered form. Interest is payable at six month intervals until maturity.

\textit{Treasury Bonds} - are issued by the U.S. Treasury with maturities of ten years to thirty years. The City may purchase the interest and/or principal of a U.S. Treasury Bond. A principal only instrument is commonly called a “stripped” or “zero” coupon. Stripped coupons are sold at discount basis. The face amount is paid at maturity.

2. Securities of U.S. Government Agencies

The United States Treasury initially financed the capital of U.S. Government agencies. But as they have grown and operated profitably over the years, the Treasury's investment has been replaced in large measure by private capital. At the present time, obligations of only a few agencies are backed by the full faith and credit of the U.S. Government. The obligations of all the federal agencies described in the following sections are not guaranteed by the U.S. Government with the exception of Government National Mortgage Association, but are considered to be investments of the highest quality.

\textit{Federal National Mortgage Association (Fannie Mae)} is a quasi-public corporation created by an act of Congress to assist the home mortgage market by purchasing mortgages insured by the Federal Housing Administration and the Farmers Home Administration, as well as those guaranteed by the Veterans Administration. FNMA issues Notes and Bonds. Notes are issued with maturities of less than one year with

Attachment A
interest paid at maturity. Bonds are issued for 15 and 30 year maturities with interest paid semi-annually. Interest is computed on a 30/360-day basis. There is a strong secondary market in these securities. A secondary market means these instruments are actively traded, they are bought and sold daily.

Government National Mortgage Association (Ginnie Mae) is a wholly owned corporate instrumentality of the United States within the Department of Housing and Urban Development. A certificate collateralized by FHA/VA residential mortgages represents a share in a pool of FHA or VA mortgages. Ginnie Maes are registered securities. Principal and interest are paid monthly and sent directly from the issuer of the pool, usually a mortgage banker, to the City. Original maturities range from 12 to 30 years with a 7 to 12-year assumed average life (Assumed average life is due to prepayments of mortgages).

Federal Home Loan Banks provide credit to member lending institutions such as savings and loan associations, cooperative banks, insurance companies and savings banks. The agency offers bonds in the public market with maturities of one year to ten years. These bonds are usually offered on a quarterly basis depending on the current demands of the housing industry. Interest is paid semi-annually on a 30/360 day basis.

Federal Farm Credit Banks are debt instruments issued to meet the financial needs of farmers and the national agricultural industry. Discount notes are issued monthly with 6 and 9-month maturities. Discount notes pay interest at maturity. Longer-term debentures (2-5 years) are also issued. Debentures pay interest semi-annually on a 30/360 day basis. These issues enjoy an established secondary market.

Small Business Administration Loans (SBA). The Small Business Administration is an independent agency of the United States government that furnishes financial and management assistance to small businesses. The SBA guarantees the principal portion of the loans it approves. Porterville purchases the guaranteed portion of these loans. Maturity can be for 1 year to 30 years. These loans can be either set at a fixed rate or variable rate that is usually tied to the prime rate. Principal and interest are paid monthly on a 30/360-day basis.

Federal Home Loan Mortgage Corporation (Freddie Macs) participation certificates are backed by 30-year conventional residential mortgages and are 100 percent guaranteed by the Federal Home Loan Mortgage Corporation. The Federal Home Loan Mortgage Corporation is wholly owned by the Federal Home Loan Banks. The Mortgage Corporation is a corporate instrumentality of the United States. Freddie Macs are registered securities. Principal and interest passed through the Mortgage Corporation and then to the City monthly. These instruments have an assumed life of approximately 12 years and pay on a 30/360-day basis.

Other U.S. government securities available to the City for investment purposes include: Student Loan Marketing Association (SLMA or Sallie Mae), Aid for International Development (AID), and debentures of Tennessee Valley Authority (TVA). However, these instruments are not offered on a regular basis and do not offer the same liquidity as the before mentioned instruments.

3. Time Deposits or Certificates of Deposit

Time deposits are placed with commercial banks and savings and loan agencies. A time
deposit is a receipt for funds deposited in a financial institution for a specified period of time at a specified rate of interest. Generally, the time is 3 months to 5 years. Denominations can be any agreed upon amount and interest is normally calculated using actual number of days on a 360-day year and paid monthly. Deposits of $100,000 (commonly referred to as Jumbo C.D.’s) per institution are insured by the government and collateralized Certificates of Deposit can be supported by either 110% Government agency notes or 150% mortgages currently held by the bank or savings and loan. An institution must meet the following criteria to be considered by the City:

1. The institution must maintain a net worth to asset ratio of at least 3% and a positive earnings record;

2. The institution must be in compliance with the Financial Institution Reform Act (FIRREA) capital ratio requirements for risk-based, tangible, and core capital; and

3. The institution must make available a current FDIC call reports (banks) or FHLB report. A call report presents the financial condition of the institution to the agency with oversight responsibility of that institution.

4. Negotiable Certificates of Deposit

Negotiable Certificates of Deposit are a form of Certificate of Deposit that have been an important money market instrument since 1961 when commercial banks began issuing them and a secondary market developed to provide liquidity. Since these certificates of deposit can be traded in the secondary market, they are negotiable instruments, hence their name negotiable certificate of deposit. They are supported only by the strength of the institution from which they are purchased. This is a riskier investment that provides a higher yield than regular certificates of deposit. Some issues have quarterly floating rates that mean they will more closely approximate the market in yield. Interest is paid semi-annually (quarterly on the floaters) computed on a 30/360-day basis. Maturities range from 3 months to 2 years. Negotiable Certificates of Deposit are generally issued in blocks of $1 million, $5 million, $10 million and so on.

The City will restrict its investments in Negotiable Certificates of Deposit to the 100 largest United States banks and 100 largest international banks according to asset size. The profitability of the financial institution as well as its financial stability is also taken into account prior to placing the investment. As a general rule, the City will not place more than 15% of its portfolio in Negotiable Certificates of Deposit with one institution or 20% of its portfolio with any one Commercial Bank or savings and loan association in any form of Certificate of Deposit.

5. Bankers Acceptance Notes

A banker’s acceptance (B.A.) is a unique credit instrument used to finance both domestic and international transactions. As a money market instrument, it is an attractive short-term investment. When a bank “accepts” such a time draft, it becomes, in effect, a predated certified check payable to the bearer at some future, specified date. Little risk is involved because the commercial bank assumes primary liability once the draft is accepted. Banker’s acceptances are frequently in odd amounts. Maturities normally range from 30 up to 180 days. Banker’s acceptances are sold at a discount. This means, the face amount is received at maturity. The City will purchase B.A.’s only
of the top 100 U.S. or Foreign Banks. The profitability of the financial institution as well as its financial stability is also taken into account prior to placing the investment.

6. Commercial Paper

Commercial paper is the trade name applied to unsecured promissory notes issued by finance and industrial companies to raise funds on a short-term basis. Commercial paper can be purchased on an interest bearing or discount basis. Interest bearing instruments pay interest semi-annually. Discounted instruments pay interest at maturity. The City will invest in commercial paper only if the yields are attractive, and if the paper is rated A-1 by Moody's and by Standard & Poor's rating services. Maturities range from 30 to 180 days with interest computed on a 30/360-day basis.

7. Medium Term Notes

In recent years, this financing mechanism has grown, providing capital to the private sector, and diminishing the Negotiable Certificate of Deposit market. The trend towards medium term notes related to buyer and seller flexibility and convenience. The notes are issued on any given date and maturing on a negotiated date. They generally range from 2 to 5 years in maturity. This market provides an excellent alternative to Negotiable C.D.’s. The City will only purchase Medium Term Notes with ratings of A or better with maturities of 5 years or less. Their interest is calculated on a 30/360-day basis like Agency bonds. Interest is paid semi-annually.

8. Local Agency Investment Fund demand deposit

The Local Agency Investment Fund (LAIF) was established by the state to enable treasurers to place funds in a pool for investments. The LAIF has been particularly beneficial to those jurisdictions with small portfolios. Each agency is limited to an investment of $15.0 million. Porterville uses this fund for short-term liquidity, investment, and yield when rates are declining. Funds are available on demand. At present, two accounts have been opened; one for the City and one for Porterville Redevelopment Agency. Interest is paid quarterly.

9. Central San Joaquin Valley Risk Management Authority (CSJVRMA) investment pool

As a member city of the CSJVRMA, the City accepted the opportunity in July 2001 to participate in its sponsored investment pool. The pool is managed by Chandler Asset Management and invests in agency instruments such as Federal Home Loan Bank, treasuries and high-grade corporate stock. Funds are available on demand, with interest paid quarterly.

9. County of Tulare investment pool

Porterville participates in the County of Tulare's investment pool that is managed by the County Treasurer, O. Gerald Fields. The County invests in the same type of State-approved instruments, as does the City. Funds are available on demand, and interest is paid quarterly.

Attachment A
SUBJECT: QUARTERLY FINANCIAL STATUS REPORTS

SOURCE: Administrative Services - Finance Division

COMMENT: The City Charter and State legislation requires financial status reports to be provided to City Council members. Staff will deliver this information publicly on a quarterly basis as follows:

PORTFOLIO SUMMARY

During the 1995 Legislative Session, the State adopted SB 564 and SB 866 that 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.

INTERIM FINANCIAL STATUS REPORTS

Council Minute Order #13-041602 established the requirement for the submission of interim financial status reports. These reports are due to be presented at the second Council meeting following the quarters ended March 31, June 30, September 30, and December 31.

RECOMMENDATION: That the City Council accept the Portfolio Summary and Interim Financial Status Reports for the quarter ended March 31, 2006.

ATTACHMENTS: Quarterly Portfolio Summary
Interim Financial Status Reports

D.D. Appropriated/Funded C.M. Item No. 20

# CITY OF PORTERVILLE

## REVENUE STATUS REPORT - GENERAL FUND

**FOR THE NINE MONTHS ENDED**

**MARCH 31, 2005 AND MARCH 31, 2006**

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>PROPERTY TAXES</td>
<td>$4,701,676 $</td>
<td>2,760,563</td>
<td>58.71% $</td>
<td>$4,693,928 $</td>
<td>2,381,666</td>
<td>50.74%</td>
</tr>
<tr>
<td>OTHER TAXES:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SALES AND USE TAX</td>
<td>3,745,877</td>
<td>2,756,408</td>
<td>73.59%</td>
<td>3,429,000 $</td>
<td>2,544,345 $</td>
<td>74.20%</td>
</tr>
<tr>
<td>UTILITY USERS TAX</td>
<td>3,000,000</td>
<td>2,280,034</td>
<td>76.00%</td>
<td>2,875,000 $</td>
<td>2,092,107 $</td>
<td>72.77%</td>
</tr>
<tr>
<td>TRANSIENT OCCUPANCY TAX</td>
<td>230,000</td>
<td>138,887</td>
<td>60.39%</td>
<td>195,000 $</td>
<td>121,398 $</td>
<td>62.26%</td>
</tr>
<tr>
<td>PROPERTY TRANSFER TAX</td>
<td>95,000</td>
<td>80,519</td>
<td>84.76%</td>
<td>55,000 $</td>
<td>40,767 $</td>
<td>74.12%</td>
</tr>
<tr>
<td>FRANCHISE TAX</td>
<td>1,456,558 $</td>
<td>853,568 $</td>
<td>58.60%</td>
<td>1,408,180 $</td>
<td>861,973 $</td>
<td>61.21%</td>
</tr>
<tr>
<td>SALES TAX - PUBLIC SAFETY</td>
<td>125,000</td>
<td>63,994 $</td>
<td>51.20%</td>
<td>114,000 $</td>
<td>57,378 $</td>
<td>50.33%</td>
</tr>
<tr>
<td>LICENSES AND PERMITS:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BUSINESS LICENSES</td>
<td>362,000</td>
<td>369,401 $</td>
<td>102.04%</td>
<td>362,000 $</td>
<td>345,647 $</td>
<td>95.48%</td>
</tr>
<tr>
<td>CONSTRUCTION PERMITS</td>
<td>339,000</td>
<td>262,006 $</td>
<td>77.29%</td>
<td>269,020 $</td>
<td>377,498 $</td>
<td>140.32%</td>
</tr>
<tr>
<td>REVENUE FROM AGENCIES-TAXES:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MOTOR VEHICLE IN-LIEU TAX</td>
<td>375,200</td>
<td>181,416 $</td>
<td>48.35%</td>
<td>309,905 $</td>
<td>412,669 $</td>
<td>133.16%</td>
</tr>
<tr>
<td>OTHER TAXES</td>
<td>33,000 $</td>
<td>4,553</td>
<td>13.80%</td>
<td>32,000 $</td>
<td></td>
<td></td>
</tr>
<tr>
<td>REVENUE FROM AGENCIES-GRANTS</td>
<td>1,540,250</td>
<td>268,841 $</td>
<td>17.45%</td>
<td>1,027,166 $</td>
<td>151,073 $</td>
<td>14.71%</td>
</tr>
<tr>
<td>USE OF MONEY AND PROPERTY</td>
<td>85,000</td>
<td>95,269 $</td>
<td>112.08%</td>
<td>65,000 $</td>
<td>76,986 $</td>
<td>118.44%</td>
</tr>
<tr>
<td>FINES AND FORFEITURES</td>
<td>24,700</td>
<td>16,463 $</td>
<td>66.65%</td>
<td>24,700 $</td>
<td>27,509 $</td>
<td>111.37%</td>
</tr>
<tr>
<td>CHARGES FOR SERVICES:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PLANNING AND ENGINEERING</td>
<td>100,000</td>
<td>165,508 $</td>
<td>165.51%</td>
<td>87,000 $</td>
<td>117,879 $</td>
<td>135.49%</td>
</tr>
<tr>
<td>POLICE</td>
<td>120,000 $</td>
<td>85,498 $</td>
<td>71.25%</td>
<td>95,000 $</td>
<td>89,287 $</td>
<td>93.99%</td>
</tr>
<tr>
<td>FIRE</td>
<td>37,000 $</td>
<td>19,432 $</td>
<td>52.52%</td>
<td>34,000 $</td>
<td>8,085 $</td>
<td>23.78%</td>
</tr>
<tr>
<td>LIBRARY</td>
<td>41,000 $</td>
<td>24,010 $</td>
<td>58.56%</td>
<td>41,000 $</td>
<td>24,720 $</td>
<td>60.29%</td>
</tr>
<tr>
<td>RECREATIONAL</td>
<td>939,500</td>
<td>706,934 $</td>
<td>75.25%</td>
<td>909,500 $</td>
<td>650,426 $</td>
<td>71.51%</td>
</tr>
<tr>
<td>INTERDEPARTMENTAL</td>
<td>1,400,000</td>
<td>1,152,817 $</td>
<td>82.34%</td>
<td>1,375,383 $</td>
<td>988,300 $</td>
<td>71.86%</td>
</tr>
<tr>
<td>OTHER</td>
<td>25,000 $</td>
<td>6,646 $</td>
<td>26.58%</td>
<td>25,000 $</td>
<td>9,419 $</td>
<td>37.68%</td>
</tr>
<tr>
<td>AFFINITY CARD PROGRAM</td>
<td>4,000 $</td>
<td>3,617 $</td>
<td>90.43%</td>
<td>6,000 $</td>
<td>2,579 $</td>
<td>42.98%</td>
</tr>
<tr>
<td>OTHER REVENUES</td>
<td>133,266</td>
<td>188,531</td>
<td>141.47%</td>
<td>289,377 $</td>
<td>241,217 $</td>
<td>83.36%</td>
</tr>
</tbody>
</table>

**SUBTOTALS** | **$18,913,027 $** | **12,484,915 $** | **66.01% $** | **$17,722,159 $** | **$11,622,928 $** | **65.58%** |

**DEBT SERVICE TRANSFERS** | **580,000 $** | **435,000 $** | **75.00%** | **534,679 $** | **401,009 $** | **75.00%** |

**$19,493,027 $** | **12,919,915 $** | **66.28%** | **$18,256,838 $** | **$12,023,937 $** | **65.86%** |
## CITY OF PORTERVILLE

### REVENUE STATUS REPORT - ALL OTHER FUNDS
FOR THE NINE MONTHS ENDED
MARCH 31, 2005 AND MARCH 31, 2006

<table>
<thead>
<tr>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>REDEVELOPMENT AGENCY</td>
<td>$ 542,797</td>
<td>$ 511,030</td>
<td>94.1%</td>
<td>$ 420,572</td>
<td>$ 420,487</td>
<td>100.0%</td>
</tr>
<tr>
<td>SPECIAL GAS TAX</td>
<td>2,010,413</td>
<td>702,231</td>
<td>34.9%</td>
<td>3,006,000</td>
<td>514,147</td>
<td>17.1%</td>
</tr>
<tr>
<td>LOCAL TRANSPORTATION FUNDS (LTF)</td>
<td>605,000</td>
<td></td>
<td></td>
<td>620,000</td>
<td>2,571</td>
<td>0.4%</td>
</tr>
<tr>
<td>TRAFFIC SAFETY FUND</td>
<td>85,500</td>
<td>60,363</td>
<td>70.6%</td>
<td>85,500</td>
<td>55,102</td>
<td>64.4%</td>
</tr>
<tr>
<td>ZALUD ESTATE</td>
<td>91,500</td>
<td>3,727</td>
<td>4.1%</td>
<td>7,500</td>
<td>3,596</td>
<td>47.9%</td>
</tr>
<tr>
<td>COMMUNITY DEVELOPMENT BLOCK GRANT</td>
<td>1,936,000</td>
<td>1,587,180</td>
<td>82.0%</td>
<td>1,538,000</td>
<td>768,355</td>
<td>50.0%</td>
</tr>
<tr>
<td>TRANSIT</td>
<td>2,692,400</td>
<td>1,517,011</td>
<td>56.3%</td>
<td>2,184,128</td>
<td>216,198</td>
<td>9.9%</td>
</tr>
<tr>
<td>SPECIAL POLICE GRANTS</td>
<td>102,500</td>
<td>102,216</td>
<td>99.7%</td>
<td>217,011</td>
<td>147,410</td>
<td>67.9%</td>
</tr>
<tr>
<td>SEWER OPERATING</td>
<td>5,885,050</td>
<td>4,772,036</td>
<td>81.1%</td>
<td>5,446,342</td>
<td>4,297,884</td>
<td>78.9%</td>
</tr>
<tr>
<td>REFUSE REMOVAL</td>
<td>4,668,621</td>
<td>3,520,259</td>
<td>75.4%</td>
<td>4,035,494</td>
<td>3,042,439</td>
<td>75.4%</td>
</tr>
<tr>
<td>AIRPORT OPERATIONS</td>
<td>749,610</td>
<td>624,825</td>
<td>83.4%</td>
<td>749,610</td>
<td>575,740</td>
<td>76.8%</td>
</tr>
<tr>
<td>GOLF COURSE</td>
<td>246,000</td>
<td>217,448</td>
<td>88.4%</td>
<td>246,000</td>
<td>181,069</td>
<td>73.6%</td>
</tr>
<tr>
<td>WATER OPERATING</td>
<td>5,212,457</td>
<td>3,667,807</td>
<td>70.4%</td>
<td>4,818,279</td>
<td>3,676,753</td>
<td>76.3%</td>
</tr>
<tr>
<td>RISK MANAGEMENT</td>
<td>3,271,500</td>
<td>2,355,495</td>
<td>72.0%</td>
<td>2,995,000</td>
<td>2,547,003</td>
<td>85.0%</td>
</tr>
<tr>
<td>EQUIPMENT MAINTENANCE</td>
<td>1,121,640</td>
<td>877,426</td>
<td>78.2%</td>
<td>1,129,930</td>
<td>635,839</td>
<td>74.0%</td>
</tr>
<tr>
<td>LANDSCAPE MAINTENANCE DISTRICT</td>
<td>175,025</td>
<td>81,925</td>
<td>46.8%</td>
<td>173,721</td>
<td>98,599</td>
<td>56.8%</td>
</tr>
<tr>
<td>WATER REPLACEMENT</td>
<td>3,124,403</td>
<td>521,707</td>
<td>16.7%</td>
<td>551,599</td>
<td>577,958</td>
<td>104.8%</td>
</tr>
<tr>
<td>SOLID WASTE RESERVE</td>
<td>2,000</td>
<td>322,047</td>
<td>161.02%</td>
<td>329,528</td>
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<tr>
<td>SEWER REVOLVING</td>
<td>291,225</td>
<td>274,516</td>
<td>94.3%</td>
<td>221,000</td>
<td>295,720</td>
<td>133.8%</td>
</tr>
<tr>
<td>TRANSPORTATION DEVELOPMENT</td>
<td>1,233,500</td>
<td>223,150</td>
<td>18.1%</td>
<td>145,000</td>
<td>210,347</td>
<td>145.1%</td>
</tr>
<tr>
<td>PARK DEVELOPMENT</td>
<td>126,800</td>
<td>77,535</td>
<td>61.1%</td>
<td>122,000</td>
<td>98,069</td>
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<tr>
<td>TREATMENT PLANT RESERVE</td>
<td>3,398,871</td>
<td>726,856</td>
<td>21.4%</td>
<td>3,324,508</td>
<td>683,794</td>
<td>20.6%</td>
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<tr>
<td>STORM DRAIN DEVELOPMENT</td>
<td>265,000</td>
<td>249,133</td>
<td>94.0%</td>
<td>127,000</td>
<td>322,297</td>
<td>253.8%</td>
</tr>
<tr>
<td>BUILDING CONSTRUCTION</td>
<td>50,000</td>
<td>30,448</td>
<td>60.9%</td>
<td>50,000</td>
<td>27,725</td>
<td>55.5%</td>
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<tr>
<td><strong>TOTALS</strong></td>
<td><strong>$ 37,887,812</strong></td>
<td><strong>$ 23,026,371</strong></td>
<td><strong>60.8%</strong></td>
<td><strong>$ 32,214,194</strong></td>
<td><strong>$ 19,929,000</strong></td>
<td><strong>61.9%</strong></td>
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</table>
## CITY OF PORTERVILLE

### EXPENDITURE STATUS REPORT - GENERAL FUND

**FOR THE NINE MONTHS ENDED MARCH 31, 2006 AND MARCH 31, 2005**

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<tr>
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<tr>
<td>City Council</td>
<td>$84,280</td>
<td>$124,882</td>
<td>148.2%</td>
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<td>$45,240</td>
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<td>Community Promotion</td>
<td>158,327</td>
<td>118,912</td>
<td>75.1%</td>
<td>158,327</td>
<td>111,060</td>
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<td><strong>ADMINISTRATIVE &amp; LEGAL:</strong></td>
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<tr>
<td>City Manager</td>
<td>242,667</td>
<td>174,529</td>
<td>71.9%</td>
<td>219,645</td>
<td>158,253</td>
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<td>City Clerk</td>
<td>164,696</td>
<td>123,663</td>
<td>75.1%</td>
<td>150,111</td>
<td>111,032</td>
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<td>Human Resources</td>
<td>160,320</td>
<td>159,830</td>
<td>99.7%</td>
<td>194,904</td>
<td>138,424</td>
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<td>City Attorney</td>
<td>145,000</td>
<td>92,723</td>
<td>63.9%</td>
<td>162,545</td>
<td>113,254</td>
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<td><strong>FINANCE:</strong></td>
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<tr>
<td>Finance &amp; Accounting</td>
<td>611,255</td>
<td>383,161</td>
<td>62.7%</td>
<td>558,719</td>
<td>413,255</td>
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<td>Information Services</td>
<td>301,826</td>
<td>185,597</td>
<td>61.5%</td>
<td>328,104</td>
<td>231,925</td>
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<tr>
<td>Administrative Services</td>
<td>365,942</td>
<td>272,462</td>
<td>74.5%</td>
<td>359,262</td>
<td>260,131</td>
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<tr>
<td><strong>POLICE PROTECTION:</strong></td>
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<td></td>
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<tr>
<td>Administration</td>
<td>665,160</td>
<td>464,726</td>
<td>69.9%</td>
<td>671,918</td>
<td>459,292</td>
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<td>Operations</td>
<td>3,144,027</td>
<td>2,414,209</td>
<td>76.8%</td>
<td>3,074,505</td>
<td>2,084,537</td>
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<td>Investigative</td>
<td>2,186,165</td>
<td>1,550,532</td>
<td>70.9%</td>
<td>1,974,692</td>
<td>1,466,387</td>
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<td>Animal Control</td>
<td>112,270</td>
<td>84,089</td>
<td>74.9%</td>
<td>109,000</td>
<td>82,241</td>
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<td><strong>FIRE PROTECTION:</strong></td>
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<td></td>
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<td>Fire Protection</td>
<td>3,067,561</td>
<td>2,158,792</td>
<td>70.4%</td>
<td>2,969,213</td>
<td>1,806,586</td>
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<td><strong>COMMUNITY DEVELOPMENT:</strong></td>
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<td></td>
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<tr>
<td>Engineering &amp; Building</td>
<td>711,467</td>
<td>547,851</td>
<td>77.0%</td>
<td>679,843</td>
<td>454,485</td>
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<td>Planning &amp; Zoning</td>
<td>345,741</td>
<td>232,276</td>
<td>67.2%</td>
<td>315,244</td>
<td>216,342</td>
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<td>Economic Development</td>
<td>218,286</td>
<td>138,040</td>
<td>63.2%</td>
<td>214,305</td>
<td>132,917</td>
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<td>Street Maintenance</td>
<td>374,702</td>
<td>194,785</td>
<td>52.0%</td>
<td>322,880</td>
<td>223,835</td>
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<td>Signals, Signing &amp; Striping</td>
<td>303,395</td>
<td>182,131</td>
<td>60.0%</td>
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<td>194,559</td>
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<td>Street Lighting</td>
<td>308,367</td>
<td>196,656</td>
<td>64.4%</td>
<td>308,367</td>
<td>193,573</td>
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<td>Storm Drains</td>
<td>107,731</td>
<td>37,074</td>
<td>34.4%</td>
<td>97,881</td>
<td>40,369</td>
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<td>Parking Lots</td>
<td>40,702</td>
<td>24,540</td>
<td>60.3%</td>
<td>40,703</td>
<td>24,776</td>
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<tr>
<td>Park Maintenance &amp; Operation</td>
<td>1,347,278</td>
<td>1,020,950</td>
<td>75.8%</td>
<td>1,333,401</td>
<td>851,607</td>
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<td>Street Trees &amp; Parkways</td>
<td>245,500</td>
<td>197,260</td>
<td>80.4%</td>
<td>241,300</td>
<td>126,785</td>
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<td>Community Centers</td>
<td>220,648</td>
<td>225,103</td>
<td>102.0%</td>
<td>253,942</td>
<td>165,333</td>
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<tr>
<td>Leisure Services</td>
<td>316,836</td>
<td>200,407</td>
<td>63.3%</td>
<td>211,263</td>
<td>157,850</td>
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<tr>
<td>Leisure Services - Special Prog</td>
<td>703,000</td>
<td>600,161</td>
<td>87.6%</td>
<td>815,913</td>
<td>561,794</td>
</tr>
<tr>
<td>Swimming Pool</td>
<td>144,000</td>
<td>101,214</td>
<td>70.3%</td>
<td>114,738</td>
<td>92,916</td>
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<tr>
<td>Library Operations</td>
<td>586,050</td>
<td>428,218</td>
<td>73.2%</td>
<td>592,785</td>
<td>404,469</td>
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<td>Special Projects</td>
<td>71,007</td>
<td>52,088</td>
<td>73.4%</td>
<td>80,675</td>
<td>39,641</td>
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<tr>
<td><strong>SUB TOTALS</strong></td>
<td>$17,534,206</td>
<td>$12,689,861</td>
<td>72.4%</td>
<td>$16,994,921</td>
<td>$11,362,868</td>
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<tr>
<td><strong>DEBT SERVICE</strong></td>
<td>1,835,000</td>
<td>1,376,250</td>
<td>75.0%</td>
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<td>1,376,250</td>
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<tr>
<td></td>
<td>$19,369,206</td>
<td>$14,066,111</td>
<td>72.6%</td>
<td>$18,829,921</td>
<td>$12,739,118</td>
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CITY OF PORTERVILLE

EXPENDITURE STATUS REPORT - ALL OTHER FUNDS
FOR THE NINE MONTHS ENDED
MARCH 31, 2006 AND MARCH 31, 2005

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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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<td>REDEVELOPMENT AGENCY</td>
<td>$1,592,595</td>
<td>$433,894</td>
<td>27.2</td>
<td>$1,001,316</td>
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<td>ZALUDE ESTATE</td>
<td>31,700</td>
<td>16,220</td>
<td>51.2</td>
<td>29,189</td>
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<tr>
<td>COMMUNITY DEVELOPMENT BLOCK GRANT</td>
<td>184,409</td>
<td>121,482</td>
<td>65.9</td>
<td>193,400</td>
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<tr>
<td>TRANSIT</td>
<td>3,014,200</td>
<td>1,321,596</td>
<td>43.8</td>
<td>1,856,263</td>
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<tr>
<td>SPECIAL POLICE GRANTS</td>
<td>350,671</td>
<td>340,622</td>
<td>97.1</td>
<td>534,601</td>
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<tr>
<td>SEWER OPERATING</td>
<td>5,441,672</td>
<td>3,836,064</td>
<td>70.5</td>
<td>4,999,144</td>
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<tr>
<td>REFUSE REMOVAL</td>
<td>4,429,556</td>
<td>3,252,600</td>
<td>73.4</td>
<td>4,137,353</td>
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<tr>
<td>AIRPORT</td>
<td>833,732</td>
<td>639,406</td>
<td>76.7</td>
<td>823,732</td>
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<tr>
<td>GOLF COURSE</td>
<td>317,000</td>
<td>271,852</td>
<td>85.8</td>
<td>310,000</td>
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<tr>
<td>WATER OPERATING</td>
<td>4,246,593</td>
<td>2,788,023</td>
<td>65.7</td>
<td>4,171,881</td>
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<tr>
<td>RISK MANAGEMENT</td>
<td>3,271,500</td>
<td>2,511,898</td>
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<td>2,900,000</td>
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<tr>
<td>EQUIPMENT MAINTENANCE</td>
<td>954,950</td>
<td>692,050</td>
<td>72.5</td>
<td>950,825</td>
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<tr>
<td>CENTRAL STORES</td>
<td>194,964</td>
<td>126,766</td>
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<tr>
<td>LANDSCAPE MAINTENANCE DISTRICT</td>
<td>175,025</td>
<td>78,294</td>
<td>44.7</td>
<td>173,721</td>
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<tr>
<td><strong>TOTALS</strong></td>
<td><strong>$25,038,567</strong></td>
<td><strong>$16,430,767</strong></td>
<td><strong>65.6</strong></td>
<td><strong>$22,273,575</strong></td>
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## CITY OF PORTERVILLE
### INTERIM PERFORMANCE REPORT - ENTERPRISE FUNDS
As of March 31, 2006

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<th>FUND</th>
<th>REVENUES</th>
<th>EXPENSES</th>
<th>NET PROFIT (LOSS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zalud Estate</td>
<td>$3,726.89</td>
<td>$(16,220.23)</td>
<td>$(12,493.34)</td>
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<tr>
<td>Sewer</td>
<td>$4,772,035.82</td>
<td>$(3,836,063.88)</td>
<td>$935,971.94</td>
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<tr>
<td>Solid Waste</td>
<td>$3,520,258.63</td>
<td>$(3,252,599.67)</td>
<td>$267,658.96</td>
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<tr>
<td>Airport</td>
<td>$624,824.79</td>
<td>$(693,405.79)</td>
<td>$(68,581.00)</td>
</tr>
<tr>
<td>Golf</td>
<td>$217,448.00</td>
<td>$(271,852.05)</td>
<td>$(54,404.05)</td>
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<tr>
<td>Water</td>
<td>$3,667,806.87</td>
<td>$(2,788,022.87)</td>
<td>$879,784.00</td>
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**NOTE:** The Transit Fund is not included as it does not contain any retained earnings.
<table>
<thead>
<tr>
<th>Grant/Subsidized Loan Description</th>
<th>City</th>
<th>Funded By</th>
<th>Granting Agency</th>
<th>Grant Number</th>
<th>City Capital Project No</th>
<th>Amount of Grant Award</th>
<th>Match</th>
<th>Processes Received Due to Date</th>
<th>Last Drawdown Request Date</th>
<th>Drawdown Received Date</th>
<th>Drawsdown Required Date</th>
<th>Final Grant Date</th>
<th>Notes</th>
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<tr>
<td>COMMUNITY DEVELOPMENT DEPARTMENT:</td>
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<tr>
<td>2006 CDBG entitlement allocation</td>
<td>B. Durham</td>
<td>HUD</td>
<td></td>
<td></td>
<td></td>
<td>500,000.00</td>
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<tr>
<td>2006 CDBG entitlement allocation</td>
<td>B. Durham</td>
<td>HUD</td>
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<td>500,000.00</td>
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<tr>
<td>2002 HOME grant for housing rehabilitation/TFFH</td>
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<td>HUD</td>
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<tr>
<td>HOME TFFH grant for infill development</td>
<td>B. Durham</td>
<td>HUD</td>
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<tr>
<td>TEA grant for bike lane</td>
<td>B. Durham</td>
<td>TCGA</td>
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<td>FIRE DEPARTMENT/AIRPORT:</td>
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<td>Assistance to Florida's Grant</td>
<td>F. Guyton</td>
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<tr>
<td>Airport Layout Plan</td>
<td>F. Guyton</td>
<td>CALTRANS</td>
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<td></td>
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<tr>
<td>AIP Project</td>
<td>F. Guyton</td>
<td>FAA</td>
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<tr>
<td>AIP Project</td>
<td>F. Guyton</td>
<td>CALTRANS</td>
<td></td>
<td></td>
<td></td>
<td>500,000.00</td>
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<tr>
<td>AIP Project</td>
<td>F. Guyton</td>
<td>CALTRANS</td>
<td></td>
<td></td>
<td></td>
<td>500,000.00</td>
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<tr>
<td>EDOC equipment</td>
<td>F. Guyton</td>
<td>State Office of Emergency Services</td>
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<td></td>
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<td>500,000.00</td>
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<tr>
<td>Police - Purchase of Harpoons</td>
<td>F. Guyton</td>
<td>Dept. of Transportation-Automobile Program</td>
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<tr>
<td>PARKS AND RECREATION SERVICES DEPARTMENT:</td>
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<tr>
<td>Rattlesnake Trail</td>
<td>J. Pentre</td>
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<td>500,000.00</td>
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<tr>
<td>Piedmont Park</td>
<td>J. Pentre</td>
<td>CA-Trans Com (Pedestrian Safety Program)</td>
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<td>500,000.00</td>
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<tr>
<td>Tullie River Parkway, Ph II</td>
<td>J. Pentre</td>
<td>CA Dept. of Parks &amp; Rec (2002 Park Bond Act)</td>
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<td>J. Pentre</td>
<td>Dept. of Transportation-Automobile Program</td>
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<td>State of CA, Dept. of Finance</td>
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<td>Police - Purchase of Harpoons</td>
<td>S. Rodríguez</td>
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<td>B. Rodriguez</td>
<td>CALTRANS - HHR</td>
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<td>Additional bike lanes and lanes</td>
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<td>ALAPD</td>
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<td>Hybrid vehicles</td>
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<tr>
<td>Pedestrian signal &amp; Matthew &amp; Clay</td>
<td>B. Rodriguez</td>
<td>CALTRANS - CMAG</td>
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<td>500,000.00</td>
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<td>CALTRANS - CMAG</td>
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<td>Pedestrian signal &amp; Matthew &amp; Clay</td>
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<td>CALTRANS - CMAG</td>
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<td>READING THROUGH CH I.C.E.D.A.</td>
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<td>CALTRANS - CMAG</td>
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<td>500,000.00</td>
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<td>Sewer system expansion</td>
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<td>500,000.00</td>
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<td>Electric water system improvements</td>
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<tr>
<td>TOTAL GRANT/SUBSIDIZED LOANS AWARDED</td>
<td>B. Rodriguez</td>
<td>CALTRANS - CMAG</td>
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<td>500,000.00</td>
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**Notes:**
- Balance to be expended or drawn: $500,000
- Loan due in the year 2012 plan to pay in 2023
- Balance to be expended or drawn: $100,000
- Balance to be expended or drawn: $125,000
- Loan to be used for the match on FAA grants.
A Bingo Permit application was approved for the King/Tulare County Area Agency on Aging for the period through December 31, 2006 for 280 North Fourth Street (the Santa Fe Depot). The application had been submitted for the same site but for the period Monday through Friday between 9AM and 2PM.

A member of the City Council has requested that the determination of the City Manager be reviewed by the Council.

Enclosed is a copy of the permit as issued, a copy of a letter from Juanita Baldo and Bobby Reed indicating they are not satisfied with the permit, and a copy of the license agreement for the use of the site at 280 North Fourth Street through October 1, 2006.

After reviewing the facts of the permit application and after considering a legal review of the license agreement for the use of the site until October 1, 2006, the City Manager determined to issue the permit for Thursday and Friday of each week.

- Monday was not approved as a day of play since another game operates at the same site on that day. Two games on the same site at the same time appeared to potentially create competition and possibly conflict at the site. Additional demand could be created which would exacerbate the “tight” parking at the facility. In the past, in the 1980s games had been combined rather than operating at the same place, at the same time.

- Tuesday was not approved because it was not a day covered by the license agreement for the use of the facility.

- Wednesday was not approved as a day of play since another game operates at the same site on that day. Two games on the same site at the same time appeared to potentially create competition and possibly conflict at the site. Additional demand could be created which would exacerbate the “tight” parking at the facility. In the past, in the 1980s games had been combined rather than operating at the same place, at the same time.

RECOMMENDATION: Determine whether the decision of the City Manager in the matter should be sustained, overturned, or modified. The start time, per City Code should be set at 10 AM.
Application For City Bingo Permit & Business License

CITY OF PORTERVILLE
P.O. BOX 432, PORTERVILLE, CA. 93258-0432
(209) 784-1400, EXT. 454

NOTE: Reapplication must be submitted to the Finance Department two months prior to expiration date above.
Allow 10 to 21 days for necessary inspection and approval. Licensee is responsible for compliance with all ordinances of the City of Porterville, i.e., Fire, Health, Building and Zoning Codes.

BUSINESS NAME: KINGS/TULARE AREA ACREAGE
MAILING ADDRESS: 5957 S. MOONEY BAKERY

BUSINESS ADDRESS: 280 N. FOUTH
PORTERVILLE, CA 93257

APPLICATION IS HEREBY MADE TO CONDUCT BINGO GAMES WITHIN THE CITY OF PORTERVILLE PURSUANT TO SECTION 19(c) OF ARTICLE IV OF THE CALIFORNIA CONSTITUTION, PENAL CODE SECTION 326.5 (INCLUDING FUTURE AMENDMENTS THERETO), AND PROVISIONS OF SECTION 16-26(a) OF CHAPTER 15 OF THE PORTERVILLE CITY CODE.

PROOF THAT ORGANIZATION IS A CHARITABLE ORGANIZATION AS DEFINED BY PENAL CODE SECTION 326.5 (TAX EXEMPT STATUS). IF DOCUMENTARY PROOF IS UNAVAILABLE, A STATEMENT OF TAX EXEMPT STATUS IS REQUIRED.

PROPERTY IS, IS NOT LOCATED OF OTHER ACTIVITIES OF ORGANIZATION

TAX EXEMPT NO.: 9-4-600851. PROPERTY IS: # Owned by Organization # Leased by Organization

SCHEDULE OF PROPOSED BINGO GAMES: Days # FRI 11:00 AM - 2 PM

NAME (ADDRESS) (PHYSICAL DESC.) (DATE OF BIRTH) (BIRTHPLACE) (DR. LIC. NO.)

OFFICERS OF ORGANIZATION:

JOHN DAVIS 5931 TEMPE AVE., VISALIA 5'10" 175 # 4/17/47 OAKLAND CA 03 1975

PERSONS AUTHORIZED BY ORGANIZATION TO OPERATE BINGO GAMES IN BEHALF OF THE ORGANIZATION:

JUANITA ALDANA 273 W. GIBBONS, PORTERVILLE 5/27/30 AUSTIN, TX 08497232
RAY CARSON 273 W. GIBBONS, PORTERVILLE 5/19/31 ROSS, TX 06/10/50 037
BOBBY REED 1343 W. MONTEV, PORTERVILLE 9/2/28 OAKLAND, CA 06/8/1290
JUANITA E. GARCIA 1343 W. MONTEV, PORTERVILLE 1/24/43 AUSTIN, TX 03 1971
MIASHELY BILLY 1005 W. 16TH, #103 PORTERVILLE 8/11/48 BAKERS 08/13046

(Use Separate Sheet If Necessary - Each Person Must be A Member Of The Sponsoring Organization) NO MORE THAN 20 MAY BE LISTED.

IMPORTANT: READ AND SIGN BELOW RETURN WITH IT

FEES DUE: $ 500

I certify the above information is correct. (Make any corrections as needed.)

Signed By Director Application Date

ALL BUSINESS SIGNS WITHIN THE CITY LIMITS MUST BE APPROVED BY THE PLANNING DEPARTMENT.

NOTE: Additional City permits may be necessary before the owner can commence business.

Approved FOR OFFICE USE ONLY


REQUIREMENTS/CONDITIONS

9-5-3-2016

Occupancy Capacity:

AMOUNT PAID DATE ISSUED BY SIC SCHEDULE DATE BUSINESS DISCONTINUED LICENSE NUMBER

500 2/17/06 M.M. 71-3290

THE APPROVED APPLICATION AND BUSINESS LICENSE MUST BE POSTED IN A CONSPICUOUS PLACE DURING THE CONDUCT OF ANY BINGO GAME.

Notify City if you change your business address, name, ownership, nature of business, or if you are no longer doing business in Porterville.
March 31, 2006

Porterville City Council
291 N. Main Street
Porterville, CA 93257

Re: Bingo License

We wish to inform you that we are not satisfied with the terms of the bingo license issued to the Kings/Tulare AAA.

A few months ago, Delia Biglow and John Hughes from the AAA visited the Senior bingo players, and then they went directly to City Hall and returned to tell us that we could play Bingo Monday through Friday from 9:00 A.M. to 2:00 P.M.

The bingo license is now posted on the wall at the Senior Nutrition Center. You can see where the days Monday through Friday have been scratched out and Thursday and Friday only has been added. We would like to know by whose authority this change was made and, mostly, WHY?

We would appreciate it if the decision made in regard to the specific days be appealed to the City Council.

Juanita Ballo
Phone: 784-5600

Bobby Reed
Phone: 784-4991
PROPERTY LICENSE AGREEMENT
AND
AGREEMENT CONCERNING RIGHTS AND OBLIGATIONS
OF THE PARTIES

Parties

1. This License agreement is entered into by and between the Porterville Senior Council ("Licensor"), sub-lessee of the Porterville Santa Fe Depot, and the Kings/Tulare Area Agency on Aging ("Licensee"), and with the consent of the City of Porterville ("City"), lessee/sublessor of said property.

Description of Property

2. Licensor is rightful possessor of certain real property situated in the city of Porterville, and more particularly described as the Porterville Santa Fe Depot ("Depot").

Grant of License

3. In consideration for and in accordance with the terms and conditions of this agreement, Licensor and the City grant to Licensee a License ("the License") to perform the following acts on the Property:

   a. The Licensee shall have exclusive use of the lower level of the Santa Fe Depot on the Monday, Wednesday, Thursday, and Friday of each week between the hours of 8:30 a.m. and 2:30 p.m. for senior programs.
   b. The large dining room and kitchen area will be available to the Licensee for food services and programs.
   c. The Licensee will be permitted to place a refrigerator in the east alcove of the large dining room.
   d. The Licensee shall have exclusive use of the kitchen cupboards above and below the pass-thru counter.
   e. The small room at the south end of the building will be available for Licensee activities; the Licensee may place a lockable desk and file cabinets in the southeast
corner of this room for office and counseling purposes and may install partition walls
to enclose said area. Exclusive use, by the Licensee, of this room and office space
may continue until 4:30 p.m. on the days provided for under term 3(a).
f. The east-side ticket booth will be available exclusively to the Licensee for storage;
the adjacent, east-side exterior covered storage area will also be available for shared
use between the Licensor and Licensee.

Incidental Rights and Obligations

4. The following incidental rights and obligations accompany the License and the use
of the property:

a. The Licensee shall provide regular senior citizen meal programs and services
   commensurate with services provided elsewhere in the Kings/Tulare Area Agency on
   Aging service area.

b. The Licensee shall have full and exclusive management authority over the program areas
during the times of program use, and shall assume full responsibility for the timely
   cleaning of all areas used after all Licensee activities.

c. The Licensee shall assume full responsibility for refuse service and pest control of the
   entire Santa Fe Depot.

d. The Licensee shall be permitted to install telephone services and assume all
   responsibility for installation, control of use, and service cost.

e. The Licensee and the Licensor shall each provide an insurance certificate naming all
   above-mentioned parties as additional insured.

f. The Licensor shall also provide facility management oversight, routine building and
   grounds maintenance, utility services, and schedule use of the building.

g. The City shall provide $800 monthly to the Licensor to be used for fulfillment of its
   obligations under terms 4(e) and 4(f).

h. The Licensee will be responsible for interior modifications, up to $1,500 in cost, for the
   removal of partitions and installation of handicap grab bars in the lower-level restrooms,
as well as installation of lever door operating hardware for the lower restroom doors,
   lower hallway door, and kitchen door.
In exercising these rights and obligations, Licensee must use reasonable care and may not unreasonably increase the burden on the Property.

**License Non-assignable**

5. This License is personal to the Licensee and shall not be assigned. Any attempt to assign the License shall automatically terminate it. No legal title or leasehold interest in the Property is created or vested in Licensee by the grant of this License.

**Term of License**

6. This License shall be for a term of one year, commencing on October 1, 2005, and terminating on October 1, 2006. The parties may agree to extend this Agreement, with the terms of said Agreement to be reviewed and adjusted as the parties deem to be appropriate prior to renewal.

**Termination of Occupancy**

7. On or before the termination date for this License specified in paragraph 6 of this agreement, Licensee shall remove all of Licensee’s personal property from the Property and shall surrender possession of the Property to the Licensor in good order and repair to the reasonable satisfaction of the Licensor, normal wear and tear excepted.

**Default**

8. In the event Licensee fails to comply with any of the material terms of this Agreement, in addition to any and all other remedies available under the law, this License may be revoked by Licensor or the City, upon Licensee’s receipt of written notice of the violation to the parties and its failure to cure within ten (10) days. More time may be granted for the cure of any violations if agreed to in writing by the parties.

**Termination**

9. The parties understand that the City and Licensor have let/sublet the premises, and said lease and sublease are not scheduled to expire during the term of this Agreement. However, in the event the property is no longer available to the City or Licensor, the License herein granted shall lease to be in effect, and the parties’ obligations to each other under this Agreement also lease.
Entire Agreement

10. This Agreement constitutes the entire agreement between Licensor and Licensee relating to the License. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect. Any amendment to this Agreement shall be of no force and effect unless it is in writing and signed by all parties named above.

Executed on Sept. 12, 2005 at Porterville, California.

PORTEVILLE SENIOR COUNCIL, LICENSOR

[Signature]

KINGS/TULEARE AREA AGENCY ON AGING, LICENSEE

[Signature]

CITY OF PORTERVILLE

[Signature]

RICHARD@juliasantafeagreement.doc
CITY COUNCIL AND REDEVELOPMENT AGENCY AGENDA: APRIL 18, 2006

SUBJECT: REPAYMENT OF REDEVELOPMENT LOW AND MODERATE INCOME HOUSING FUNDS TO HOME PROGRAM INCOME ACCOUNT

SOURCE: COMMUNITY DEVELOPMENT DEPARTMENT

COMMENT: In order to facilitate the expenditure of HOME Program Income funds and to allocate additional funding to the Casas Buena Vista project, the City Council and Redevelopment Agency, on May 20, 2003 and December 16, 2003, approved the reallocation of $90,905 and $48,670, respectively, in HOME Program Income from the First Time Low Income Homebuyer Program and the Housing Rehabilitation Program to the St. James Place Project. This action allowed the Redevelopment (RDA) Low and Moderate Income Housing Funds that were pledged to the St. James Place Project to be redirected to the Casas Buena Vista Project that was in need of additional financing. This shift was made because Casas Buena Vista could not directly utilize HOME Program Income funds due to the extensive Federal environmental requirements that would have been required to be completed for the subdivision.

At the time, staff had researched the HUD Federal HOME regulations to confirm that the HOME dollars could replace the RDA dollars in the Agreement with St. James Place. In the Agreement for the RDA funds, the loan is forgivable over a thirty year period due to the fact that those funds were from the original Redevelopment bond issue which had restrictions requiring the loan funds to be forgivable. Staff was also in consultation with the California Housing and Community Development (HCD) staff, which is the Administering Agency for the HOME funds for the City of Porterville, regarding several issues related to the reallocation of HOME Program Income dollars, especially the match requirement for the St. James Place Project and the HOME subsidy limits per assisted unit. Unfortunately, staff was not aware that although the Federal regulations allow forgivable loans, the State regulations do not. This oversight was not found until the Project Completion Report was submitted on the St. James Project and HOME requested the loan agreement with St. James Place, LLC. Upon determining that the loan funded with HOME Program Income was forgivable, HCD notified City staff that this was against the State regulations and that the money would have to be paid back to the City’s HOME Program Income Account.
Currently, the Redevelopment Low and Moderate Income Housing Fund has adequate funding to repay $139,575 to the St. James Place Project, which in turn will reimburse the HOME Program Income account. The funds are available due to the fact that all of the RDA funds allocated for homebuyer assistance loans for the Casas Buena Vista Subdivision were not utilized, with most homebuyers using HOME or CDBG funds for their loans. At the completion of the Casas Buena Vista Project, which is anticipated within a month, the Agency is expecting to receive additional funds from the profit sharing provision in the Disposition and Development Agreement. Even without these funds which are expected to be over $150,000, there is sufficient funding available to meet the obligations as originally shown in the proforma (Attachment #1). The infusion of the replacement funds into the HOME Program Income account will assist in providing the necessary construction financing for the Date and “A” Street Project which will be producing an additional three single family homes for low income households. According to HOME State regulations, all of the Program Income used on that project will have to be rolled into the permanent homebuyer assistance loans for the houses constructed.

RECOMMENDATION: That the Redevelopment Agency:

1. Accept the action as required by HCD to reallocate $139,575 in Redevelopment Low and Moderate Income Housing Funds from the Casas Buena Vista Project back to the St. James Place Project.

That the City Council:

1. Accept the action as required by HCD to have $139,575 in HOME Program Income that was allocated to the St. James Place Project reimbursed to the City’s HOME Program Income account.

ATTACHMENT: 1. Summary of Redevelopment Housing Bond Fund and HOME Program Income Fund
## Attachment No. 1
### Summary of Redevelopment Housing Bond Fund and HOME Program Income Fund

#### Redevelopment Housing Bond Fund*

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tr>
<td>Balance as of 3/31/06</td>
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#### Encumbered Funds for Casas Buena Vista

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<tr>
<td>Street Improvements (at the end of the project)</td>
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<td>05/06 Landscape Maintenance Payment</td>
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<td>Debt Service on HELP Loan</td>
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<thead>
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<td>Subtotal available</td>
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<table>
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<tr>
<th>Description</th>
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<tr>
<td>Proposed Repayment to HOME PI</td>
<td>$139,575</td>
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<table>
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<td>Remaining Balance</td>
<td>$79,516</td>
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*does not include Redevelopment Housing Tax Increment Fund or the shared profit on the sale of the Casas Buena Vista homes

#### Home Program Income Fund

<table>
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<tr>
<td>Balance as of 3/31/06 (this fund needed to be $0 in order to be able to drawdown 2002 grant funds from the HOME program by the expenditure deadline date)</td>
<td>$0</td>
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<tr>
<td>Anticipated Program Income thru June</td>
<td>$60,497</td>
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<tr>
<td>(includes average of $7,000 in monthly loan payments and loan payoffs of $39,497)</td>
<td></td>
</tr>
<tr>
<td>Proposed Repayment from RDA</td>
<td>$139,575</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subtotal Available</td>
<td>$200,072</td>
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</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Proposed Encumbrance for Date/ “A” St Project</td>
<td>$117,000</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Remaining Balance</td>
<td>$83,072</td>
</tr>
</tbody>
</table>
SUBJECT: AUTHORIZING THE ACCEPTANCE OF PROPERTY FROM THE CITY OF PORTERVILLE

SOURCE: COMMUNITY DEVELOPMENT DEPARTMENT

COMMENT: On November 1, 2005, the City of Porterville approved a Cooperation, Purchase, and Sale Agreement for the sale of property to the Redevelopment Agency with the understanding that the Agency’s negotiations for future development would include a Disposition and Development Agreement (DDA) which would provide for certain physical elements keeping with the historic characteristics of downtown and being sensitive to the adjacent park.

The Redevelopment Agency successfully negotiated a DDA with Ennis Commercial Properties, LLC and is preparing to close escrow on the property. A requirement to record the acceptance of the property by the Agency from the City is that a resolution by the Porterville Redevelopment Agency be included in the escrow documents.

RECOMMENDATION: That the Porterville Redevelopment Agency approve the resolution to accept the property from the City of Porterville and authorize the Chairman to sign all necessary documents to compete the transaction.

ATTACHMENTS: Resolution
RESOLUTION NO. ______________

A RESOLUTION OF THE PORTERVILLE REDEVELOPMENT AGENCY
ACCEPTING THE SALE OF PROPERTY
FROM THE CITY OF PORTERVILLE

WHEREAS, the Porterville Redevelopment Agency has approved the
Redevelopment Plan for the Porterville Redevelopment Project Area #1; and

WHEREAS, one of the goals of the Redevelopment Plan is to eliminate the
blighting influence of underutilized lots; and

WHEREAS, the Redevelopment Agency recognizes the benefits of negotiating a
Development and Disposition Agreement with a Developer for the development to
adhere to the guidelines in the Redevelopment Plan.

NOW THEREFORE, THE PORTERVILLE REDEVELOPMENT AGENCY
DOES RESOLVE AS FOLLOWS:

1) The Agency finds and determines that the development is of benefit to the
Porterville Redevelopment Project Area #1.

2) The Agency accepts the sale of property owned by the City of Porterville
that is located at the southeast corner of Main Street and Thurman Avenue
in the City of Porterville pursuant to the terms and conditions of the
Cooperation, Purchase, and Sale Agreement.

3) The Agency accepts the deed for said property from the City of
Porterville.

Passed, approved, and adopted this 18th day of April 2006.

________________________________________
Pedro R. Martinez, Chairman

Attest:

John Longley, Secretary

________________________________________
Georgia Hawley, Chief Deputy City Clerk