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AGENDA
KERMAN CITY COUNCIL
REGULAR MEETING
Kerman City Hall
850 S. Madera Avenue
Wednesday, July 20, 2016
6:30 PM

Stephen B. Hill – Mayor
Gary Yep – Mayor Pro Tem
Rhonda Armstrong – Council Member
Kevin Nehring – Council Member
Bill Nijjer – Council Member

ALL MEETING ATTENDEES ARE ADVISED THAT ALL PAGERS, CELLULAR TELEPHONES AND ANY OTHER COMMUNICATION DEVICES SHOULD BE POWERED OFF UPON ENTERING THE COUNCIL CHAMBERS, AS THESE DEVICES INTERFERE WITH OUR AUDIO EQUIPMENT.

OPENING CEREMONIES

- Welcome – Mayor
- Call to Order
- Roll Call
- Invocation

At this time the Council wishes to provide anyone an opportunity to give a brief invocation or inspirational thought. In accordance with law, we would request this opportunity not be used to recruit converts, to advance anyone, or to disparage any other faith or belief. If no one steps forward, we will observe a moment of silence so that we may all focus our thoughts on how best to serve our community.

- Pledge of Allegiance – City Clerk

AGENDA APPROVAL/ADDITIONS/DELETIONS

To accommodate members of the public or convenience in the order of presentation, items on the agenda may not be presented or acted upon in the order listed.

1. PRESENTATIONS/CEREMONIAL MATTERS

- A. Proclamation Declaring July 2016 as Parks and Recreation Month (PG)

ATTACHMENTS: [Staff Report - National Parks and Recreation Month](#)

REQUEST TO ADDRESS COUNCIL

This portion of the meeting is reserved for members of the public to address the Council on items of interest that are not on the Agenda and are within the subject matter jurisdiction of the Council. Speakers shall be limited to three minutes. It is requested that no comments be made during this period on items on the Agenda. Members of the public wishing to address the Council on items on the Agenda should notify the Mayor when that Agenda item is called, and the Mayor will recognize your discussion at that time. It should be noted that the Council is prohibited by law from taking any action on matters discussed that are not on the Agenda. Speakers are asked to please use the microphone, and provide their name and address.

2. CONSENT CALENDAR

Matters listed under the Consent Calendar are considered routine and will be enacted by one motion and one vote. There will be no separate discussion of these items. If discussion is desired, a member of the audience or a Council Member may request an item be removed from the Consent Calendar and it will be considered separately.

A. SUBJECT: Minutes

RECOMMENDATION: Council approve minutes as presented.

ATTACHMENTS: [July 6, 2016](#)

B. SUBJECT: Payroll

Payroll Report: 06/19/2016 - 07/02/2016: \$138,886.54; Retro Pay & Other: \$902.08; Overtime: \$1,601.51; Standby: \$1,216.37 Comp Time Earned: 32.37

RECOMMENDATION: Council approve payroll as presented.

ATTACHMENTS: [Payroll/Overtime Report](#)

C. SUBJECT: Warrants

1. Nos. 9021-9054 \$214,582.21
2. Excepting - Sebastian 9053 \$429.79

RECOMMENDATION: Council approve warrants and electronic bank transfers as presented. (Pursuant to Government Code 37208)

ATTACHMENTS: [Accounts Payable](#)

D. SUBJECT: Resolution Accepting Water Main Easement for Well No. 18 from Kerman Shopping Plaza, LLC. (JJ)

RECOMMENDATION: Council by motion adopt the resolution accepting the water main easement for Well No. 18 from Kerman Shopping Plaza, LLC.

ATTACHMENTS: [Staff Report - Well 18 Water Main Easement](#)

E. SUBJECT: Resolution of the City Council of the City of Kerman Appoints City Manager or Designee to Execute Contracts Annually with the Fresno-Madera Area Agency on Aging (PG)

RECOMMENDATION: Council by motion adopt resolution appointing the City Manager or designee to execute contracts annually with the Fresno-Madera Area Agency on Aging.

ATTACHMENTS: [Staff Report - FMAAA](#)

F. SUBJECT: Resolution Approving Fourth Year Funding of State Law Enforcement Grant (JKB)

RECOMMENDATION: Council by motion approve Addendum No. 3 to Joint Law Enforcement Memorandum of Understanding (MOU) between the County of Fresno, all fifteen cities in the County, and the California Board of State and Community Corrections (BSCC) and authorize the Chief of Police to sign on behalf of the City.

ATTACHMENTS: [Staff Report - BSCC](#)

G. SUBJECT: Local Transportation Funds and State Transportation Assistance Funds from the Fresno Council of Governments (Fresno COG) (TJ)

RECOMMENDATION: Information only.

ATTACHMENTS: [Staff Report - LTF](#)

H. SUBJECT: Monthly Investment Report Ending June 30, 2016 (TJ)

RECOMMENDATION: Council accept the Monthly Investment Report as presented

ATTACHMENTS: [Investment Report](#)

3. PUBLIC HEARINGS

These hearings are scheduled at the time stated and will be heard by the Council as close to the time stated as possible.

A. SUBJECT: Public Hearing for Consideration of the Second Amendment to the Solar Power Purchase Agreement and Related Second Amendment to Option and Lease Agreement with CES Kerman Solar, LLC (Borrego Solar) (JK)

RECOMMENDATION: City Council open the public hearing, take public comments, close the public hearing and after deliberations authorized the City Manager to execute the Second Amendment to the Solar Power Purchase Agreement and the Second Amendment to Option and Lease Agreement.

ATTACHMENTS: [Staff Report - Borrego](#)

B. SUBJECT: Public Hearing of Ordinance Adding Chapter 3.16A to the Kerman Municipal Code to Approve a Special Three Quarter Cent (.75%) Retail Transactions and Use Special Tax for Construction of Senior Center, Regional Fairgrounds, Police Station, Animal Kennel, and Other Similar Projects, as Well As Downtown Revitalization not to exceed 10% (JK)

RECOMMENDATION: Council waive second reading of ordinance of the City of Kerman Adding Chapter 3.16A to the Kerman Municipal Code to Approve a Special Three Quarter Cent (.75%) Transactions and Use Tax for Construction of Senior Center, Regional Fairgrounds, Police Station, Animal Kennel, and Other Similar Projects, and Downtown Revitalization not to exceed 10%.

ATTACHMENTS: [Staff Report - Tax Initiative](#)

- C. **SUBJECT:** Public Hearing Ordinance Repealing Chapter 13.06 of Title 13 of the Kerman Municipal Code and Adding new Chapter 13.06 of the Kerman Municipal Code Adopting by Reference the State Model Water Efficient Landscape Ordinance (OP)

RECOMMENDATION: Council by motion, open public hearing, consider any public testimony, close public hearing, waive further reading and Adopt Ordinance Repealing Chapter 13.06 of Title 13 of the Kerman Municipal Code and Adding new Chapter 13.06 of the Kerman Municipal Code Adopting by Reference the State Model Water Efficient Landscape Ordinance.

ATTACHMENTS: [Staff Report - MWEL0](#)

4. DEPARTMENT REPORTS

- A. **SUBJECT:** Application for Community Development Block Grant Funds for Fiscal Year 2017-2018 (JJ)

RECOMMENDATION: Council by motion adopt the resolution approving the submittal of an application for Community Development Block Grant Funds for Fiscal Year 2017-2018 for the development of the Stanislaus Avenue Park and authorize the City Manager to request an advance of the City's FY 2018-2019 funding allocation.

ATTACHMENTS: [Staff Report - 17-18 CDBG Application](#)

- B. **SUBJECT:** Resolution Approving Agreements for Water Service for Properties within the West Date Avenue Community (JJ)

RECOMMENDATION: Council by motion adopt the resolution approving Agreements for Water Service for properties within the West Date Avenue Community.

ATTACHMENTS: [Staff Report - La Fe Water Service](#)

5. CITY MANAGER/STAFF COMMUNICATIONS

6. MAYOR/COUNCIL REPORTS

7. CLOSED SESSION

- A. Government Code Section 54957 - Public Employee Evaluation: City Manager

COUNCIL RECONVENE FROM CLOSED SESSION & REPORT ANY ACTION TAKEN

8. ADJOURNMENT

Agenda packet is available for review 72 hours prior to the meeting at the city clerk's office and on the city website. Items received at the meeting will be available for review at the city clerk's office.

In compliance with the American with Disabilities Act (ADA), if you need special assistance to participate at this meeting, please contact the City Clerk at (559) 846-9380. Notification of 48 hours prior to the meeting will enable the City Clerk to make reasonable arrangement to ensure accessibility to this meeting. Pursuant to the ADA, the meeting room is accessible to the physically handicapped.



City of Kerman

"Where Community Comes First"

MAYOR
Stephen B. Hill
COUNCIL MEMBER
Rhonda Armstrong
MAYOR PRO-TEM
Gary Yep
COUNCIL MEMBER
Kevin Nehring
COUNCIL MEMBER
Bill Nijjer

DEPARTMENT: PARKS AND RECREATION
STAFF REPORT
CITY COUNCIL MEETING
COUNCIL MEETING DATE: JULY 6, 2016

To: Mayor and City Council
From: Philip Gallegos, Parks, Recreation and Community Services Director
Subject: Proclamation Declaring July 2016 As Parks And Recreation Month.

RECOMMENDATION

Council support and reaffirm the importance of parks and recreation within our community by designating the month of July 2016 as "National Parks and Recreation Month."

EXECUTIVE SUMMARY

The National Recreation and Park Association (NRPA) and California Parks and Recreation Society (CPRS) commemorate the month of July as National Parks and Recreation Month. This annual designation highlights the powerful role local park and recreation agencies and services play in the health, safety and conservation of communities across the nation. For July 2016, the NRPA has designed a promotional campaign using a super hero concept, which the Department will utilize to promote local parks, programs, and activities to the community.

OUTSTANDING ISSUES

None

DISCUSSION

Since 1985, the NRPA and CPRS have recognized the month of July as National Parks and Recreation Month in California and nationally as Parks and Recreation Month. Cities, counties and other agencies recognize the importance of thriving, local park systems as providing an opportunity for all Americans to lead healthy, active lifestyles, and the preservation of great community places. Parks and Recreation are important to communities as they enhance the quality of life of its citizens.

By the designation of July as National Parks and Recreation Month, the City of Kerman's Department of Parks, Recreation and Community Services, reminds Kerman residents to enjoy healthy lifestyles and livable communities and urge all residents to enjoy and recognize the social, physical, mental, economic, environmental and community benefits derived from our Parks, Recreation and Community Services Department, which provide something of value to everyone.

As we observe Parks and Recreation Month, we recognize the vital contributions of our local employees and volunteers who assist public parks and recreation facilities. These dedicated people keep public parks clean and

safe for visitors, organize and coach youth sports teams, provide special events, day camps, swim lessons, educational programming on health, nutrition and first aid, advocate for more open space and better trails, and fundraise for local improvements. They ensure that public parks and recreation facilities are safe and accessible places for all citizens to enjoy.

FISCAL IMPACT

There is no fiscal impact associated with issuance of this Proclamation. By reaffirming the City of Kerman's commitment to provide quality parks and recreation services, it continues to create significant economic value by improving job base and the viability of the local economy, business relocation and expansion in the community.

PUBLIC HEARING

None

Attachments:

- A. Proclamation
- B. Flyer

Attachment 'A'

PROCLAMATION

DESIGNATION OF JULY 2016 AS PARKS AND RECREATION MONTH

WHEREAS parks and recreation programs are an integral part of communities throughout this country, including City of Kerman; and

WHEREAS our parks and recreation are vitally important to establishing and maintaining the quality of life in our communities, ensuring the health of all citizens, and contributing to the economic and environmental well-being of a community and region; and

WHEREAS parks and recreation programs build healthy, active communities that aid in the prevention of chronic disease, provide therapeutic recreation services for those who are mentally or physically disabled, and also improve the mental and emotional health of all citizens; and

WHEREAS parks and recreation programs increase a community's economic prosperity through increased property values, expansion of the local tax base, increased tourism, the attraction and retention of businesses, and crime reduction; and

WHEREAS parks and recreation areas are fundamental to the environmental well-being of our community; and

WHEREAS parks and natural recreation areas improve water quality, protect groundwater, prevent flooding, improve the quality of the air we breathe, provide vegetative buffers to development, and produce habitat for wildlife; and

WHEREAS our parks and natural recreation areas ensure the ecological beauty of our community and provide a place for children and adults to connect with nature and recreate outdoors; and

WHEREAS the City of Kerman recognizes and honors the vital contributions that employees and volunteers make every day to ensure that our parks and recreation programs and facilities are well maintained and a place where residents can relax, connect with family and friends and reduce stress in their daily lives.

WHEREAS the U.S. House of Representatives has designated July as Parks and Recreation Month; and

WHEREAS City of Kerman recognizes the benefits derived from parks and recreation resources

NOW THEREFORE, BE IT RESOLVED BY City Council of the City of Kerman that July is recognized as Park and Recreation Month in the City of Kerman.

Stephen B. Hill
Mayor

Attachment 'B'

PARK AND RECREATION MONTH

JULY 2016

**WHEN OUR POWERS COMBINE,
WE CHANGE LIVES**

**PARK AND RECREATION MONTH
JULY 2016**

This July, the Park and Rec Brigade is here to help you discover your super powers at your local parks and recreation. Captain Community, the Green Guardian and the Fit Twins will guide you on your adventure during Park and Recreation Month.

 National Recreation and Park Association

#SUPERJULY
WWW.NRPA.ORG/JULY



MINUTES
KERMAN CITY COUNCIL
REGULAR MEETING
Kerman City Hall
850 S. Madera Avenue
Wednesday, July 6, 2016
6:30 PM

Stephen B. Hill – Mayor
 Gary Yep – Mayor Pro Tem
 Rhonda Armstrong – Council Member
 Kevin Nehring – Council Member
 Bill Nijjer – Council Member

Present: Mayor Hill (SH), Gary Yep (GY), Rhonda Armstrong (RA), Kevin Nehring (KN), Bill Nijjer (BN)
 Absent: None
 Also Present: City Manager Kunkel, City Attorney Cantú, Chief of Police, Finance Director, Public Works Director, City Engineer, Planning Technician

Voting: Yes, No,
 Absent (Abstain or
 Recuse if needed)

OPENING CEREMONIES

- Welcome – Mayor
- Call to Order
- Roll Call
- Invocation
- Pledge of Allegiance – City Clerk

6:45 p.m.
 All Present
 SH
 Performed

AGENDA APPROVAL/ADDITIONS/DELETIONS

Approved GY/KN
 (5-0-0)

1. PRESENTATIONS/CEREMONIAL MATTERS

A. Presentation from Kerman Police Explorer Post 777 (JKB)

Presented

REQUEST TO ADDRESS COUNCIL

None

2. CONSENT CALENDAR

Approved GY/RA
 excepting 2C2/2C3

A. SUBJECT: Minutes

RA recused 2C2 -
 employee

RECOMMENDATION: Council approve minutes as presented.

BN recused 2C3
 reimbursement

B. SUBJECT: Payroll

Reports: 5/22 - 6/4/2016: \$138,506.40; 6/5 - 6/18/2016: \$140,659.15

RECOMMENDATION: Council approve payroll as presented.

C. SUBJECT: Warrants

1. Nos. 8864-9020 \$389,178.64
2. R. Armstrong: 9020; (6/15 carryover) Sebastian: 8814 & 8852
3. Bill Nijjer: #8999

Approved GY/KN
 9020, 8814, 8852
 (4-0-1) RA
 Approved GY/RA
 8999 (4-0-1) BN

RECOMMENDATION: Council approve warrants and electronic bank transfers as presented. (Pursuant to Government Code 37208)

<p>D. <u>SUBJECT</u>: Resolution Accepting the 2016 Concrete Project (JJ)</p> <p><u>RECOMMENDATION</u>: Council by motion adopt resolution accepting the 2016 Concrete Project authorize the City Engineer to record the Notice of Completion.</p>	Res 16-39
<p>E. <u>SUBJECT</u>: Extension of Expiration Date of Engineering and Traffic Surveys Conducted to Establish Speed Limits for Collector and Arterial Streets (JJ)</p> <p><u>RECOMMENDATION</u>: Council by motion adopt resolution extending the expiration date of the engineering and traffic surveys conducted to establish speed limits for collector and arterial streets and authorize the City Engineer to file the resolution with the Fresno County Superior Court.</p>	Res 16-40
<p>F. <u>SUBJECT</u>: Certification and Claim of Measure "C" Extension Local Transportation Revenues for Fiscal Year 2016/2017 (TJ)</p> <p><u>RECOMMENDATION</u>: Council by motion adopt resolution authorizing Finance Director to submit certification and claim form for Measure 'C' Extension Local Transportation Revenues for Fiscal Year 2016/2017 to the Fresno County Transportation Authority.</p>	Res 16-41
<p>G. <u>SUBJECT</u>: Resolution Authorizing the City of Kerman to Enter Into an ACH Origination Agreement with Central Valley Community Bank (TJ)</p> <p><u>RECOMMENDATION</u>: Council to adopt resolution authorizing City Manager and City Clerk sign the ACH Origination Agreement with Central Valley Community Bank.</p>	Res 16-42
<p>3. PUBLIC HEARINGS</p>	None
<p>4. DEPARTMENT REPORTS</p>	
<p>A. <u>SUBJECT</u>: Resolution Approving the Purchase of a Pedestrian Easement for the California Avenue Sidewalk (Phase I) Project and Accepting the Easement for Public Use (JJ)</p> <p><u>RECOMMENDATION</u>: Council by motion adopt resolution approving the purchase of a pedestrian easement for the California Avenue Sidewalk (Phase I) Project and accepting the easement for public use.</p>	<p>Approved RA/BN (4-0-1-0) KN stepped out of the meeting.</p> <p>Res 16-43</p>

<p>B. <u>SUBJECT</u>: Request by Tim Bakman (JK)</p> <p><u>RECOMMENDATION</u>: Council consider request and direct staff accordingly.</p> <p>Potential letter, generic letter to the County asking to consider certain standards the City would have and to allow the City review and input on potential redevelopment projects. And an open invitation that we are open to County projects in the City; we have vacancies here that can fulfil County services.</p>	<p>7:25 p.m. KN returned and GY recused/left mtg. Business within 50 ft. of project.</p> <p>Approved Direction given to staff (see under recommendation) SH/RA (4-0-0-1)GY</p>
<p>C. <u>SUBJECT</u>: Consideration of Agreement with Willow Partners, LLC. (JK)</p> <p><u>RECOMMENDATION</u>: Council adopt a resolution waiving certain impact fees for Willow Partners, LLC's Gateway Villas Affordable Housing Project, providing for restoration of funds from non-impact fee sources, making public benefit findings, and approving agreement with Willow Partners, LLC. regarding payment of impact fees.</p>	<p>8:00 p.m. GY re-entered meeting</p> <p>Approved BN/RA (5-0-0)</p> <p>Res 16-44</p> <p>8:24 p.m. recess 8:26 p.m. reconvene</p>
<p>D. <u>SUBJECT</u>: Resolution Rejecting Bids for the Pedestrian Safety Improvements Project, State Project No. ATPL-5291(022) (JJ)</p> <p><u>RECOMMENDATION</u>: Council by motion adopt the resolution rejecting all bids for the Pedestrian Safety Improvements Project, State Project No. ATPL-5291(022), and direct the City Engineer to re-advertise for bids in Spring 2017.</p>	<p>Approved GY/BN (5-0-0)</p> <p>Res 16-45</p>
<p>E. <u>SUBJECT</u>: Award of Contract for the Soroptimist Park Restroom Site Improvements Project, Community Development Block Grant Project No. 15371 (JJ)</p> <p><u>RECOMMENDATION</u>: Council by motion adopt the resolution awarding the contract for the Soroptimist Park Restroom Site Improvements Project, Community Development Block Grant Project No. 15371, to Cable Links Construction in the amount of \$39,134.08, authorize the City Manager to sign the contract, and amend the Fiscal Year 2016-2017 City Budget to include \$15,000 from Park Development Impact Fees for the project.</p>	<p>Approved GY/KN (5-0-0)</p> <p>Res 16-46</p>
<p>F. <u>SUBJECT</u>: Introduction of Ordinance Repealing Chapter 13.06 of Title 13 of the Kerman Municipal Code and Adding New Chapter 13.06 to Title 13 of the Kerman Municipal Code Adopting by Reference the State Model Water Efficient Landscape Ordinance (OP)</p> <p><u>RECOMMENDATION</u>: Council by motion waive full reading and introduce Ordinance Repealing Chapter 13.06 of Title 13 of the Kerman Municipal Code and Adding new Chapter 13.06 to Title 13 of the Kerman Municipal Code Adopting by Reference the State Model Water Efficient Landscape Ordinance.</p>	<p>Approved KN/RA (5-0-0)</p>

G. SUBJECT: Resolution Submitting to City Voters at Next Regular Election to Be Held on November 8, 2016, a Ballot Measure to Adopt an Ordinance Approving a Three Quarter Cent (.75%) Retail Transactions and Use Special Tax for Construction of Senior Center, Regional Fairgrounds, Police Station, Animal Kennel, and Other Similar Projects, As Well As Downtown Revitalization not to exceed 10% (JK)

RECOMMENDATION: Council by motion:

1. Adopt resolution submitting ballot measure regarding Special Sales Tax to City Voters by a 2/3 vote of all members of the City Council (4 votes);

KN/RA 1 and 3
(4-0-1) GY

Res 16-47

2. Designate two members of the Council to author the ballot argument in favor of the measure. The designation will be inserted into the adopted resolution; and

Approved KN/GY
(5-0-0)

Rhonda Armstrong
Bill Nijjer

3. Introduce and waive full reading of Ordinance of the City of Kerman Adding Chapter 3.16A to the Kerman Municipal Code to Approve a Special Three Quarter Cent (.75%) Transactions and Use Tax for Construction of Senior Center, Regional Fairgrounds, Police Station, Animal Kennel, and Other Similar Projects, and Downtown Revitalization not to exceed 10%.

KN/RA 1 and 3
(4-0-1) GY

5. CITY MANAGER/STAFF COMMUNICATIONS

6. MAYOR/COUNCIL REPORTS

7. CLOSED SESSION

None

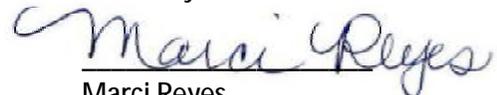
8. ADJOURNMENT

9:20 p.m.
Approved GY/KN
(5-0-0)

MINUTES CERTIFICATION

I, MARCI REYES, City Clerk for the City of Kerman, do hereby declare under penalty of perjury that the above Minutes are a true depiction of all actions taken at the City Council meeting held on the first date above written at Kerman City Hall, 850 S. Madera Ave, Kerman, CA.

Date: July 7, 2016



Marci Reyes
City Clerk

CITY OF KERMAN PAYROLL REPORT

PAY PERIOD: June 19, 2016 - July 02, 2016

EMPLOYEE	SALARY	RETRO PAY & Other	OVERTIME		HOLIDAY at 1/2 TIME		STANDBY		GROSS SALARY	COMP TIME EARNED
			HOURS	AMOUNT	HOURS	AMOUNT	HOURS	AMOUNT		
ADMINISTRATION										
Alvarez, Josefina	\$ 1,844.02	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 1,844.02	-
Camacho, Josie	\$ 1,250.31	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 1,250.31	-
Camacho-Collier, Carolina	\$ 2,533.85	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 2,533.85	-
Gonzalez, Diana	\$ 1,974.69	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 1,974.69	-
Jones, Toni	\$ 3,698.31	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 3,698.31	-
Kunkel, John	\$ 5,884.62	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 5,884.62	-
Mendoza, Gabriela	\$ 1,047.79	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 1,047.79	-
Nazaroff, Helen	\$ 2,107.85	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 2,107.85	-
Reyes, Marcia	\$ 2,715.69	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 2,715.69	-
TOTAL	\$ 23,057.12	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 23,057.12	-
REC/SOCIAL										
Aguilar, Corina	\$ 420.00	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 420.00	-
Arredondo, Barbara	\$ 1,137.26	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 1,137.26	7.50
Arredondo, Raquel	\$ 220.00	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 220.00	-
Ayala, Adrien	\$ 332.75	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 332.75	-
Ayala, Mariah	\$ 425.00	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 425.00	-
Berben Rodriguez, Gabrie	\$ 438.38	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 438.38	-
Burdine-Slaven, Jeanna	\$ 1,602.92	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 1,602.92	-
Escamilla, Emi	\$ 546.25	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 546.25	-
Gallegos, Philip	\$ 3,734.77	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 3,734.77	-
Gallegos, Yenifer	\$ 307.50	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 307.50	-
Garfias, Brayen	\$ 220.00	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 220.00	-
Gonzalez, Clarissa	\$ 514.50	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 514.50	-
Gonzalez, Jose Felix	\$ 1,697.88	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 1,697.88	-
Gutierrez, Jacqueling	\$ 490.75	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 490.75	-
Iniguez, Noel	\$ 20.00	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 20.00	-
Johnson, Theresa	\$ 1,767.23	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 1,767.23	-
LeBlanc, Noah	\$ 50.00	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 50.00	-
Lujan, Vanessa	\$ 624.00	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 624.00	-
Martinez, Ramiro Jr	\$ 491.81	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 491.81	-
Rangel, Jose A	\$ 462.50	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 462.50	-
Rodriguez, Michael	\$ 361.31	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 361.31	-
Salvador, Mark	\$ 1,994.53	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 1,994.53	-
Sidhu, Nirmal	\$ 1,538.77	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 1,538.77	-
Silva, Jessica	\$ 410.63	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 410.63	-
Turk, Maxwell	\$ 464.63	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 464.63	-
Vallejo, Cloey	\$ 367.50	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 367.50	-
Villa, Erika	\$ 300.00	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 300.00	-
Villanueva, Liliana	\$ 510.63	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 510.63	-
Villarreal, Arlene	\$ 1,410.92	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 1,410.92	-
TOTAL	\$ 22,862.40	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 22,862.40	-
POLICE										
Antuna, Eric	\$ 2,343.28	\$ -	2.00	\$ 87.87	-	\$ -	-	\$ -	\$ 2,431.15	3.00
Antuna, Miguel	\$ 1,360.00	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 1,360.00	-
Barbosa, Isaias	\$ 2,392.06	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 2,392.06	1.13
Barcoma, Wilbert	\$ 3,070.74	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 3,070.74	-
Belding, Jeff	\$ 2,652.54	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 2,652.54	-
Blohm, Joseph	\$ 4,463.31	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 4,463.31	-
Chapman, Tom	\$ 2,437.62	\$ -	0.50	\$ 22.85	-	\$ -	-	\$ -	\$ 2,460.48	-
Davis, Jeff	\$ 3,070.74	\$ -	3.00	\$ 172.73	-	\$ -	-	\$ -	\$ 3,243.47	-
Dunn, Jacob	\$ 1,784.77	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 1,784.77	-

CITY OF KERMAN PAYROLL REPORT

PAY PERIOD: June 19, 2016 - July 02, 2016

EMPLOYEE	SALARY	RETRO PAY & Other	OVERTIME		HOLIDAY at 1/2 TIME		STANDBY		GROSS SALARY	COMP TIME EARNED
			HOURS	AMOUNT	HOURS	AMOUNT	HOURS	AMOUNT		
Francone, Kevin	\$ 810.00	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 810.00	-
Gill, Kevin	\$ 480.00	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 480.00	-
Godfrey, Kyle	\$ 1,241.08	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 1,241.08	0.75
Golden, John	\$ 3,712.64	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 3,712.64	-
Ledezma, Linda	\$ 238.52	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 238.52	-
Lehman, Dustin	\$ 1,874.31	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 1,874.31	-
Lopez, Matt	\$ 576.00	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 576.00	-
Madruga, Ron	\$ 2,437.62	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 2,437.62	15.50
Magallon, Peter	\$ 2,437.62	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 2,437.62	-
Medina-Labetiaux, EJ	\$ 1,874.31	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 1,874.31	-
Mendoza, Sandra	\$ 2,460.41	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 2,460.41	1.50
Nelson, Christopher J	\$ 3,145.64	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 3,145.64	-
Ness, Lee	\$ 2,335.11	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 2,335.11	-
Ramirez, Donald	\$ 1,508.77	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 1,508.77	-
Raigoza, Ray	\$ 480.00	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 480.00	-
Rodrigues, Mary	\$ 1,776.92	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 1,776.92	-
Rodriguez, Erika	\$ 2,210.95	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 2,210.95	-
Seroka, Dylan	\$ 1,784.77	\$ -	-	\$ -	-	\$ -	3.00	\$ 16.73	\$ 1,801.50	10.50
Tiwana, Manpreet	\$ 2,283.28	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 2,283.28	-
Valdovinos, Jose	\$ 817.50	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 817.50	-
Valenzuela, Arnold	\$ 672.00	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 672.00	-
TOTAL:	\$ 58,732.53	\$ -	5.50	\$ 283.46	-	\$ -	3.00	\$ 16.73	\$ 59,032.72	32.37
PUBLIC WORKS										
Arechiga, Pastor	\$ 1,804.15	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 1,804.15	-
Barajas, Michael	\$ 1,936.78	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 1,936.78	-
Castro, Joseph	\$ 1,804.15	\$ 902.08	21.00	\$ 834.42	-	\$ -	21.00	\$ 473.59	\$ 4,014.24	-
Chavez, Fernando M.	\$ 2,451.96	\$ -	6.00	\$ 321.82	-	\$ -	22.50	\$ 689.61	\$ 3,463.39	-
Coronado, Karl	\$ 1,131.16	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 1,131.16	-
Gastelum, Humberto	\$ 1,942.93	\$ -	-	\$ -	-	\$ -	1.50	\$ 36.43	\$ 1,979.36	-
Gonzales, Ruben	\$ 2,031.25	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 2,031.25	-
Gonzalez, Michael	\$ 1,074.67	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 1,074.67	-
Gruce, Robert	\$ 2,502.92	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 2,502.92	-
Isaak, Denise	\$ 1,555.38	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 1,555.38	-
Lutz, Laura	\$ 382.50	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 382.50	-
Madruga, Lydia	\$ 1,587.66	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 1,587.66	-
Moore, Ken	\$ 3,853.85	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 3,853.85	-
Ramirez, Manuel	\$ 1,849.26	\$ -	4.00	\$ 161.81	-	\$ -	-	\$ -	\$ 2,011.07	-
Sanchez, Daniel	\$ 1,615.85	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 1,615.85	-
Tinoco, Alfonso	\$ 1,187.54	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 1,187.54	-
Vallejo, Edward	\$ 2,321.48	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 2,321.48	-
TOTAL	\$ 31,033.49	\$ 902.08	31.00	\$ 1,318.05	\$ -	\$ -	\$ 45.00	\$ 1,199.63	\$ 34,453.26	-
PLANNING										
Garcia, Destiny	\$ 480.00	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 480.00	-
Pimentel, Olivia	\$ 2,220.99	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 2,220.99	-
Rocha, Amy	\$ 500.00	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 500.00	-
TOTAL	\$ 3,200.99	\$ -	-	\$ -	-	\$ -	-	\$ -	\$ 3,200.99	-

**CITY OF KERMAN
OVERTIME SUPPLEMENTAL PAYROLL REPORT**

PAY PERIOD 6/19/16-7/2/16

POLICE DEPARTMENT

Overtime Categories - Number of Hours

Regular Overtime	Court	Shift Coverage	SID	Training	Avoid the 21 Grant	Special Events	Total
0.5	3			2			5.5
(see notes below for overtime description)							

DOUBLE TIME: (Sunday)

PUBLIC WORKS DEPARTMENT

Sub Total 0
5.5

Overtime Categories - Number of Hours

Water Service	Sewer Emergencies	Animal Control	Special Events	Other or Call Back	On Call Duties	Total
5	2	1		1	6	15

DOUBLE TIME: (Sunday)

6	3			1	6	16	
						Sub Total	<u>31.00</u>

COMMUNITY SERVICES DEPARTMENT

Overtime Categories - Number of Hours

Regular Overtime	After Hour Event	Total	
		<u>0</u>	
		Sub Total	0

FINANCE / PLANNING DEPARTMENTS

Overtime Categories - Number of Hours

Regular Overtime	Utility Billing	Payroll	Dog Clinic	Year End Audit	Total	
					0	
					Sub Total	0

Total Hours (All Departments) 36.50

POLICE DEPARTMENT:

Regular Overtime – .5 hrs - late arrests.

Shift Coverage – hrs shift coverage due to officers being out on vacation, or called in sick, hrs DT due to call out on Sunday

Special Investigation Division (SID) – Special police action is required such as a search warrant, surveillance, and other crime patterns, etc.

Training – 2 hrs - range training

Grant – hrs AVOID Grant

Special Events - hrs July 3rd Fireworks show

Court - 3 hrs - court attendance

PUBLIC WORKS DEPARTMENT:

Water Service - 5 hrs OT & 6 hrs DT for shut-off and turn-on of service, all water related emergencies.

Sewer Emergencies 2 hrs OT & 3 hrs DT SCADA problems/Sewer emergencies. (SCADA controls pumps, wells and sewer, lift stations, all sewer and storm drain related issues)

Animal Control 1 hr OT - Vicious or dead animals. (not normally used for stray animals)

Special Events -

Other - 1 hr OT & 1 hr DT - Check manhole-Sunset/4th, Power on at Kerckhoff

Call Back -

On-Call Duties 6 hrs OT & 6 hrs DT for reading and recording flow meters on wells and sewer plant, feed and clean kennels, verify WWTP running effectively, etc. OT is for two weekends and/or any holidays.

COMMUNITY SERVICES DEPARTMENT

Regular Overtime – On occasion, but very rare due to the amount of part-time employees

After Hour Event – Occurs only if a full-time employee would have to stay for clean-up or as a facility attendant.

FINANCE / PLANNING DEPARTMENTS

Regular Overtime - Only as needed.

Utility Billing - Completed on the 1st of each month.

Payroll - Completed bi-weekly.

Dog Clinic - Once a year clinic held after business hours.

Year-End Audit - Completed over a period of time at the end of each fiscal year.

Accounts Payable

Checks by Date - Detail by Check Date

User: gmendoza
 Printed: 7/12/2016 12:53 PM



Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
9021	UB*00364	VICTOR ACEVEDO	07/01/2016	
		Refund Check		117.32
		Refund Check		0.48
		Refund Check		0.29
		Refund Check		0.75
		Refund Check		0.54
		Refund Check		0.05
		Refund Check		0.03
Total for Check Number 9021:				119.46
9022	10014 6232016 93558 93559 93560	ADMINISTRATIVE SOLUTIONS INC HR- JULY - EMPLOYER FLEX PLAN HR- JULY BLUE SHIELD PLAN ADMIN HR- JULY - DENTAL CLAIMS FUNDING HR- JULY SEC 125 PLAN ADMIN	07/01/2016	
				10,500.00
				810.00
				4,544.03
				110.00
Total for Check Number 9022:				15,964.03
9023	10054 161790011890	BLUE SHIELD OF CALIFORNIA HR- JULY MEDICAL COVERAGE, JULY COI	07/01/2016	
				36,480.99
Total for Check Number 9023:				36,480.99
9024	UB*00353	MELISSA DE LA PENA Refund Check	07/01/2016	
				44.81
Total for Check Number 9024:				44.81
9025	10154 MN01975601 MN01975601 MN01975601 MN01975601 MN01975601	FASTENAL COMPANY VE- FAST ANNUAL PROGRAM FEE VE- FAST ANNUAL PROGRAM FEE VE- FAST ANNUAL PROGRAM FEE VE- FAST ANNUAL PROGRAM FEE VE- FAST ANNUAL PROGRAM FEE	07/01/2016	
				60.00
				60.00
				60.00
				60.00
				60.00
Total for Check Number 9025:				300.00
9026	UB*00359	PRISCILLA GUERRA Refund Check	07/01/2016	
				79.44
Total for Check Number 9026:				79.44
9027	UB*00362	JOSEPH CROWN CONSTRUCTION Refund Check Refund Check	07/01/2016	
				0.02
				0.71
Total for Check Number 9027:				0.73
9028	UB*00360	KDC CONSTRUCTION Refund Check	07/01/2016	
				124.86

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
			Total for Check Number 9028:	124.86
9029	10259 161603088101	MES VISION HR- JULY VISION PREMIUM	07/01/2016	693.14
			Total for Check Number 9029:	693.14
9030	10272 0005293640481 0005293640482 0005293640483 0005293640484	MUTUAL OF OMAHA HR- JULY LIFE INSURANCE HR- JULY LTD INS EMPLOYEE HR- JULY LTD INS EMPLOYER HR- JULY VOLUNTARY LIFE	07/01/2016	414.11 454.87 454.87 1,188.38
			Total for Check Number 9030:	2,512.23
9031	UB*00363	MEGAN NELSON Refund Check Refund Check Refund Check Refund Check Refund Check Refund Check Refund Check	07/01/2016	147.79 1.43 0.21 1.72 1.60 0.15 0.05
			Total for Check Number 9031:	152.95
9032	UB*00365	EDWARD PATTEE Refund Check	07/01/2016	131.48
			Total for Check Number 9032:	131.48
9033	UB*00355	HUMBERTO RAMIREZ Refund Check Refund Check Refund Check Refund Check Refund Check	07/01/2016	0.14 8.05 4.81 12.70 5.22
			Total for Check Number 9033:	30.92
9034	UB*00357	ALVARO B & ESMERALDA G ROSSETI Refund Check Refund Check Refund Check Refund Check Refund Check Refund Check	07/01/2016	0.17 9.47 5.66 14.94 10.69 0.16
			Total for Check Number 9034:	41.09
9035	UB*00356	BALBIR SIDHU Refund Check Refund Check Refund Check Refund Check	07/01/2016	0.14 8.05 4.81 9.44
			Total for Check Number 9035:	22.44
9036	11093 06292016	SOUND CONTRACTING CC- ANNUAL SERVICE AGREEMENT 16/17	07/01/2016	500.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
			Total for Check Number 9036:	500.00
9037	UB*00361	WILLIAM & DENISE SOUZA JR	07/01/2016	
		Refund Check		2.94
		Refund Check		0.03
		Refund Check		0.86
		Refund Check		2.24
		Refund Check		1.60
		Refund Check		0.15
		Refund Check		0.10
			Total for Check Number 9037:	7.92
9038	UB*00358	MARIA VALDIVIA	07/01/2016	
		Refund Check		13.69
		Refund Check		0.12
		Refund Check		3.97
		Refund Check		10.45
		Refund Check		7.48
		Refund Check		0.73
		Refund Check		0.45
			Total for Check Number 9038:	36.89
9039	UB*00354	VOLCAN EMPIRE INC	07/01/2016	
		Refund Check		150.11
		Refund Check		10.42
		Refund Check		6.22
		Refund Check		16.43
		Refund Check		1.14
		Refund Check		0.70
			Total for Check Number 9039:	185.02
9040	UB*00352	WEST-CO EQUITIES INC	07/01/2016	
		Refund Check		0.25
		Refund Check		14.20
		Refund Check		1.96
		Refund Check		16.73
			Total for Check Number 9040:	33.14
			Total for 7/1/2016:	57,461.54
9041	10115	CSJVRMA	07/06/2016	
	RMA-2017-0020	VAR- 1ST QTR WORKERS COMP DEPOSIT		63,125.00
	RMA-2017-0020	VAR- 1ST QTR LIABILITY PROGRAM		36,819.00
	RMA-2017-0020	VAR- 1ST QTR LIABILITY PROGRAM		12,273.00
	RMA-2017-0020	VAR- 1ST QTR LIABILITY PROGRAM		9,409.00
	RMA-2017-0020	VAR- 1ST QTR LIABILITY PROGRAM		4,091.00
	RMA-2017-0020	VAR- 1ST QTR LIABILITY PROGRAM		1,636.00
	RMA-2017-0020	VAR- 1ST QTR LIABILITY PROGRAM		14,817.00
	RMA-2017-0020	VAR- 1ST QTR LIABILITY PROGRAM		1,227.00
	RMA-2017-0020	VAR- 1ST QTR LIABILITY PROGRAM		4,909.00
			Total for Check Number 9041:	148,306.00
9042	10377 07012016	US POST OFFICE VAR- ADVANCE PAYMENT/UTILITY BILLIN	07/06/2016	
				2,266.19

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	07012016	VAR- ADVANCE PAYMENT/UTILITY BILLIN		1,348.92
	07012016	VAR- ADVANCE PAYMENT/UTILITY BILLIN		776.98
	07012016	VAR- ADVANCE PAYMENT/UTILITY BILLIN		107.91
			Total for Check Number 9042:	4,500.00
9043	11095 527284	PASTOR ARECHIGA PARKS- REIMBURSE EMPLOYEE FOR DOT	07/06/2016	59.00
			Total for Check Number 9043:	59.00
9044	10040 287249141774X06	AT&T MOBILITY PD- JUNE MDT WIRELESS SERVICE 05/20/1	07/06/2016	276.55
			Total for Check Number 9044:	276.55
9045	10067 06302016	CALIFORNIA BUILDING STANDARDS FIN- BLDG STANDARDS ADMN FEE 2ND A	07/06/2016	190.80
			Total for Check Number 9045:	190.80
9046	10126 06302016	DEPARTMENT OF CONSERVATION FIN- STRONG MOTION 4TH QTR FY 15/16	07/06/2016	418.02
			Total for Check Number 9046:	418.02
9047	10136 06302016	DIVISION OF THE STATE ARCHITECT FIN- REMIT STATE FEE ON BUS LICE	07/06/2016	41.40
			Total for Check Number 9047:	41.40
9048	10491 2257	FORENSIC NURSE SPECIALISTS OF CI PD- SEXUAL ASSAULT EXAM 15-2082	07/06/2016	900.00
			Total for Check Number 9048:	900.00
9049	10205 IN- 000594277	INDEPENDENT STATIONERS ADM- OFFICE SUPPLIES- C	07/06/2016	159.23
			Total for Check Number 9049:	159.23
9050	10932 JUNE	KARL C SCHOETTLER CONTRACT PLANNING SERVICES: JUNE 21	07/06/2016	1,147.50
			Total for Check Number 9050:	1,147.50
9051	10239 41487 41488	KERWEST INC CC- ORD 16-04 PUBLICATION CC- ORD 16-03 PUBLICATION	07/06/2016	396.00 144.00
			Total for Check Number 9051:	540.00
9052	10282 839388469001	OFFICE DEPOT BPO-OFFICE SUPPLIES	07/06/2016	97.38
			Total for Check Number 9052:	97.38
9053	10332 10393497	SEBASTIAN PD- JUN. T-1 LINE	07/06/2016	429.79
			Total for Check Number 9053:	429.79
9054	10168	UNITY IT	07/06/2016	

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	MSP20485	WTR- SCADA SUPPORT MAY 2016		27.50
	MSP20485	SWR- SCADA SUPPORT MAY 2016		27.50
Total for Check Number 9054:				55.00
Total for 7/6/2016:				157,120.67
Report Total (34 checks):				214,582.21



City of Kerman

"Where Community Comes First"

MAYOR
Stephen B. Hill
COUNCIL MEMBER
Rhonda Armstrong
MAYOR PRO-TEM
Gary Yep
COUNCIL MEMBER
Kevin Nehring
COUNCIL MEMBER
Bill Nijjer

DEPARTMENT: PLANNING AND DEVELOPMENT
STAFF REPORT
CITY COUNCIL MEETING
COUNCIL MEETING DATE: JULY 20, 2016

To: Mayor and City Council
From: Jerry Jones, City Engineer
Subject: Resolution Accepting Water Main Easement for Well No. 18 from Kerman Shopping Plaza, LLC

RECOMMENDATION

Council by motion adopt the resolution accepting the water main easement for Well No. 18 from Kerman Shopping Plaza, LLC.

EXECUTIVE SUMMARY

In order to construct the necessary water main to connect the City's planned Well No. 18 to the existing City water distribution system, it is necessary for the City to acquire a water main easement from the owner of the shopping center at the northwest corner of Whitesbridge Avenue and Madera Avenue. The proposed water main will connect to the existing water main that is located in the alley on the west side of the shopping center. City Staff contacted the owner of the shopping center, Kerman Shopping Plaza, LLC, and the owner has agreed to dedicate the easement to the City as a donation. Council must accept the water main easement on behalf of the public in order for the deed of easement to be recorded.

OUTSTANDING ISSUES

None.

DISCUSSION

The City's planned Well No. 18 will be located north of Whitesbridge Road, along the First Street alignment, adjacent to the City's Storm Drainage Basin "C". As part of the development of Well No. 18, two new water mains will be installed to connect the well to the City's water distribution system. The first water main will be installed along the First Street alignment from the well to Whitesbridge Road. The second water main will be installed along the southern edge of the City's storm drainage basin from the well to the alley that runs along the west side of the shopping center located on the northwest corner of Whitesbridge Road and Madera Avenue. A map showing the locations of the proposed water mains is provided as Attachment 'B'.

In order to connect the water main that runs along the southern edge of the City's storm drainage basin to the existing water main in the alley behind the shopping center, it is necessary for the City to acquire a small water main easement. City Staff contacted the owner of the shopping center, Kerman Shopping Plaza, LLC, and requested that they dedicate the easement to the City and they have agreed.

FISCAL IMPACT

The easement has been offered for dedication to the City as a donation.

PUBLIC HEARING

Not Required.

Attachments:

- A. Resolution
- B. Vicinity Map

Attachment 'A'

RESOLUTION NO. 16-__

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KERMAN
ACCEPTING WATER MAIN EASEMENT FOR WELL NO. 18 FROM
KERMAN SHOPPING PLAZA, LLC

WHEREAS, the public necessity requires an easement for water main purposes for the installation of water mains associated with the development of Well No. 18; and

WHEREAS, Kerman Shopping Plaza, LLC is the legal owner of Assessor's Parcel Number 020-120-19S; and

WHEREAS, Kerman Shopping Plaza, LLC has offered an easement to the City of Kerman for water main purposes; and

WHEREAS, Government Code 27281 requires that deeds or grants conveying an interest in or easement upon real property to a governmental agency for public purposes shall not be accepted for recordation without the consent of the City by resolution or certificate attached to or printed on the deed.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF KERMAN HEREBY resolves as follows:

- Section 1. The foregoing recitals are true and correct and are incorporated by reference.
- Section 2. By order of the City Council the interests in real property conveyed to the City from Kerman Shopping Plaza, LLC as shown on the attached Deed of Easement as Exhibit 'A' is hereby accepted by the City of Kerman for public use.
- Section 3. The City of Kerman consents to the recordation of the Deeds of Easement with the Fresno County Recorder's Office.
- Section 4. The City Clerk shall affix a certificate attesting to this resolution to the Deed of Easement.

The foregoing resolution was introduced at a regular meeting of the City Council of the City of Kerman held on the 20th day of July, 2016, and passed at said meeting by the following vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

The foregoing resolution is hereby approved.

Stephen B. Hill
Mayor

ATTEST:

Marci Reyes
City Clerk

Exhibit 'A'

RECORDED AT THE REQUEST OF AND
WHEN RECORDED RETURN TO:

CITY CLERK
CITY OF KERMAN
850 S. MADERA AVENUE
KERMAN, CA 93630

NO RECORDING FEE GOV. CODE 27393
SPACE ABOVE THIS LINE FOR RECORDER'S USE

APN: 020-120-19S

DEED OF EASEMENT

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

KERMAN SHOPPING PLAZA, LLC
a California Limited Liability Company

hereby GRANT(S) to the CITY OF KERMAN, a California Municipal Corporation, a right of way and easement for water main purposes, over, under, across, and through the following described real property in the City of Kerman, County of Fresno, State of California:

See Exhibits "A" and "B" attached hereto and made a part thereof

Dated: 10/27/15

KERMAN SHOPPING PLAZA, LLC
a California Limited Liability Company
By: Manco Abbott, Inc. Agent

By: 

Nora Kutnerian
Print Name

Property Manager
Title

12-266

Exhibit 'A' (to Deed)

All that portion of Parcel E of Parcel Map No. 15, according to the map thereof recorded in Book 29 of Parcel Maps at Page 58, Fresno County Records, also being a portion of the Southeast quarter of Section 1, Township 14 South, Range 17 East, Mount Diablo Base and Meridian, according to the Official United States Government Township Plat thereof, in the City of Kerman, County of Fresno, State of California, described as follows:

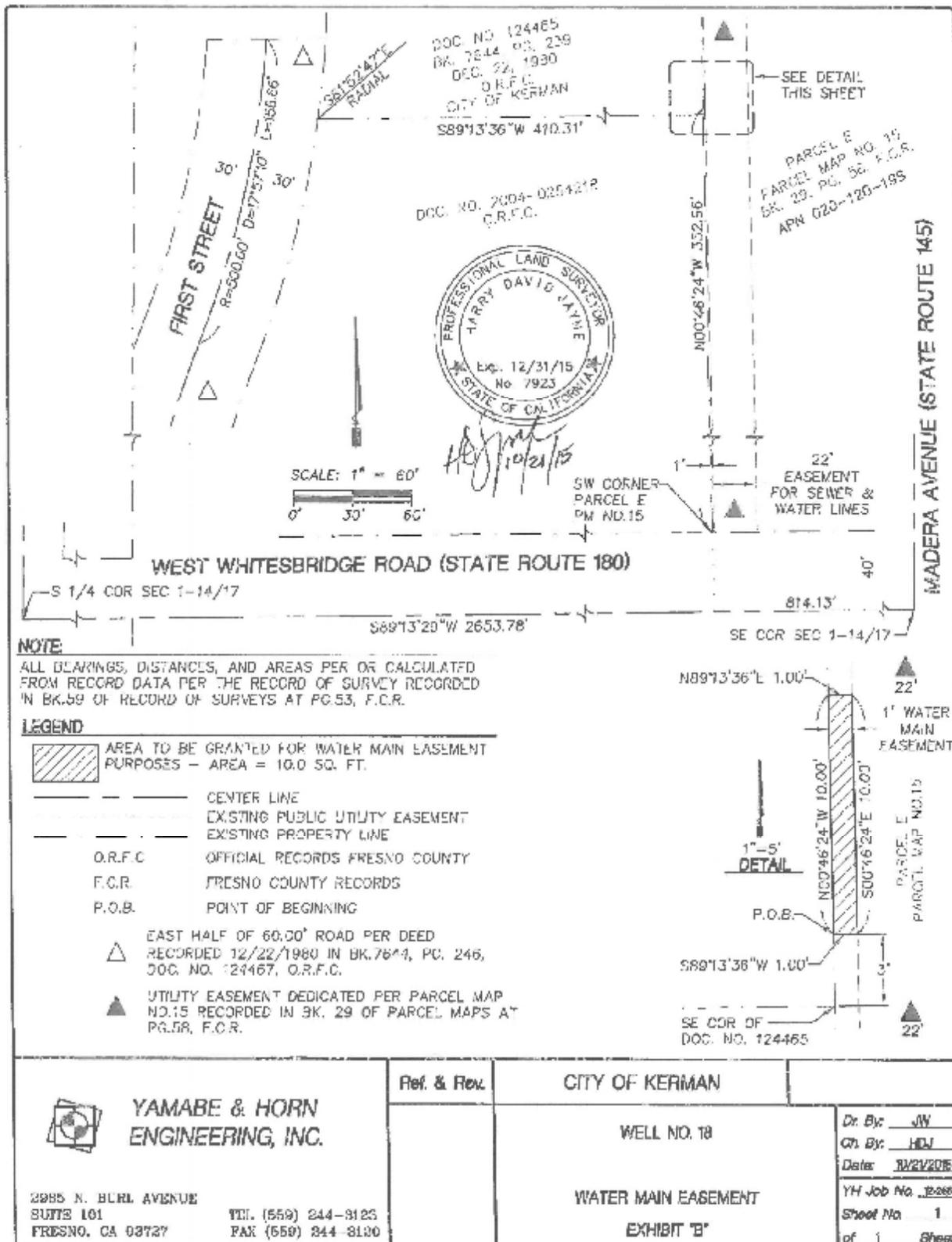
BEGINNING at a point on the West line of said Parcel E, said point being North 0°46'24" West, 352.96 feet from the Southwest corner of said Parcel E; thence continuing North 0°46'24" West, 10.00 feet along the West line of said Parcel E; thence North 89°13'36" East, 1.00 feet to a point on a line 1.00 feet East of and parallel with the West line of said Parcel E; thence South 0°46'24" East, 10.00 feet along said parallel line; thence South 89°13'36" West, 1.00 feet to the POINT of BEGINNING.

Containing an area of 10.0 square feet, more or less.



Handwritten signature and date: 10/21/15

Exhibit 'B' (to Deed)



Attachment 'B'



  Water Main Extension  Well No. 18 Site

 Existing Water Mains

0 100 200 Feet

Water Mains
Exhibit 5

 Yamabe & Horn Engineering, Inc. 



City of Kerman

"Where Community Comes First"

MAYOR Stephen B. Hill	MAYOR PRO-TEM Gary Yep	
COUNCIL MEMBER Rhonda Armstrong	COUNCIL MEMBER Bill Nijjer	COUNCIL MEMBER Kevin Nehring

DEPARTMENT: Parks and Recreation
 STAFF REPORT
 CITY COUNCIL MEETING
 COUNCIL MEETING DATE: JULY 20, 2016

To: Mayor and City Council
 From: Philip Gallegos, Parks, Recreation and Community Services Director
 Subject: Resolution of the City Council of the City of Kerman Appoints City Manager or designee to execute contracts annually with the Fresno-Madera Area Agency on Aging

RECOMMENDATION

Council by motion adopt resolution appointing the City Manager or designee to execute contracts annually with the Fresno-Madera Area Agency on Aging (FMAAA)

EXECUTIVE SUMMARY

The City of Kerman has annually received funding for nutrition programs through the FMAAA. The total nutrition grant request for FY 16-17 is \$12,000. The funding allows the Kerman Senior Center to continue to provide both in-center and homebound meals for those seniors who are in the most need of a nutritious meal. This resolution is an update to reaffirm annual execution of FMAAA Nutrition program contract.

OUTSTANDING ISSUES

None

DISCUSSION

The City of Kerman has received grant funds from the FMAAA for senior service programs since 1981. The funding is made available on an annual basis and the City must reapply each year for the funds. This grant is from the Older Americans Act Title III program funds Nutrition Site Management, (Department Account No. 73.0-2046). This resolution is an update to reaffirm annual execution of FMAAA Nutrition program contract.

The \$12,000 FMAAA grant funds are used solely for both in-center and homebound meals for those seniors who are in the most need of a nutritious meal. The amount offsets the labor expenditure of the Nutrition Coordinator who manages the program on a daily basis; funds also help cover and nutrition site supplies and other related expenditures. While this amount has fluctuated over the years, the funds still supplement the operational cost to assure that senior citizens of Kerman have a nutritionally balanced meal. .

FISCAL IMPACT

Annual FMAAA funds are essential in continuing the nutrition programs at the Kerman Senior Center. The grant funding helps to provide staff and supplies for the nutrition program.

PUBLIC HEARING

None

Attachments:

- A. Resolution
- B. FMAAA YR 16-17 Award Letter

Attachment "A"

RESOLUTION NO. 16-__

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KERMAN
APPOINTS CITY MANAGER OR DESIGNEE TO EXECUTE CONTRACTS ANNUALLY WITH
FRESNO-MADERA AREA AGENCY ON AGING (FMAAA)

WHEREAS, the City of Kerman Parks, Recreation and Community Services Department provides senior services to older adult citizens age 60 years and older at congregate meal site and homebound meal program; and

WHEREAS, the Fresno-Madera Area Agency on Aging (FMAAA) provides Title III of the Federally Funded Older Americans Act program funding that supports these activities: and

WHEREAS, the FMAAA annually prepares a contract with the City that delineates the responsibilities of each party as they pertain to Site Management of Senior Services; and

WHEREAS, the City Council of the City of Kerman hereby authorizes the City Manager or designee to execute all contracts annually with the Fresno-Madera Area Agency on Aging (FMAAA).

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF KERMAN HEREBY RESOLVES THAT the City Manager, or designee, is directed to execute all contracts annually with the Fresno-Madera Area Agency on Aging (FMAAA) including any subsequent amendments and all necessary supporting documents.

The foregoing Resolution was introduced at a regular meeting held on 20th of July, 2016, and passed at said meeting by the following vote:

AYES:	None
NOES:	None
ABSENT:	None
ABSTAIN:	None

The foregoing resolution is hereby approved.

ATTEST:

Marci Reyes
City Clerk

Steven B. Hill
Mayor

Attachment "B"



Agency on Aging *Serving Fresno & Madera*
Connecting the Community

May 19, 2016

Phillip Gallegos
Director, Recreation and Community Services
City of Kerman
720 S 8th St
Kerman, CA 93630

Dear Mr. Gallegos:

The Fresno-Madera Area Agency on Aging's Governing Board has approved an award of Older Americans Act grant funds to the City of Kerman as follows:

Contract No. 17-0121	
Title III C1 Congregate Nutrition Site Management	
Funding Period	**Grant Amount
July 2016 - June 2017	\$12,000

**The amounts shown above are contingent on sufficient funds made available from the State of California to the Agency on Aging and/or by the United States Government or the Budget Acts of the appropriate fiscal years for the purposes of these programs.

Two sets of contract documents are enclosed. Page i, *Documents Required to Execute Contract*, is included as a guide for contract completion. We will provide contract components that are available in electronic format via e-mail.

Please provide two complete and signed sets of the contract documents to our office by July 8, 2016. Following the contract review process and provision of any necessary revisions, we will forward a fully executed contract. Please note that payments cannot be scheduled until the contract is approved and fully executed.

Pending finalization of the fiscal year 2016-2017 contract, this letter will serve as your authority to provide Nutrition Site Management under the contract number referenced above as of July 1, 2016. The authority contained herein expires September 30, 2016, or when the contract is fully executed, whichever comes first.

Please contact us at (559) 600-4405 with any questions.

Sincerely,

Jean Robinson
Executive Director

Enclosures

3837 N. Clark St. • Fresno, CA 93726
Senior Information: Ph 559.600.4405 • Fax 559.243.5651 • Email: services@fmaaa.org
Administration/Finance: Ph 559.600.4405 • Fax 559.243.5918 • Email: admin@fmaaa.org
Toll Free 800.510.2020 • Website: www.fmaaa.org



City of Kerman

"Where Community Comes First"

MAYOR
Stephen B. Hill

MAYOR PRO-TEM
Gary Yep

COUNCIL MEMBER
Rhonda Armstrong

COUNCIL MEMBER
Kevin Nehring

COUNCIL MEMBER
Bill Nijjer

DEPARTMENT: POLICE DEPARTMENT
STAFF REPORT
CITY COUNCIL MEETING
COUNCIL MEETING DATE: JULY 20, 2016

TO: Mayor and City Council
FROM: Chief Joseph Blohm
SUBJECT: Resolution Approving Fourth-Year Funding of State Law Enforcement Grant

RECOMMENDATION

Council by motion approve Addendum No. 3 to Joint Law Enforcement Memorandum of Understanding (MOU) between the County of Fresno, all fifteen cities in the County, and the California Board of State and Community Corrections (BSCC) and authorize the Chief of Police to sign on behalf of the City.

EXECUTIVE SUMMARY

The State of California has legislatively identified funding for three years to be used by law enforcement statewide. The BSCC voted to distribute the fourth year funding of \$849,662 to Fresno County with allocation to be determined by the Fresno County Police Chief's Association. The Fresno County Chief's Association (FCCA) elected to use the money on a Crime Analyst program, Mental Health Services, Video Policing, and Prisoner Transportation.

The State identified these funds for a four-year (4) period, and continuance of this program is contingent upon availability of future year funding, and should funding cease, all parties have the option to continue or discontinue their participation in this program.

OUTSTANDING ISSUES

Current economic conditions have resulted in budget reductions to law enforcement statewide. To help mitigate these reductions, the state budgeted funds to create a new program for local police departments. These funds are legislatively identified for a period of three years; however, funding beyond that period is uncertain. The California Police Chiefs' Association (CPCA) will seek an increase in funding in future years for sustainability of the program.

FISCAL IMPACT

None, these programs are state funded for the first 4 years. At the end of the four year funding period, the City of Kerman can elect to continue utilizing the programs for a fee or opt out of the programs.

Attachments:

- A. Resolution w/Exhibit

Attachment 'A'

RESOLUTION NO. 16-__

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KERMAN
APPOINTS CITY MANAGER OR DESIGNEE TO EXECUTE CONTRACTS ANNUALLY WITH
CALIFORNIA BOARD OF STATE AND COMMUNITY CORRECTIONS (BSCC)

WHEREAS, the City of Kerman's Police Department provides safety services including crime analysis and prisoner transportation; and

WHEREAS, the California Board of State and Community Corrections (BSCC) provides funding that supports these activities: and

WHEREAS, the state budgeted funds to create a new program for local police departments and are identified for a period of three years; and

WHEREAS, a contract is prepared annually with the City that delineates the responsibilities; and

WHEREAS, the City Council of the City of Kerman hereby authorizes the City Manager or designee to execute all contracts annually with the Board of State and Community Corrections (BSCC).

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF KERMAN HEREBY RESOLVES THAT the City Manager, or designee, is directed to execute all contracts annually with the Board of State and Community Corrections (BSCC) including any subsequent amendments and all necessary supporting documents.

The foregoing resolution was introduced at a regular meeting held on 20th of July, 2016, and passed at said meeting by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

The foregoing resolution is hereby approved.

Steven B. Hill
Mayor

ATTEST:

Marci Reyes
City Clerk

ADDENDUM NO. 3

TO

MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF FRESNO, CITY OF CLOVIS, CITIES OF HURON,
COALINGA, PARLIER, REEDLEY, SELMA, SANGER, KERMAN, KINGSBURG,
ORANGE COVE, FIREBAUGH, FOWLER, MENDOTA AND COUNTY OF FRESNO
BOARD OF STATE AND COMMUNITY CORRECTIONS (BSCC)

This Addendum No. 3 is made and entered into, effective the ____ day of May 2015, by and between the COUNTY OF FRESNO, a political subdivision of the State of California (hereinafter referred to as COUNTY), The CITY OF CLOVIS, a municipal corporation (hereinafter referred to as CLOVIS), and the CITIES OF HURON, COALINGA, PARLIER, REEDLEY, SELMA, SANGER, KERMAN, KINGSBURG, ORANGE COVE, FIREBAUGH, FOWLER, and MENDOTA (hereinafter referred to collectively as "CITIES") acting through their respective governing bodies, , and the CITY OF FRESNO, a municipal corporation (hereinafter referred to as CITY) (collectively, the "Parties").

RECITALS

WHEREAS, on September 2, 2013, the Parties entered into a Memorandum of Understanding ("MOU") regarding disbursement of funds allocated from the California Board of State and Community Corrections ("BSCC") to local law enforcement for front-line law enforcement needs (the "Program"); and

WHEREAS, on January 16, 2014, the Parties signed Addendum No. 1 to the MOU, providing for expenditure of additional \$1,168,285 allocated to the Program by BSCC; and

WHEREAS, on May 31, 2015, the Parties signed Addendum No. 2 to the MOU, providing for expenditure of additional \$1,699,324 allocated to the Program by BSCC; and

WHEREAS, the State of California has subsequently allocated an additional \$849,662 for the Program; and

WHEREAS, this Addendum No. 3 sets forth the distribution of those funds consistent with the terms of the MOU; and

WHEREAS, due to deductions in program funding from the State of California, the Parties desire to desist funding for Mental Health Triage Services and Prisoner Transport as described in the Recitals and Section 3 of Addendum 2 when the funds

described in Addendum 2 have been expended, and such change has been approved by BSCC; and

WHEREAS, the Parties desire that all sections of the MOU, Addendum No. 1 and Addendum No. 2 not altered by this Addendum No. 3 remain in full effect.

NOW THEREFORE, in consideration of the above recitals which are contractual in nature, the mutual promises contained herein, and for other good and valuable consideration hereby acknowledged, the Parties agree as follows:

1. Upon exhaustion of FY 2015-2016 funding allocations, the activities described in Section 3 of Addendum No. 2 for Mental Health Triage Services shall be deleted from the Program for the remainder of the Program.
2. The dollar amount in Section 4 of the MOU is hereby amended to reflect a total of \$440,000 allocated to Fresno County and is reflected in Revised Exhibit A-2 based on consensus of the parties.
3. Section 5 is deleted and replaced with the following:

Contingent upon the availability of State funds, the CITY agrees to allocate to the City of CLOVIS Police Department the amount of \$134,203 of Program funds for the continued support of a Crime Analyst as an employee of the Clovis Police Department to develop and maintain an active data base that can be shared regionally between municipalities, training and other operational needs and to fund video policing needs for the City of Clovis. Costs are shown in **Revised Exhibit A-2** under CLOVIS.

4. Section 6 is deleted and replaced with the following:

Contingent upon availability of State funding, the CITY shall use the remaining \$1,007,921 of year 3 and \$595,459 of year 4 Program funds as shown in **Revised Exhibit A-2** under CITY to hire an additional Crime Analyst, continue supporting the current five Crime Analysts, and purchase software and hardware necessary for the Crime Analysts related to Quantitative Social Science data analysis and collection. CITY will hire one additional Crime Analyst and continue to support the existing five Crime Analysts as employees of the Fresno Police Department to develop and maintain an active database to be shared regionally between municipalities. One of the six Crime Analysts will be housed at the Kingsburg Police Department and be supervised by a Kingsburg supervisor; the position will specifically focus on eastern cities in the County. Another Crime Analyst will be housed at the Kerman Police Department and be supervised by a Kerman supervisor; the position will specifically focus on western cities in the County. The four other Crime Analysts will be housed at the Fresno Police Department and supervised by a Fresno Police supervisor; these four Crime Analysts will be focused on Fresno metropolitan crime data. CITY will continue to utilize year 4 funding for the 6 Crime Analysts in the stated capacity as shown in **Revised Exhibit A-2**.

Funds will also be allocated toward training in the collection and dissemination of crime analysis and provide systematic analysis for identifying and analyzing patterns and trends in crime and disorder, and for costs associated with the development and operational needs of the program. Funding will also be used to hire two Police Cadet II's to provide prisoner transport for the metro areas of Fresno County to include the City of Clovis and the City of Fresno; provide mental health training and associated overtime costs for all Fresno County law enforcement agencies; provide annual subscription costs for CopLink, a data integration system for all law enforcement agencies in Fresno County, subscription services for Public Engines and PredPol Predictive Policing and to enhance the CITY's body worn camera program. Costs are shown in **Revised Exhibit A-2** under CITY.

5. CITY will distribute FY 2016-2017 Program funds pursuant to budgets and tasks set forth by the MOU, this Addendum, and Revised Exhibit A-2, upon the execution of this Addendum No. 3 by all Parties, and in conjunction with the Parties' quarterly invoices for program activities. FY 2015-2016 and FY 2016-2017 funding will cover, at a minimum, Regional Crime Analysis, Prisoner Transport, Mental Health Services and Training, Subscription Services and Video Policing, as outlined in Revised Exhibit A-2.
6. All sections of the MOU and Addendum No. 2 not altered by this Addendum and Revised Exhibit A-2 remain unchanged.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in Fresno County, California, as of the day and year first hereinabove written.

CITY OF FRESNO

By: _____
Jerry Dyer, Chief of Police
Fresno Police Department

ATTEST:
YVONNE SPENCE, CMC
City Clerk, City of Fresno

By: _____
Deputy

APPROVED AS TO FORM:
DOUGLAS SLOAN
City Attorney, City of Fresno

By: _____
Amanda B. Freeman, Deputy

Address: City of Fresno
Attn: Chief Jerry Dyer
Fresno Police Department
2323 Mariposa Street
Fresno, CA 93721

CITY OF CLOVIS

By: _____
Matthew Basgall, Chief of Police

ATTEST:
Robert Woolley, City Manager

By: _____

APPROVED AS TO FORM:
Attorney for City of Clovis

COUNTY OF FRESNO

By: _____
Ernest Buddy Mendes, Chairman
Board of Supervisors

ATTEST:
BERNICE E. SEIDEL, Clerk
Board of Supervisors

By: _____

APPROVED AS TO LEGAL FORM:
DANIEL CEDERBORG
County Counsel

By: _____
Deputy

APPROVED AS TO ACCOUNTING
FORM
Vicki Crow, C.P.A.
Auditor-Controller/Treasurer-Tax Collector

By: _____

FOR APPROVAL:

By: _____
Margaret Mims, Sheriff-Coroner

Address:
County of Fresno
Attn: Margaret Mims, Sheriff
Fresno County Sheriff's Department
2200 Fresno Street
Fresno, CA 93717

By: _____
Behavioral Health

By: _____
David Wolfe

Address: City of Clovis
Attn: Chief Matthew Basgall
Clovis Police Department
1233 Fifth Street
Clovis, CA 93612

Address:
County of Fresno
Attn: Department of Behavioral Health
4411 E. Kings Canyon Road
Fresno, CA 93702

CITY OF COALINGA

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM:
Attorney for City of Coalinga

By: _____

Name: _____

Address:
City of Coalinga
Attn: Chief Michael Salvador
Coalinga Police Department
270 N. 6th Street
Coalinga, CA 93210

CITY OF FOWLER

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM:
Attorney for City of Fowler

By: _____

Name: _____

Address:
City of Fowler
Attn: Chief Michael Brand
Fowler Police Department
128 S. 5th Street
Fowler, CA 93625

CITY OF FIREBAUGH

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM:
Attorney for City of Firebaugh

By: _____

Name: _____

Address:
City of Firebaugh
Attn: Chief Salvador Raygoza
Firebaugh Police Department
1575 Eleventh Street
Firebaugh, CA 93622

CITY OF KERMAN

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM:
Attorney for City of Kerman

By: _____

Name: _____

Address:
City of Kerman
Attn: Chief Joseph Blohm
Kerman Police Department
850 S. Madera Avenue
Kerman, CA 93630

CITY OF HURON

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM:
Attorney for City of Huron

By: _____

Name: _____

Address:
City of Huron
Attn: Chief Turegano
Huron Police Department
P.O. Box 339
Huron, CA 93234

CITY OF MENDOTA

By: _____

Name: _____

Title: _____

ATTEST:
City Manager for City of Mendota

By: _____

Name: _____

Address:
City of Mendota
Attn: Chief Gregg Andreotti
Mendota Police Department
643 Quince Street
Mendota, CA 93640

CITY OF KINGSBURG

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM:
Attorney for City of Kingsburg

By: _____

Name: _____

Address:
City of Kingsburg
Attn: Chief Neil Dadian
Kingsburg Police Department
1300 California Street
Kingsburg, CA 93631

CITY OF PARLIER

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM:
Attorney for City of Parlier

By: _____

Name: _____

Address:
City of Parlier
Attn: Chief Jose Flores
Parlier Police Department
8770 S. Mendocino Avenue
Parlier, CA 93648

CITY OF ORANGE COVE

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM:
Attorney for City of Orange Cove

By: _____

Name: _____

Address:
City of Orange Cove
Attn: Chief Marty Rivera
Orange Cove Police Department
550 Center Street
Orange Cove, CA 93646

CITY OF REEDLEY

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM:
Attorney for City of Reedley

By: _____

Name: _____

Address:
City of Reedley
Attn: Chief Joe Garza
Reedley Police Department
843 G Street
Reedley, CA 93654

CITY OF SANGER

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM:
Attorney for City of Sanger

By: _____

Name: _____

Address:
City of Sanger
Attn: Chief Silver Rodriguez
Sanger Police Department
1700 - 7th Street
Sanger, CA 93657

CITY OF SELMA

By: _____

Name: _____

Title: _____

APPROVED AS TO FORM:
Attorney for City of Selma

By: _____

Name: _____

Address:
City of Selma
Attn: Chief Greg Garner
Selma Police Department
1935 E. Front Street
Selma, CA 93662



City of Kerman

"Where Community Comes First"

MAYOR
Stephen B. Hill

MAYOR PRO-TEM
Gary Yep

COUNCIL MEMBER
Rhonda Armstrong

COUNCIL MEMBER
Kevin Nehring

COUNCIL MEMBER
Bill Nijjer

DEPARTMENT: FINANCE
STAFF REPORT
CITY COUNCIL MEETING
COUNCIL MEETING DATE: JULY 20, 2016

To: Mayor and City Council
From: Toni Jones, Finance Director
Subject: Local Transportation Funds and State Transportation Assistance Funds from the Fresno Council of Governments (Fresno COG)

RECOMMENDATION

Information only.

EXECUTIVE SUMMARY

Each year, member agencies must submit their Transportation Development Act (TDA) claims to the Fresno COG in order to receive Local Transportation Funding and to acknowledge the amount to be claimed by the Fresno County Rural Transit Authority (FCRTA) and Consolidated Transportation Services Agency (CTSA). In 2013 Fresno COG accepted a continuing resolution to eliminate presenting this information formally to the Council. Council adopted continuing Resolution No. 13-57 on November 6, 2013 therefore no formal action is required; this information is intended to keep the Council informed of the TDA claim.

As identified in the Transportation Funding Claim Forms attached as Exhibit 'A' the total amount of the 2016/2017 for the City of Kerman is \$567,217. Of this amount, \$10,185 in Acticle 3 funds (Bicycle and Pedestrian Facilities) and \$451,373 in Acticle 8a funds (Streets and Roads) will come directly to the City of Kerman. The balance of \$105,659 will be claimed by other regional agencies as follows: \$14,223 for Regional Transportation Planning, \$25,176 for Community Transit Service (CTSA), and \$66,260 for Fresno County Rural Transportation Authority (FCRTA).

FISCAL IMPACT

The total funding of \$567,217 will result in \$461,558 coming directly to the City of Kerman and \$105,659 being claimed by other regional agencies for fiscal year 2016/2017.

PUBLIC HEARING

None Required

Attachments:

- A. Transportation Funding Claim for Fiscal Year 2016/2017

Exhibit 'A'



Enter Date: **7/20/2016** Claimant Name: **City of Kerman**

TRANSPORTATION FUNDING CLAIM FOR FISCAL YEAR: 2016/17

Instructions: Please note that each page of this claim is a separate worksheet, please click through all tabs and complete. Also note that light yellow fields require an entry if applicable, light grey fields contain formulas that will automatically calculate based on corresponding entries. A date and claimant name field is at the top of the first page, and automatically repeats on following pages, (date should be formatted 00/00/0000)

When completed, please print, sign and send signed original via mail to:
 Les Beshears, Director of Finance, Council of Fresno County Governments, 2035 Tulare Street,
 Suite 201, Fresno, CA 93721

From: Applicant:	City of Kerman
Address:	850 S. Madera Ave.
City/State/Zip:	Kerman, CA 93630
Contact Phone/email:	Toni Jones, Finance Director - (559) 846-9382 tjones@cityofkerman.org

This applicant is an eligible claimant pursuant to Section 99203 of the Public Utilities Code and certifies that the following transportation funds are available to be claimed:

Local Transportation Fund

Apportionment:	\$ 509,469.00
Unexpended, Held by Claimant:	
Other Agency:	

State Transit Assistance Fund

Estimate:	\$ 57,748.00
Unexpended, Held by Claimant:	

Other

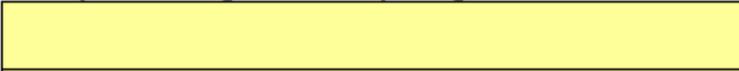
Other:	
--------	--

Five Hundred Sixty Seven Thousand Two Hundred Seventeen Dollars and zero cents.	TOTAL
	\$ 567,217.00

spell out total amount in above cell

for the purposes and respective amounts specified in the attached claim be drawn from the Local Transportation Fund and State Transit Assistance Fund.

Please print and sign after completing form

Authorized Signature: 
 Name/Title: **Toni Jones, Finance Director**
 Date: **7/20/2016**

Report Date: **7/20/2016** Claimant Name: **City of Kerman**

TRANSPORTATION FUNDING CLAIM DETAIL FOR FISCAL YEAR: 2016/17

PURPOSE	AMOUNT	SUBTOTAL
1. Bicycle & Pedestrian Facilities:		
Article 3:	\$ 10,185.00	
Article 8a:		
Audit Exceptions (General Fund Payback);		
Unexpended Funds, Held by Claimant:		\$ 10,185.00
2. Regional Transportation Planning:	\$ 14,223.00	\$ 14,223.00
3. Public Transportation		
State Transit Assistance Funds (STA):	\$ -	
Other:		\$ -
4. Community Transit Service CTSA, Article 4.5:	\$ 25,176.00	\$ 25,176.00
5. Streets & Roads:		
Article 8a:	\$ 451,373.00	
Unexpended Funds, Held by Claimant:		\$ 451,373.00
6. To Be Claimed By:		
Fresno County Rural Transit Agency LTF:	\$ 8,512.00	
Fresno County Rural Transit Agency STA:	\$ 57,748.00	
Other:	\$ -	\$ 66,260.00
7. Reserve in Fund Pending Further Claiming		\$ -
	GRAND TOTAL	\$ 567,217.00
	Claim Total Must Agree With Total on First Page	\$ 567,217.00
	Minus Non Transit Claims	\$ 105,659.00
	GRAND TOTAL PAYABLE TO CLAIMANT	\$ 461,558.00

Allocation instructions and payment by the Fresno County Auditor-Controller to the applicant is subject to such monies being available for distribution, and to the provisions that such monies will be used only in accordance with the rules and regulations of the Transportation Development Act.

Enter Date: **7/20/2016**

Claimant Name: **City of Kerman**

BICYCLE AND PEDESTRIAN FACILITIES FOR FISCAL YEAR: 2016/17

Two percent (2%) of the claimant’s Local Transportation Fund apportionment must be spent on bicycle and pedestrian facilities (PUC 99233.3 and 99234); such claims are to be filed as Article 3. Claims for projects in excess of 2% may be filed as Article 8a (PUC 99400(a)). If other funding is to be used with Local Transportation Funds to implement projects, such funding should be shown on the claim form.

PROJECT TITLE & BRIEF DESCRIPTION	PROJECT COST
-----------------------------------	--------------

1. Various Bicycle & Pedestrian Facilities throughout the claimant’s jurisdiction: **\$ 10,185.00**

AND/OR:

Other - describe briefly if applicable:	\$ -
Other - describe briefly if applicable:	\$ -
Other - describe briefly if applicable:	\$ -
TOTAL PROJECT COSTS	\$ 10,185.00

STREETS AND ROADS CLAIM FOR FISCAL YEAR: 2016/17

Local Transportation Funds coming to claimants within Fresno County may be used for streets and roads improvements and maintenance pursuant to Article 8 (PUC 99400), but only after Fresno COG makes a finding that public transportation needs within the claimant’s jurisdiction are reasonably met by satisfying the service requirements set forth by the Regional Transportation Plan (PUC 99401.5).

PROJECT TITLE & BRIEF DESCRIPTION	PROJECT COST
-----------------------------------	--------------

1. Development, Construction & Maintenance Facilities throughout the claimant’s jurisdiction: **\$ 451,373.00**

AND/OR:

Other - describe briefly if applicable:	\$ -
Other - describe briefly if applicable:	\$ -
Other - describe briefly if applicable:	\$ -
TOTAL PROJECT COSTS	\$ 451,373.00

Enter Date:

Claimant Name:

CONTINGENCY PROJECT LISTING FOR FISCAL YEAR: 2016/17

CHECK ALL THAT APPLY (Enter "X" in yellow box)

BICYCLE AND PEDESTRIAN FACILITIES

Article 3

PUBLIC TRANSPORTATION

Article 4

STREETS & ROADS

Article 8a

STANDARD ASSURANCES FOR CLAIMANTS

CLAIMANT ASSURANCES: (initial yellow box all that apply)

- A. Claimant certifies that it has submitted a satisfactory, independent fiscal audit, with required certification statement, to the RTPA and to the State Controller, pursuant to PUC 99245 and 21 Cal. Code of Regulations Section 6664 for the prior fiscal year (project year minus two). Claimant assures that this audit requirement will be completed for the current fiscal year (project year minus one).
- B. Claimant certifies that it has submitted a State Controller Report to the RTPA and to the State Controller, pursuant to PUC 99243.

The undersigned hereby certifies that the above statements are true and correct.
Please print and sign after completing form

Authorized Signature:

Name/Title:

Date:

**CITY OF KERMAN
CD/Securities Portfolio
As of June 30, 2016**

Institution	Account Number	Interest Rate/ Trans. Date	Opening Date	Maturity Date	6/30/2015 Book Balance	Additions/ (Deletions)	Cashed In	6/30/2016 Book Balance	Fair Value	FY to Date Interest Paid
CD's:										
Mercantile Bank of Michigan	615-030525-245	2.00%	1/21/11	7/21/15	150,000.00	(150,000.00)		-	-	1,487.67
GE Money Bank	615-030525-245	1.50%	8/5/11	8/5/15	50,000.00	(50,000.00)		-	-	371.92
Sallie Mae Bank	615-030525-245	1.10%	8/8/12	8/10/15	97,000.00	(97,000.00)		-	-	534.96
Safra National Bank	615-030525-245	0.70%	8/15/13	8/17/15	100,000.00	(100,000.00)		-	-	350.96
Discover Bank Greenwood	615-030525-245	1.55%	9/14/11	9/14/15	99,000.00	(99,000.00)		-	-	773.56
State Bank of India	615-030525-245	2.25%	9/29/10	9/29/15	100,000.00	(100,000.00)		-	-	1,134.25
Lake City Bank	615-030525-245	0.55%	1/29/14	1/29/16	95,000.00	(95,000.00)		-	-	306.37
Discover Bank Greenwood	615-030525-245	1.35%	2/1/12	2/1/16	51,000.00	(51,000.00)		-	-	688.50
Goldman Sachs Bank	615-030525-245	1.40%	2/1/12	2/1/16	48,000.00	(48,000.00)		-	-	672.00
Synovus Bank	615-030525-245	0.50%	3/17/14	3/17/16	100,000.00	(100,000.00)		-	-	501.37
State Bank of India	615-030525-245	2.00%	8/12/11	8/12/16	47,000.00			47,000.00	47,073.32	940.00
Medallion Bank	615-030525-245	1.00%	8/19/13	8/19/16	100,000.00			100,000.00	100,065.00	1,000.00
Goldman Sachs Bank USA	615-030525-245	1.85%	8/31/11	8/31/16	200,000.00			200,000.00	200,422.00	3,710.14
Ally Bank	615-030525-245	0.95%	10/2/14	10/11/16	100,000.00			100,000.00	100,119.00	952.60
Capital One Bank Glen Allen VA	615-030525-245	1.00%	11/12/14	11/14/16	96,000.00			96,000.00	96,141.12	962.63
Firstbank of Puerto Rico	615-030525-245	1.10%	1/25/13	1/25/17	53,000.00			53,000.00	53,190.80	584.64
Firstbank of Puerto Rico	615-030525-245	0.90%	3/1/13	3/1/17	196,000.00			196,000.00	196,395.92	1,768.85
Cit Salt Lake City UT	615-030525-245	0.90%	3/27/13	3/27/17	98,000.00			98,000.00	98,213.64	884.41
Ge Capital Bank	615-030525-245	1.10%	5/8/14	5/16/17	248,000.00			248,000.00	248,905.20	2,735.47
Cap One NA Mclean VA	615-030525-245	1.15%	7/22/15	7/24/17	-	150,000.00		150,000.00	150,345.00	869.59
American Express Centurion Bank	615-030525-245	1.70%	7/26/12	7/26/17	98,000.00			98,000.00	98,954.52	1,666.00
Whitney Bank Gulfport MS	615-030525-245	1.20%	8/12/15	8/14/17	-	50,000.00		50,000.00	50,183.00	302.47
Sallie Mae Bank	615-030525-245	1.70%	8/22/12	8/22/17	150,000.00			150,000.00	151,711.50	2,550.00
Ally Bank Midvale UT CD	615-030525-245	1.25%	9/17/15	9/18/17	-	99,000.00		99,000.00	99,442.53	617.05
1st Merchants Bank	615-030525-245	1.00%	3/21/14	9/21/17	96,000.00			96,000.00	96,616.32	962.63
Third Federal Cleveland OH	615-030525-245	1.15%	2/21/14	11/21/17	99,000.00			99,000.00	99,803.88	1,138.50
Capital One Bank Glen Allen VA	615-030525-245	1.25%	1/22/15	1/22/18	100,000.00			100,000.00	100,516.00	1,250.00
BMO Harris BK Chicago IL	615-030525-245	1.20%	2/4/16	2/2/18		51,000.00		51,000.00	51,288.15	-
Bank of Baroda New York City NY	615-030525-245	1.25%	3/8/13	3/8/18	248,000.00			248,000.00	249,904.64	3,108.49
Wells Fargo Bank in SD	615-030525-245	1.00%	4/6/16	4/6/18	248,000.00	(248,000.00)		-	-	1,861.70
Wells Fargo Bank in SD	615-030525-245	1.10%	4/6/16	4/6/18		248,000.00		248,000.00	248,806.00	455.91
Discover Greenwood DE	615-030525-245	1.15%	4/8/15	4/9/18	98,000.00			98,000.00	98,333.20	1,130.08
Everbank CD Jacksonville FL	615-030525-245	1.10%	4/15/15	4/13/18	150,000.00			150,000.00	150,375.00	1,654.52
Rollstone Bank Fitchburg MA	615-030525-245	1.10%	4/15/15	4/16/18	248,000.00			248,000.00	248,617.52	2,735.48
American Express Centurion Bank	615-030525-245	1.15%	5/16/13	5/16/18	98,000.00			98,000.00	98,660.52	1,130.09
Compass Bank	615-030525-245	1.70%	7/31/13	7/31/18	97,000.00			97,000.00	98,834.27	1,649.00
American Express Salt Lake City Ut	615-030525-245	1.25%	8/14/14	8/14/18	98,000.00			98,000.00	99,090.74	1,568.00
Franklin Synergy Bank	615-030525-245	1.10%	4/8/16	10/9/18		98,000.00		98,000.00	98,514.50	180.17
Sallie Mae Bank Salt Lake City UT	615-030525-245	1.50%	1/27/16	1/28/19		95,000.00		95,000.00	96,371.80	-
Goldman Sachs New York NY	615-030525-245	1.45%	2/3/16	2/4/19		48,000.00		48,000.00	48,708.96	-
Comenity Bank Salt Lake City UT	615-030525-245	1.25%	3/21/16	3/21/19		100,000.00		100,000.00	100,850.00	315.06
Third Federal Cleveland OH	615-030525-245	1.55%	3/26/15	3/26/19	98,000.00			98,000.00	99,807.12	1,523.16
Barclays Bank	615-030525-245	1.90%	4/15/14	4/15/19	248,000.00			248,000.00	253,897.44	4,724.90
Worlds Foremost Bank	615-030525-245	1.30%	5/26/16	5/28/19		59,000.00		100,000.00	98,853.00	110.41

**CITY OF KERMAN
CD/Securities Portfolio
As of June 30, 2016**

Institution	Account Number	Interest Rate/ Trans. Date	Opening Date	Maturity Date	6/30/2015 Book Balance	Additions/ (Deletions)	Cashed In	6/30/2016 Book Balance	Fair Value	FY to Date Interest Paid
BMW Salt Lake City UT	615-030525-245	1.95%	6/20/14	6/20/19	200,000.00			200,000.00	204,892.00	3,910.68
ST Bank of India CD Chicago IL	615-030525-245	2.15%	8/18/15	8/19/19		100,000.00		100,000.00	102,786.00	1,083.84
Discover Greenwood	615-030525-245	2.00%	9/30/15	9/30/19		100,000.00		100,000.00	102,627.00	997.26
Cit Salt Lake City UT	615-030525-245	2.15%	11/13/14	11/13/19	100,000.00			100,000.00	103,035.00	2,155.89
Synchrony Draper UT	615-030525-245	1.95%	3/13/15	3/13/20	150,000.00			150,000.00	153,771.00	2,933.01
JP Morgan Chase Bank	615-030525-245	2.10%	3/31/15	3/31/20	98,000.00	(98,000.00)		-	-	1,550.55
Comenity Bank Jumbo Formerly World F	615-030525-245	2.10%	6/10/15	6/10/20	200,000.00			200,000.00	200,120.00	4,119.45
Amex Centurion Salt Lake City Ut	615-030525-245	2.30%	6/24/15	6/24/20	52,000.00			52,000.00	53,299.48	1,199.28
Capital One Bank Glen Allen VA	615-030525-245	2.20%	6/24/15	6/24/20	46,000.00			46,000.00	47,152.30	1,014.78
Capital One NA Mclean VA	615-030525-245	2.30%	8/12/15	8/12/20	-	97,000.00		97,000.00	100,571.54	1,124.67
	Average Rate	1.46%								
Subtotal - CD's					5,048,000.00	100,000.00	-	5,148,000.00	5,197,265.93	71,952.92
Pacific Mercantile Bank	80900343	0.95%	1/22/08	1/22/16	99,000.00	(99,000.00)		-	(99,000.00)	377.39
Local Agency Investment Fund										
Beginning Balance	98-10-400		7/28/15			2,000,000.00		2,000,000.00	2,000,000.00	
Interest			9/30/15			1,137.86		1,137.86		1,137.86
			12/31/15			1,852.19		1,852.19		1,852.19
			3/31/16			2,312.08		2,312.08		2,312.08
			6/30/16							
Subtotal - LAIF					-	2,005,302.13	-	2,005,302.13	2,000,000.00	5,302.13
Central Valley Comm Bank CD										
		1.34	6/8/12	6/8/17	200,000.00			200,000.00	200,000.00	2,635.94
Total CD and Local Agency Investments					5,347,000.00	2,006,302.13	-	7,353,302.13	7,298,265.93	80,268.38
Chandler Asset Management										
Beginning Balance					-			-		
Interest	(City of Kerman)				152,606.85	1,900.79		154,507.64	154,507.64	1,900.79
Chandler Ending Balance					152,606.85	1,900.79	-	154,507.64	154,507.64	1,900.79
Central Valley Money Market Acct										
Beginning Balance	015030960				3,606,160.43			3,606,160.43		
Interest			7/31/15			320.39		320.39		320.39
			8/31/15			103.27		103.27		103.27
			9/30/15			96.45		96.45		96.45
			10/31/15			59.98		59.98		59.98
			11/30/15			44.61		44.61		44.61
			12/31/15			43.00		43.00		43.00
			1/31/16			47.45		47.45		47.45
			2/29/16			63.35		63.35		63.35
			3/31/16			82.86		82.86		82.86
			4/30/16			92.02		92.02		92.02
			5/31/16			133.11		133.11		133.11
			6/30/16			144.73		144.73		144.73
Transfers In/(Out)			7/7/15			(50,000.00)		(50,000.00)		
			7/10/15			52,000.00		(50,000.00)		

CITY OF KERMAN
 CD/Securities Portfolio
 As of June 30, 2016

Institution	Account Number	Interest Rate/ Trans. Date	Opening Date	Maturity Date	6/30/2015 Book Balance	Additions/ (Deletions)	Cashed In	6/30/2016 Book Balance	Fair Value	FY to Date Interest Paid
			7/14/15			(100,000.00)		(100,000.00)		
			7/23/15			(150,000.00)		(150,000.00)		
	To LAIF		7/28/15			(2,000,000.00)		(2,000,000.00)		
			9/17/15			(250,000.00)		(250,000.00)		
			10/14/15			(100,000.00)		(100,000.00)		
			11/12/15			(60,000.00)		(60,000.00)		
			11/17/15			(200,000.00)		(200,000.00)		
			12/10/15			250,000.00		250,000.00		
			12/16/15			(150,000.00)		(150,000.00)		
			12/22/15			(225,000.00)		(225,000.00)		
			12/30/15			600,000.00		600,000.00		
			1/5/16			(425,000.00)		(425,000.00)		
			1/28/16			200,000.00		200,000.00		
			2/18/16			400,000.00		400,000.00		
			3/8/16			(100,000.00)		(100,000.00)		
			4/12/16			150,000.00		150,000.00		
			4/14/16			(75,000.00)		(75,000.00)		
			4/21/16			450,000.00		450,000.00		
			5/18/16			(100,000.00)		(100,000.00)		
			5/20/16			750,000.00		750,000.00		
			5/27/16			(50,000.00)		(50,000.00)		
			6/8/16			(250,000.00)		(250,000.00)		
			6/23/16			240,000.00		240,000.00		
			6/30/16			200,000.00		200,000.00		
					3,606,160.43	(1,093,768.78)	-	2,512,391.65	2,512,391.65	1,231.22
Subtotal All City Investments					5,248,000.00	100,000.00	-	5,348,000.00	5,397,265.93	74,588.86
Total Investments					5,499,606.85	2,008,202.92	-	7,507,809.77	7,452,773.57	82,169.17
								Market Value Adjustment	(55,036.20)	
								2,008,202.92		
								<u>2,008,202.92</u>		
								-		



City of Kerman

"Where Community Comes First"

MAYOR
Stephen B. Hill

MAYOR PRO-TEM
Gary Yep

COUNCIL MEMBER
Rhonda Armstrong

COUNCIL MEMBER
Bill Nijjer

COUNCIL MEMBER
Kevin Nehring

DEPARTMENT: ADMINISTRATION
STAFF REPORT
CITY COUNCIL MEETING
COUNCIL MEETING DATE: JULY 20, 2016

TO: Mayor and City Council
FROM: John Kunkel, City Manager
SUBJECT: Public Hearing for consideration of the Second Amendment to the Solar Power Purchase Agreement and Related Second Amendment to Option and Lease Agreement with CES Kerman Solar, LLC. (Borrego Solar)

RECOMMENDATION

City Council open the public hearing, take public comments, close the public hearing and after deliberations authorized the City Manager to execute the Second Amendment to the Solar Power Purchase Agreement and the Second Amendment to Option and Lease Agreement.

EXECUTIVE SUMMARY

In October 2012 Council approved Resolution 12-59, which approved a Solar Power Purchase Agreement with Borrego Solar to finance, engineer, install and operate a solar system at the wastewater treatment plant and a related Option and Lease Agreement. The agreements were initially entered with Kerman Solar 1, LLC. and subsequently assigned to CES Kerman Solar, LLC.. For convenience, Borrego Solar is used in this report.

In November of 2014 Council approved the First Amendment to the Solar Power Purchase Agreement with Borrego Solar which provided, among other things, for Borrego to do an analysis ahead of design to best suit the needs of the facility.

During 2015, an analysis was conducted and the results show that additional capital equipment upgrades are needed to accommodate the expansion. The cost of the upgrades are approximately \$350,000. These will be incorporated into the project and thus do not require any funds from the City.

As a result of these additions, the initial PPA figures have increased, however they still show a savings to the City.

At the June 15, 2016 Council meeting, representatives from Borrego Solar gave a presentation with several attachments. At that meeting, the City Engineer had some concerns with the proposed configuration of the solar array. Representatives from Borrego have reconfigured their design and the City Engineer has reviewed the proposed array design. After looking at both options and the cost associated with each option, the original proposal makes more economic sense. From an engineering standpoint option II is better suited for the basins and their designs; however, the increased costs of reconfiguring of the plan is such that the City could do a variety of things that would address the issues of flow etc. and still not approach the increase in costs between the options.

OUTSTANDING ISSUES

Due to the number of changes to the original agreement, the City Attorney advises that a public hearing on this matter is necessary.

FISCAL IMPACT

Annual projected savings of at least \$105,000 to \$271,304.95. Projected 25 year total \$4,407,881.47.

Attachments:

- A. Borrego Update
- B. Resolution w/Exhibits

Attachment 'A'

Borrego Solar Systems, Inc.
360 22nd Street, Suite 600 Oakland, CA 94612
Tel: 888-898-6273, Fax: (888) 843-6778
www.borregosolar.com



July 11th, 2016

Kerman Solar Expansion – Update on Project & PPA Rate

Background

Borrego Solar has been working with the City of Kerman since March 2014 to conduct due diligence on a potential expansion of the solar array located at the waste water treatment plant. The original installation was built in 2013 and has been performing slightly above its expected production levels. However, due to a lack of historical usage information on the waste water treatment plant during the system's design, the existing system was built to a conceptual usage profile. After collecting a year of utility data, it was confirmed that the system is undersized and would need to be expanded to maximize financial savings.

After submitting a proposal to the City Manager and Public Works Director for review, the City Council approved an amendment to the existing Power Purchase Agreement (PPA) that would allow Borrego and ConEdison to install an additional 677 kilowatts of solar on the same parcel as the existing location. This project has two main components: a 201 kilowatt expansion of the existing installation connected to the plant's primary meter, and a separate 475 kilowatt installation that would offset the City's 15 eligible PG&E meters remotely via a utility program called Renewable Energy Self-Generation Bill Credit Transfer (RES-BCT).

On November 5th, 2014 the City Council approved the PPA Amendment and associated documents that allowed Borrego Solar to commence its due diligence ahead of design-build work on the site. Over the course of 2015, Borrego's engineering team worked closely with both PG&E and external consultants to determine the best path forward for expanding the existing solar installation. During the course of this work, it was confirmed that there are a number of critical infrastructure upgrades that need to occur in order for the City to expand the existing solar project.

For the existing solar project, PG&E came back to Borrego and confirmed that we would need to upgrade the transformer located on-site before we can expand the installation. On the RES-BCT project, our utility consultant came back with information that we will need to upgrade the utility infrastructure more than previously forecast in order to tie into the grid.

Summary of Utility Upgrades Required

In both instances, Borrego will be incorporating these capital costs into the project's budget. There will be no upfront capital expenditures required of the City, as our firm will be incorporating these upgrade costs into the revised PPA rate.

Existing System Expansion

In order for the 487 kW system currently operational to be expanded, PG&E is calling for the installation of a new transformer to replace the existing undersized unit. The all-in cost factor for this upgrade adds approximately \$125,000 to the capital cost of the project.

City-Wide Solar Installation (RES-BCT)

Borrego Solar contracted with XUtility, a local PG&E utility consultant well-versed on infrastructure upgrades to tie into the local grid. The results of their study concluded that the most cost-effective solution would be to have the RES-BCT installation relocated to the southwestern corner of the parcel. The all-in cost of these utility upgrades amount to approximately \$265,000 of capital costs, and the consultant's report has a full breakdown of line items.

Impact to Project Economics

The result of these cost-adders to both projects will result in a revised pro forma that shows an increased PPA rate for the City of Kerman. The projected savings of the solar project expansion initially impacted by approximately 25%, when compared with the proposed savings shown at last year’s City Council meeting. However as a direct result of PG&E’s increased utility costs (that the City has received through an annual true-up bill), the value of the credit generated by the solar array has increased by over 20%. The before/after comparison in **yellow** highlights these changes, and shows how expanding the solar array will minimize future true-up bills from PG&E with proper system sizing.

Current System Economics - 487.2 kW system

Production Value & Utility Bill Savings Summary				
Gross Production Value	\$	264,721		
Gross Production Value / kWh	\$	0.280		
		Total	KWh Charges	Fixed Charges Demand Charges
Pre-Solar Utility Bill	\$	302,367	\$171,288	\$ 7,195 \$123,885
Projected Utility Bill	\$	135,598	\$135,404	\$ 193 \$ -
1st Year Savings	\$	166,770	\$ 35,883	\$ 7,002 \$123,885
Savings / kWh	\$	0.177	\$ 0.038	\$ 0.007 \$ 0.131
Percent Total Bill Reduction:		55.2%		
Percent kWh Bill offset:		20.9%		
Percent kWh Offset:		52.5%		

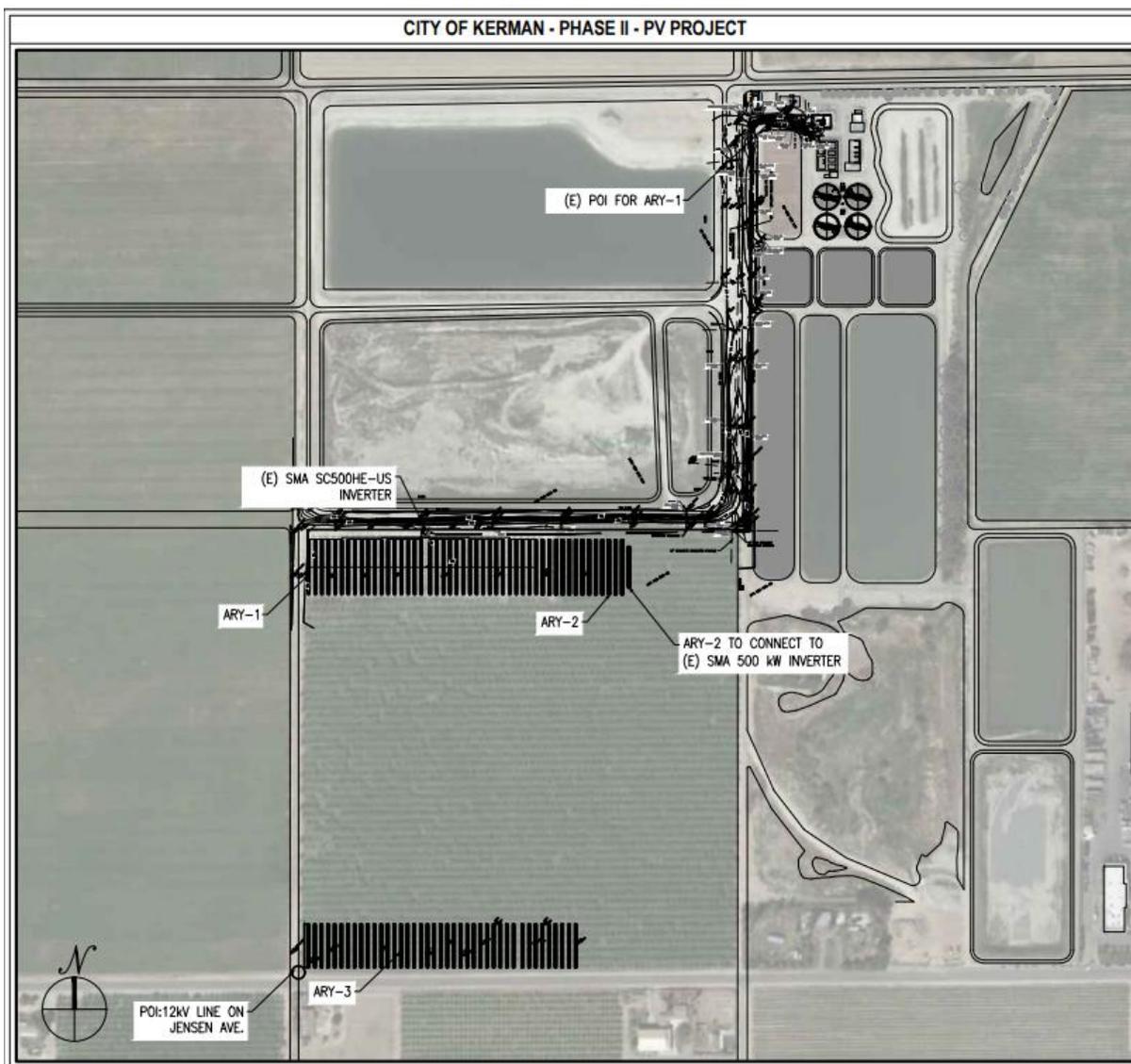
Proposed Expansion System Economics - 688.8 kW system

Production Value & Utility Bill Savings Summary				
Gross Production Value	\$	374,261		
Gross Production Value / kWh	\$	0.280		
		Total	KWh Charges	Fixed Charges Demand Charges
Pre-Solar Utility Bill	\$	302,367	\$171,288	\$ 7,195 \$123,885
Projected Utility Bill	\$	26,058	\$ 25,865	\$ 193 \$ -
1st Year Savings	\$	276,309	\$145,423	\$ 7,002 \$123,885
Savings / kWh	\$	0.207	\$ 0.109	\$ 0.005 \$ 0.093
Percent Total Bill Reduction:		91.4%		
Percent kWh Bill offset:		84.9%		
Percent kWh Offset:		74.2%		

Path Forward for the Expansion Project

While it is unfortunate that the proposed PPA rate for the expansion project has been negatively impacted by these unforeseen utility infrastructure upgrades, Borrego wants to make clear to the City of Kerman that this PPA amendment will still result in greater bottom-line savings than if the City did not approve changes to the existing system. If the City approves the increased PPA rate Year 1 savings will be approximately \$105,000, which is right in line with the savings figure proposed in November 2014 due to utility rate increases since then. Please see the 25-year pro forma below for a summary of long-term savings when accounting for utility upgrades and increased PG&E generation credit value.

Original Scenario – Presented on June 15th City Council Meeting



This layout is the most economical solution for the City to maximize its savings, and the basis for the PPA amendment that is currently up for a vote by your City Council. The RES-BCT array will be located in the southwestern corner of the parcel, and Borrego will install the PG&E-mandated utility upgrades at the corner of Jensen Ave. next to the array.

The next page shows the resulting project economics (updated to reflect current and long-term value of the associated PG&E utility credits).

Project Economics – Current Form of PPA Amendment

	Current PPA Rate	Total Production	Total NEM PPA Costs	Total RES-BCT PPA Costs	Total PPA Costs	Effective PPA Rate	Effective Escalator	Current Energy Savings	Weighted Value	Utility Escalation Rate	Annual Savings
Year 1	\$ 0.1248	2,272,696	\$ 175,690	\$ 137,553	\$ 313,243	\$ 0.1378		\$ 419,003.86	\$ 0.1844		\$ 105,760.63
Year 2	\$ 0.1273	2,261,332	\$ 178,451	\$ 139,945	\$ 318,396	\$ 0.1408	2.16%	\$ 433,585.20	\$ 0.1917	4.00%	\$ 115,189.52
Year 3	\$ 0.1299	2,250,026	\$ 181,255	\$ 142,378	\$ 323,633	\$ 0.1438	2.16%	\$ 448,673.96	\$ 0.1994	4.00%	\$ 125,040.63
Year 4	\$ 0.1325	2,238,776	\$ 184,104	\$ 144,854	\$ 328,958	\$ 0.1469	2.16%	\$ 464,287.81	\$ 0.2074	4.00%	\$ 135,330.20
Year 5	\$ 0.1351	2,227,582	\$ 186,998	\$ 147,372	\$ 334,370	\$ 0.1501	2.16%	\$ 480,445.03	\$ 0.2157	4.00%	\$ 146,075.08
Year 6	\$ 0.1378	2,216,444	\$ 189,937	\$ 149,935	\$ 339,872	\$ 0.1533	2.16%	\$ 497,164.52	\$ 0.2243	4.00%	\$ 157,292.70
Year 7	\$ 0.1406	2,205,362	\$ 192,923	\$ 152,542	\$ 345,465	\$ 0.1566	2.16%	\$ 514,465.84	\$ 0.2333	4.00%	\$ 169,001.14
Year 8	\$ 0.1434	2,194,335	\$ 195,956	\$ 155,194	\$ 351,150	\$ 0.1600	2.16%	\$ 532,369.25	\$ 0.2426	4.00%	\$ 181,219.14
Year 9	\$ 0.1463	2,183,363	\$ 199,037	\$ 157,892	\$ 356,930	\$ 0.1635	2.16%	\$ 550,895.70	\$ 0.2523	4.00%	\$ 193,966.11
Year 10	\$ 0.1492	2,172,446	\$ 202,167	\$ 160,638	\$ 362,805	\$ 0.1670	2.16%	\$ 570,066.87	\$ 0.2624	4.00%	\$ 207,262.17
Year 11	\$ 0.1522	2,161,584	\$ 205,346	\$ 163,431	\$ 368,777	\$ 0.1706	2.16%	\$ 589,905.20	\$ 0.2729	4.00%	\$ 221,128.17
Year 12	\$ 0.1552	2,150,776	\$ 208,576	\$ 166,273	\$ 374,848	\$ 0.1743	2.16%	\$ 610,433.90	\$ 0.2838	4.00%	\$ 235,585.70
Year 13	\$ 0.1583	2,140,022	\$ 211,856	\$ 169,164	\$ 381,020	\$ 0.1780	2.16%	\$ 631,677.00	\$ 0.2952	4.00%	\$ 250,657.15
Year 14	\$ 0.1615	2,129,322	\$ 215,189	\$ 172,105	\$ 387,294	\$ 0.1819	2.16%	\$ 653,659.36	\$ 0.3070	4.00%	\$ 266,365.70
Year 15	\$ 0.1647	2,118,676	\$ 218,574	\$ 175,097	\$ 393,671	\$ 0.1858	2.16%	\$ 676,406.71	\$ 0.3193	4.00%	\$ 282,735.39
Year 16	\$ 0.1680	2,108,082	\$ 222,013	\$ 178,142	\$ 400,155	\$ 0.1898	2.16%	\$ 699,945.66	\$ 0.3320	4.00%	\$ 299,791.10
Year 17	\$ 0.1714	2,097,542	\$ 225,506	\$ 181,239	\$ 406,745	\$ 0.1939	2.16%	\$ 724,303.77	\$ 0.3453	4.00%	\$ 317,558.63
Year 18	\$ 0.1748	2,087,054	\$ 229,054	\$ 184,391	\$ 413,445	\$ 0.1981	2.16%	\$ 749,509.54	\$ 0.3591	4.00%	\$ 336,064.70
Year 19	\$ 0.1783	2,076,619	\$ 232,659	\$ 187,597	\$ 420,255	\$ 0.2024	2.16%	\$ 775,592.47	\$ 0.3735	4.00%	\$ 355,336.99
Year 20	\$ 0.1819	2,066,236	\$ 236,320	\$ 190,859	\$ 427,179	\$ 0.2067	2.16%	\$ 802,583.09	\$ 0.3884	4.00%	\$ 375,404.18
Year 21	\$ 0.1855	2,055,904	\$ 240,040	\$ 194,177	\$ 434,217	\$ 0.2112	2.16%	\$ 830,512.98	\$ 0.4040	4.00%	\$ 396,295.99
Year 22	\$ 0.1892	2,045,625	\$ 243,818	\$ 197,553	\$ 441,372	\$ 0.2158	2.16%	\$ 859,414.84	\$ 0.4201	4.00%	\$ 418,043.18
Year 23	\$ 0.1930	2,035,397	\$ 247,656	\$ 200,988	\$ 448,645	\$ 0.2204	2.16%	\$ 889,322.47	\$ 0.4369	4.00%	\$ 440,677.64
Year 24	\$ 0.1969	2,025,220	\$ 251,555	\$ 204,483	\$ 456,038	\$ 0.2252	2.16%	\$ 920,270.89	\$ 0.4544	4.00%	\$ 464,232.40
Year 25	\$ 0.2008	2,015,094	\$ 255,516	\$ 208,039	\$ 463,555	\$ 0.2300	2.16%	\$ 952,296.32	\$ 0.4726	4.00%	\$ 488,741.68

Total	\$6,684,755.91
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1st Option – Co-located Arrays & Underground Utility Trenching



In this scenario, Borrego has re-designed the arrays to be co-located, and has incorporated the necessary utility upgrade costs to run all wiring & conduit underground (approximately 1,750 feet).

The next page shows the resulting project economics (updated to reflect current and long-term value of the associated PG&E utility credits). The financial impact of moving the RES-BCT array creates -19% less savings in the Year 1, reducing the projected savings from an expected \$105,761 down to \$85,874.

Project Economics – 1st Option for PPA Amendment (Co-located Arrays)

	Current PPA Rate	Total Production	Total NEM PPA Costs	Total RES-BCT PPA Costs	Total PPA Costs	Effective PPA Rate	Effective Escalator	Current Energy Savings	Weighted Value	Utility Escalation Rate	Annual Savings
Year 1	\$ 0.1248	2,272,696	\$ 181,551	\$ 151,580	\$ 333,130	\$ 0.1466		\$ 419,003.86	\$ 0.1844		\$ 85,873.64
Year 2	\$ 0.1273	2,261,332	\$ 184,413	\$ 154,215	\$ 338,628	\$ 0.1497	2.16%	\$ 433,585.20	\$ 0.1917	4.00%	\$ 94,956.74
Year 3	\$ 0.1299	2,250,026	\$ 187,321	\$ 156,897	\$ 344,218	\$ 0.1530	2.16%	\$ 448,673.96	\$ 0.1994	4.00%	\$ 104,456.05
Year 4	\$ 0.1325	2,238,776	\$ 190,276	\$ 159,625	\$ 349,900	\$ 0.1563	2.16%	\$ 464,287.81	\$ 0.2074	4.00%	\$ 114,387.71
Year 5	\$ 0.1351	2,227,582	\$ 193,277	\$ 162,400	\$ 355,677	\$ 0.1597	2.16%	\$ 480,445.03	\$ 0.2157	4.00%	\$ 124,768.45
Year 6	\$ 0.1378	2,216,444	\$ 196,325	\$ 165,224	\$ 361,549	\$ 0.1631	2.16%	\$ 497,164.52	\$ 0.2243	4.00%	\$ 135,615.60
Year 7	\$ 0.1406	2,205,362	\$ 199,422	\$ 168,097	\$ 367,519	\$ 0.1666	2.16%	\$ 514,465.84	\$ 0.2333	4.00%	\$ 146,947.13
Year 8	\$ 0.1434	2,194,335	\$ 202,568	\$ 171,019	\$ 373,588	\$ 0.1703	2.16%	\$ 532,369.25	\$ 0.2426	4.00%	\$ 158,781.66
Year 9	\$ 0.1463	2,183,363	\$ 205,764	\$ 173,993	\$ 379,757	\$ 0.1739	2.16%	\$ 550,895.70	\$ 0.2523	4.00%	\$ 171,138.50
Year 10	\$ 0.1492	2,172,446	\$ 209,011	\$ 177,018	\$ 386,029	\$ 0.1777	2.16%	\$ 570,066.87	\$ 0.2624	4.00%	\$ 184,037.65
Year 11	\$ 0.1522	2,161,584	\$ 212,309	\$ 180,096	\$ 392,405	\$ 0.1815	2.16%	\$ 589,905.20	\$ 0.2729	4.00%	\$ 197,499.83
Year 12	\$ 0.1552	2,150,776	\$ 215,660	\$ 183,228	\$ 398,887	\$ 0.1855	2.16%	\$ 610,433.90	\$ 0.2838	4.00%	\$ 211,546.52
Year 13	\$ 0.1583	2,140,022	\$ 219,064	\$ 186,414	\$ 405,477	\$ 0.1895	2.16%	\$ 631,677.00	\$ 0.2952	4.00%	\$ 226,199.99
Year 14	\$ 0.1615	2,129,322	\$ 222,521	\$ 189,655	\$ 412,176	\$ 0.1936	2.16%	\$ 653,659.36	\$ 0.3070	4.00%	\$ 241,483.29
Year 15	\$ 0.1647	2,118,676	\$ 226,034	\$ 192,952	\$ 418,986	\$ 0.1978	2.16%	\$ 676,406.71	\$ 0.3193	4.00%	\$ 257,420.34
Year 16	\$ 0.1680	2,108,082	\$ 229,602	\$ 196,307	\$ 425,910	\$ 0.2020	2.16%	\$ 699,945.66	\$ 0.3320	4.00%	\$ 274,035.89
Year 17	\$ 0.1714	2,097,542	\$ 233,228	\$ 199,721	\$ 432,948	\$ 0.2064	2.16%	\$ 724,303.77	\$ 0.3453	4.00%	\$ 291,355.60
Year 18	\$ 0.1748	2,087,054	\$ 236,910	\$ 203,193	\$ 440,103	\$ 0.2109	2.16%	\$ 749,509.54	\$ 0.3591	4.00%	\$ 309,406.06
Year 19	\$ 0.1783	2,076,619	\$ 240,651	\$ 206,726	\$ 447,378	\$ 0.2154	2.16%	\$ 775,592.47	\$ 0.3735	4.00%	\$ 328,214.83
Year 20	\$ 0.1819	2,066,236	\$ 244,452	\$ 210,321	\$ 454,773	\$ 0.2201	2.16%	\$ 802,583.09	\$ 0.3884	4.00%	\$ 347,810.43
Year 21	\$ 0.1855	2,055,904	\$ 248,313	\$ 213,978	\$ 462,291	\$ 0.2249	2.16%	\$ 830,512.98	\$ 0.4040	4.00%	\$ 368,222.45
Year 22	\$ 0.1892	2,045,625	\$ 252,235	\$ 217,698	\$ 469,933	\$ 0.2297	2.16%	\$ 859,414.84	\$ 0.4201	4.00%	\$ 389,481.51
Year 23	\$ 0.1930	2,035,397	\$ 256,220	\$ 221,483	\$ 477,703	\$ 0.2347	2.16%	\$ 889,322.47	\$ 0.4369	4.00%	\$ 411,619.36
Year 24	\$ 0.1969	2,025,220	\$ 260,267	\$ 225,335	\$ 485,602	\$ 0.2398	2.16%	\$ 920,270.89	\$ 0.4544	4.00%	\$ 434,668.87
Year 25	\$ 0.2008	2,015,094	\$ 264,380	\$ 229,253	\$ 493,632	\$ 0.2450	2.16%	\$ 952,296.32	\$ 0.4726	4.00%	\$ 458,664.11
Total											\$ 6,068,592.18

2nd Option – Shorter Row Length for RES-BCT Array



For this design iteration, Borrego has shortened the individual row length of each array and extended the total array length to cover the span of the parcel as requested. This design is atypical and less cost-efficient and may result in lower energy production.

The financial impact of moving the RES-BCT array creates -21% less savings in the Year 1, reducing the projected savings from an expected \$105,761 down to \$83,752. The complete resulting project economics can be found on the next page.

0Project Economics – 2nd Option for PPA Amendment (Shorter Row Length)

	Current PPA Rate	Total Production	Total NEM PPA Costs	Total RES-BCT PPA Costs	Total PPA Costs	Effective PPA Rate	Effective Escalator	Current Energy Savings	Weighted Value	Utility Escalation Rate	Annual Savings
Year 1	\$ 0.1248	2,272,696	\$ 182,176	\$ 153,076	\$ 335,252	\$ 0.1475		\$ 419,003.86	\$ 0.1844		\$ 83,752.36
Year 2	\$ 0.1273	2,261,332	\$ 185,049	\$ 155,737	\$ 340,787	\$ 0.1507	2.16%	\$ 433,585.20	\$ 0.1917	4.00%	\$ 92,798.57
Year 3	\$ 0.1299	2,250,026	\$ 187,968	\$ 158,445	\$ 346,414	\$ 0.1540	2.16%	\$ 448,673.96	\$ 0.1994	4.00%	\$ 102,260.36
Year 4	\$ 0.1325	2,238,776	\$ 190,934	\$ 161,200	\$ 352,134	\$ 0.1573	2.16%	\$ 464,287.81	\$ 0.2074	4.00%	\$ 112,153.84
Year 5	\$ 0.1351	2,227,582	\$ 193,946	\$ 164,003	\$ 357,949	\$ 0.1607	2.16%	\$ 480,445.03	\$ 0.2157	4.00%	\$ 122,495.74
Year 6	\$ 0.1378	2,216,444	\$ 197,007	\$ 166,855	\$ 363,861	\$ 0.1642	2.16%	\$ 497,164.52	\$ 0.2243	4.00%	\$ 133,303.37
Year 7	\$ 0.1406	2,205,362	\$ 200,115	\$ 169,756	\$ 369,871	\$ 0.1677	2.16%	\$ 514,465.84	\$ 0.2333	4.00%	\$ 144,594.70
Year 8	\$ 0.1434	2,194,335	\$ 203,273	\$ 172,707	\$ 375,981	\$ 0.1713	2.16%	\$ 532,369.25	\$ 0.2426	4.00%	\$ 156,388.33
Year 9	\$ 0.1463	2,183,363	\$ 206,482	\$ 175,710	\$ 382,192	\$ 0.1750	2.16%	\$ 550,895.70	\$ 0.2523	4.00%	\$ 168,703.56
Year 10	\$ 0.1492	2,172,446	\$ 209,741	\$ 178,766	\$ 388,507	\$ 0.1788	2.16%	\$ 570,066.87	\$ 0.2624	4.00%	\$ 181,560.37
Year 11	\$ 0.1522	2,161,584	\$ 213,052	\$ 181,874	\$ 394,926	\$ 0.1827	2.16%	\$ 589,905.20	\$ 0.2729	4.00%	\$ 194,979.47
Year 12	\$ 0.1552	2,150,776	\$ 216,415	\$ 185,036	\$ 401,452	\$ 0.1867	2.16%	\$ 610,433.90	\$ 0.2838	4.00%	\$ 208,982.34
Year 13	\$ 0.1583	2,140,022	\$ 219,832	\$ 188,253	\$ 408,086	\$ 0.1907	2.16%	\$ 631,677.00	\$ 0.2952	4.00%	\$ 223,591.23
Year 14	\$ 0.1615	2,129,322	\$ 223,303	\$ 191,527	\$ 414,830	\$ 0.1948	2.16%	\$ 653,659.36	\$ 0.3070	4.00%	\$ 238,829.17
Year 15	\$ 0.1647	2,118,676	\$ 226,830	\$ 194,857	\$ 421,687	\$ 0.1990	2.16%	\$ 676,406.71	\$ 0.3193	4.00%	\$ 254,720.07
Year 16	\$ 0.1680	2,108,082	\$ 230,412	\$ 198,245	\$ 428,657	\$ 0.2033	2.16%	\$ 699,945.66	\$ 0.3320	4.00%	\$ 271,288.66
Year 17	\$ 0.1714	2,097,542	\$ 234,051	\$ 201,692	\$ 435,743	\$ 0.2077	2.16%	\$ 724,303.77	\$ 0.3453	4.00%	\$ 288,560.61
Year 18	\$ 0.1748	2,087,054	\$ 237,748	\$ 205,199	\$ 442,947	\$ 0.2122	2.16%	\$ 749,509.54	\$ 0.3591	4.00%	\$ 306,562.48
Year 19	\$ 0.1783	2,076,619	\$ 241,504	\$ 208,767	\$ 450,271	\$ 0.2168	2.16%	\$ 775,592.47	\$ 0.3735	4.00%	\$ 325,321.80
Year 20	\$ 0.1819	2,066,236	\$ 245,319	\$ 212,397	\$ 457,716	\$ 0.2215	2.16%	\$ 802,583.09	\$ 0.3884	4.00%	\$ 344,867.10
Year 21	\$ 0.1855	2,055,904	\$ 249,195	\$ 216,090	\$ 465,285	\$ 0.2263	2.16%	\$ 830,512.98	\$ 0.4040	4.00%	\$ 365,227.94
Year 22	\$ 0.1892	2,045,625	\$ 253,133	\$ 219,847	\$ 472,980	\$ 0.2312	2.16%	\$ 859,414.84	\$ 0.4201	4.00%	\$ 386,434.93
Year 23	\$ 0.1930	2,035,397	\$ 257,133	\$ 223,670	\$ 480,803	\$ 0.2362	2.16%	\$ 889,322.47	\$ 0.4369	4.00%	\$ 408,519.81
Year 24	\$ 0.1969	2,025,220	\$ 261,197	\$ 227,559	\$ 488,755	\$ 0.2413	2.16%	\$ 920,270.89	\$ 0.4544	4.00%	\$ 431,515.42
Year 25	\$ 0.2008	2,015,094	\$ 265,325	\$ 231,515	\$ 496,840	\$ 0.2466	2.17%	\$ 952,296.32	\$ 0.4726	4.00%	\$ 455,455.84

Total	\$ 6,002,868.05
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Our team is standing by to get confirmation from the City as to their desired option to move forward with. If your staff opts to deviate from the project design as currently contracted, we may need additional time to confirm and dial in our calculations as they are non-standard in their design format. Borrego Solar and ConEdison are committed to our long-term partnership with the City of Kerman, and we look forward to the opportunity to improve the City’s bottom line with regards to electricity expenses.

Sincerely,




Fnan Araia
 Project Developer
 Borrego Solar Systems, Inc.

Attachment 'B'

RESOLUTION NO. 16-__

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KERMAN
APPROVING THE SECOND AMENDMENT TO THE SOLAR POWER PURCHASE AGREEMENT
AND THE SECOND AMENDMENT TO OPTION AND LEASE AGREEMENT WITH CES KERMAN
SOLAR, LLC. (BORREGO SOLAR)

WHEREAS, ON October 30, 2012, the City of Kerman entered a Solar Power Agreement and Option and Lease Agreement with Kerman Solar 1, LLC. and those agreements have been assigned to CES Kerman Solar, LLC.

WHEREAS, those agreements were negotiated with Borrego Solar and the City essentially continues to work with Borrego Solar in the implementation of said agreements.

WHEREAS, Borrego Solar is currently operating a solar energy system at the City of Kerman's Wastewater Treatment Facility; and

WHEREAS, the current facility can operate more efficient by expanding the solar array and adding the equipment as presented in Borrego Solar's letter of July 11, 2016; and

WHEREAS, the proposed changes to the solar facility will improve efficiency and thus further help the City of Kerman save fiscal resources.

WHEREAS, THE PROPOSED EXPANSION REQUIRES AMENDMENT OF THE Solar Power Purchase Agreement and the Option and Lease Agreement.

WHEREAS, a public hearing was held and public testimony was heard on this matter:

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF KERMAN RESOLVES AS FOLLOWS:

Section 1. The foregoing recitals are true and correct and are incorporated by reference.

Section 2. The City Council approves the Second Amendment to the Solar Purchase Power Agreement attached as Exhibit 'A' and the Second Amendment to Option and Lease Agreement attached as Exhibit 'B'.

Section 3. The City Manager is authorized to sign the Second Amendments on behalf of the City.

The foregoing resolution was introduced at a regular meeting of the City Council of the City of Kerman held on the 20th day of July, 2016, and passed at said meeting by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

The foregoing resolution is hereby approved.

Stephen B. Hill
Mayor

ATTEST:

Marci Reyes
City Clerk

**SECOND AMENDMENT TO
SOLAR POWER PURCHASE AGREEMENT**

This Second Amendment (this "Amendment") dated April ____, 2016 (the "Amendment Date") to the Solar Power Purchase Agreement dated as of October 30, 2012 (the "Agreement") by and between the City of Kerman, a California municipal corporation (the "City") and Kerman Solar 1, LLC, a Delaware limited liability company, as such Agreement was subsequently assigned to CES Kerman Solar, LLC, a Delaware limited liability company ("CES Kerman" or "Provider") as subsequently amended by that First Amendment to Solar Power Purchase Agreement, dated February 24, 2015 (each of the City and CES Kerman, a "Party" and, collectively, the "Parties").

WHEREAS, the Parties desire to amend certain terms of the Agreement as set forth herein in order to set forth the Parties' rights and obligations in connection with a proposed expansion in the size and output of the System (such expansion of the System referred to herein as the "Expansion System").

NOW, THEREFORE, in consideration of the mutual promises set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Definitions.** Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Agreement.

2. **Rescission of First Amendment.** The First Amendment to Solar Power Purchase Agreement, dated February 24, 2015 by and between the Parties is hereby rescinded in its entirety and shall be null and void and of no further force or effect.

3. **Term.** The first sentence of Section 2.1 of the General Terms and Conditions of the Agreement is hereby modified to read as follows: "The term of the Agreement shall commence on the Effective Date and shall continue for twenty-five (25) years from the Commercial Operation Date of the Expansion System ("Initial Term"), unless and until terminated earlier pursuant to the provisions of the Agreement."

4. **Provider Conditions of the Agreement.** The first sentence of Section 2.6 of the General Terms and Conditions is hereby modified to read as follows: "In the event that any of the following events or circumstances occur prior to the Commercial Operation Date for either: (i) the System as initially installed or (ii) any subsequent expansion of the System for which an amendment to the Agreement may subsequently be executed by the Parties, Provider may (at its sole discretion, and no later than the Commercial Operation Deadline for that portion of the System then under consideration) terminate the Agreement, in which case neither Party shall have any liability to the other Party:". In addition, a new subparagraph (l) is added to Section 2.6 as follows: "(l) Provider has not received written confirmation from the California State Board of Equalization that no sales tax will be owed on the output from the expanded portion of the System."

5. **Description of the Premises and the System.** Schedule 1 ("Description of the Premises and the System") of the Agreement is hereby deleted in its entirety and replaced by the Schedule 1 attached hereto

6. **Site Plan.** Schedule 2 ("Site Plan") of the Agreement is hereby deleted in its entirety and replaced by the Schedule 2 attached hereto.

7. **kWh Rate.** Effective as of the Commercial Operation Date of the expansion of the System, Schedule 3 (“kWh Rate”) of the Agreement is hereby deleted in its entirety and replaced by the Schedule 3 attached hereto.

8. **Terminal Values.** Schedule 4 (“Terminal Values”) of the Agreement is hereby deleted in its entirety and replaced by the Schedule 4 attached.

9. **Estimated Annual Production.** Schedule 5 (“Estimated Annual Production”) of the PPA is hereby deleted in its entirety and replaced by the Schedule 5 attached hereto.

10. **Effect of Amendment.** This Amendment shall not become effective unless and until it has been approved in writing by the Parties and the condition precedent in Section 4, above, has been satisfied. Except as specifically modified and amended in this Amendment, there are no other modifications or amendments to the Agreement and, in all other respects, the Agreement shall remain in full force and effect.

11. **Conflicts.** In the event of any conflict, inconsistency, or incongruity between the provision of this Amendment and any provision of the Agreement, the provisions of this Amendment shall govern and control.

12. **Counterpart Execution.** This Amendment may be executed by the Parties hereto in any number of counterparts (and by each of the Parties hereto on separate counterparts), each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the Parties have caused this Second Amendment to Solar Power Purchase Agreement to be executed by their duly authorized representatives as of the Amendment Date.

CES KERMAN SOLAR, LLC

CITY OF KERMAN

By: _____
Name: Mark Noyes
Title: President and Chief Executive Officer,
Consolidated Edison Development, Inc.

By: _____
Name:
Title:

SCHEDULE 1

DESCRIPTION OF THE PREMISES AND THE SYSTEM

Premises: City of Kerman Waste Water Treatment Plant, 15485 W. Church
Kerman, CA 93630

System Size: 1,163.99 STC (DC) Watts

Scope:

1. Design and install an initial 487.2 kW STC (DC) watt solar array (the “Initial System”) and an additional 676.79 kW STC DC (201.6 kW STC + 475.19 kW STC) solar array (the “Expansion System”) on an existing parcel of real property as shown in Schedule 2.

2. Inverters

- a. The inverter(s) will be mounted on a concrete slab at the center of the solar array for the original 487.2kW array.
- b. The string inverter(s) will be located at the end of arrays for the proposed 676.79kW expanded array.

3. Conduit.

- a. All trenching will be backfilled with slurry and capped with material matching the original surface for all road crossings or parking lots, all other trenching will be compacted to 90%.

4. Internet service

- a. Account setup and installation of all wiring and hardware for internet service to the system. Host will pay the monthly internet service fee up to \$30 per month once the system has been set up and operational by Provider.

5. Host will allow Provider to use 50 amp 120/220 volt single phase power during construction. Provider shall furnish and install all equipment and materials for temporary power.

6. The lay down yard area during construction shall be limited to a mutually agreed upon area by both Provider and Host. All deliveries and construction activities shall be coordinated with Host to minimize conflict with operations. The construction work area and lay down yard shall be cleaned at the end of each work area as needed to minimize interference with Host access and operations.

7. Provider's employees and subcontractors will limit their activities to their work area. Provider shall furnish for their use portable toilets, dumpsters, equipment, phones, office space, and secured storage as needed for their work during construction.

8. Provider shall allow Host to review and approve, such approval shall not be unreasonably withheld or delayed, 50%, and final construction drawings before starting construction to ensure that aesthetic and scope elements are properly addressed.

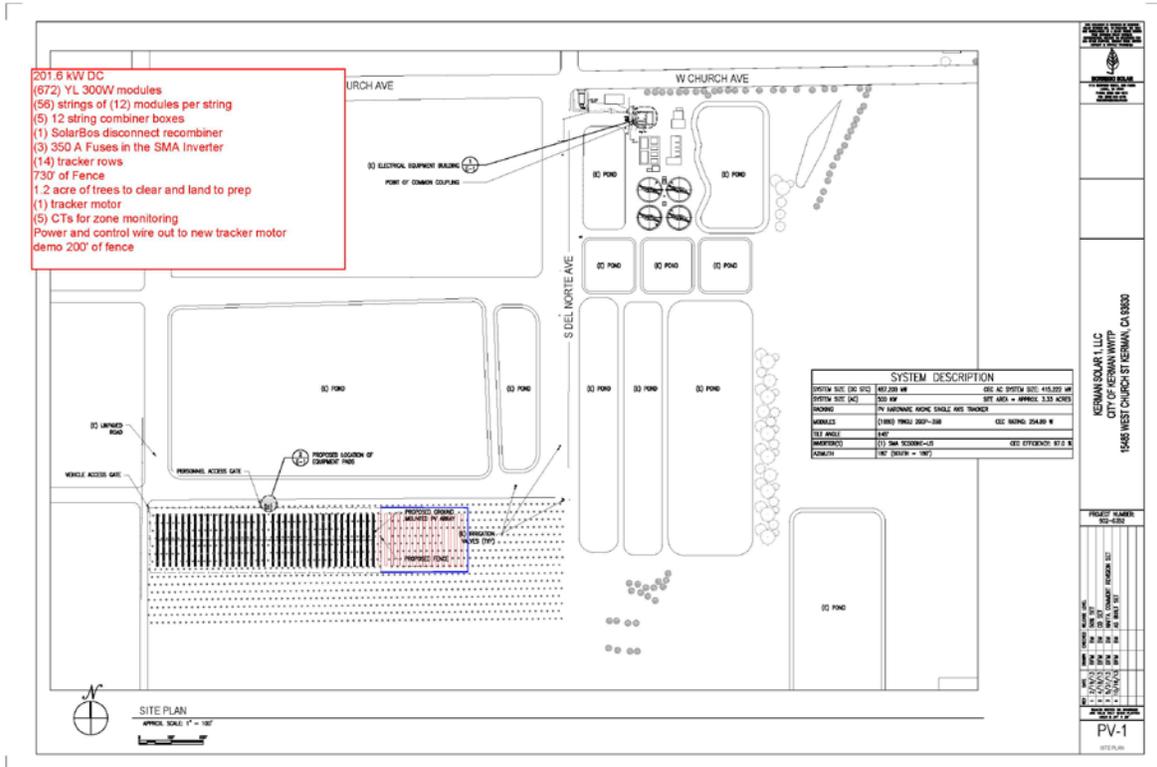
Module(s): YingLi 280W, CSI 305W, YL 300W or Equivalent

Inverter: SMA 500HE, SMA (16) SMA STP- 24TL & (1) SMA STP-12TL or Equivalent

SCHEDULE 2

SITE PLAN

Existing 487.2kW and the additional adjacent 201.6kW solar photovoltaic array



Additional 475.19kW to be installed into new meter – identified as ARY-3 below.



SCHEDULE 3

kWh RATE

The kWh Rate with respect to the System under the Agreement for the term of the agreement shall be calculated as follows:

1. \$0.120/kWh with a 2.0% annual escalator in the kWh rate for the existing operational system (487.2kWdc)
2. \$0.1471/kWh with a 2.25% annual escalator in the kWh rate for the expanded and new system (676.79kWdc)

SCHEDULE 4

TERMINAL VALUES

The applicable Terminal value with respect to the System under the Agreement shall be calculated in accordance with the following:

Terminal Value in Year after Commercial Operation of Expansion System:	<u>Column 1</u> <u>Circumstances Under Which Host Does Not Take Title to the System (\$ including costs of removal)</u>	Purchase Date Occurs on the 91st day following: (Each "Anniversary" below shall refer to the anniversary of the Commercial Operation Date of Expansion System)	<u>Column 2</u> <u>Circumstances Under Which Host Takes Title to the System (\$, does not include costs of removal)</u>
1	\$6,056,000		
2	\$5,856,000		
3	\$5,656,000		
4	\$5,556,000		
5	\$5,420,000		
6	\$5,245,000	6 th Anniversary**	\$4,489,000
7	\$5,067,000	7 th Anniversary	\$4,311,000
8	\$4,886,000	8 th Anniversary	\$4,130,000
9	\$4,601,000	9 th Anniversary	\$3,845,000
10	\$4,312,000	10 th Anniversary	\$3,556,000
11	\$4,019,000	11 th Anniversary	\$3,263,000
12	\$3,721,000	12 th Anniversary	\$2,965,000
13	\$3,417,000	13 th Anniversary	\$2,661,000
14	\$3,109,000	14 th Anniversary	\$2,353,000
15	\$2,794,000	15 th Anniversary	\$2,038,000
16	\$2,573,000	16 th Anniversary	\$1,817,000
17	\$2,395,000	17 th Anniversary	\$1,639,000
18	\$2,209,000	18 th Anniversary	\$1,453,000
19	\$1,929,000	19 th Anniversary	\$1,173,000
20	\$1,787,000	20 th Anniversary	\$1,031,000
21	\$1,645,000	21 th Anniversary	\$889,000
22	\$1,502,000	22 th Anniversary	\$746,000
23	\$1,360,000	23 th Anniversary	\$604,000
24	\$1,260,000	24 th Anniversary	\$504,000
25	\$1,160,000	25 th Anniversary	\$404,000

** Purchase Date refers to the Purchase Date as defined in the General Conditions. Any purchase of the System by Host must comply with Section 2.3 of the General Conditions.

SCHEDULE 5

ESTIMATED ANNUAL PRODUCTION OF THE SYSTEM
Commencing on Commercial Operation Date of the Expansion System

Year of Term	Estimated Annual Production of System (kWh)
1	2,253,894
2	2,242,625
3	2,231,411
4	2,220,254
5	2,209,153
6	2,198,107
7	2,187,117
8	2,176,181
9	2,165,300
10	2,154,474
11	2,143,701
12	2,132,983
13	2,122,318
14	2,111,706
15	2,101,148
16	2,090,642
17	2,080,189
18	2,069,788
19	2,059,439
20	2,049,142
21	2,038,896
22	2,028,702
23	2,018,558
24	2,008,465
25	1,998,423

**SECOND AMENDMENT TO
OPTION AND LEASE AGREEMENT**

This Second Amendment (this "Second Amendment") dated April ____, 2016 (the "Effective Date") to the Option and Lease Agreement dated as of October 30, 2012 (the "Agreement") by and between the City of Kerman, a California municipal corporation (the "City") and CES Kerman Solar, LLC, a Delaware limited liability company ("CES Kerman" or "Provider") as assignee of Kerman Solar 1, LLC as subsequently amended by that certain First Amendment to Option and Lease Agreement dated February 24, 2015 (each of the City and CES Kerman, a "Party" and, collectively, the "Parties").

WHEREAS, the Parties desire to amend certain terms of the Agreement as set forth herein in order to set forth the Parties' rights and obligations in connection with a proposed expansion in the size and output of the System (such expansion of the System referred to herein as the "Expansion System").

WHEREAS, the Parties desire to amend certain terms of the Agreement as set forth herein.

NOW, THEREFORE, in consideration of the mutual promises set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Definitions.** Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Agreement.
2. **Rescission of First Amendment.** The First Amendment to Option and Lease Agreement dated February 24, 2015 by and between the Parties is hereby rescinded in its entirety and shall be null and void and of no further force or effect.
3. **Exhibit A.** Exhibit A ("Description of Property and Premises") of the Agreement is hereby deleted in its entirety and replaced by the Exhibit A attached hereto.
4. **Initial Term of the Lease.** The first sentence of Section 5(a) of the Agreement is hereby deleted in its entirety.
5. **Notice of Lease.** Section 35 of the Agreement is hereby amended by appending the following sentence to the end of that Section: "In the event of any amendment to this Lease, the Parties will reasonably cooperate to record an amended Notice of Lease reflecting such amendment."
6. **Exhibit F.** Exhibit F ("Terminal Values") of the Agreement is hereby deleted in its entirety and replaced by the Exhibit F attached hereto.
7. **Effect of Amendment.** This Amendment shall not become effective unless and until it has been executed in writing by the Parties. Except as specifically modified and amended in this Amendment, there are no other modifications or amendments to the Agreement and, in all other respects, the Agreement shall remain in full force and effect.
8. **Conflicts.** In the event of any conflict or inconsistency between the provisions of this Amendment and any provision of the Agreement, the provisions of this Amendment shall govern and control.
9. **Counterpart Execution.** This Amendment may be executed by the Parties hereto in any number of counterparts (and by each of the Parties hereto on separate counterparts), each of which when

so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the Parties have caused this Second Amendment to Option and Lease Agreement to be executed by their duly authorized representatives as of the Effective Date.

CES KERMAN SOLAR, LLC

CITY OF KERMAN

By: _____
Name: Mark Noyes
Title: President and Chief Executive Officer,
Consolidated Edison Development, Inc.

By: _____
Name:
Title:

EXHIBIT A

DESCRIPTION OF PROPERTY AND PREMISES

Order No. 56180LT
Escrow No. 56180LT
Loan No.

RECORDED AT THE REQUEST OF
FIRST AMERICAN TITLE COMPANY

WHEN RECORDED MAIL TO:

CITY OF KERMAN
850 S. MADERA AVENUE
KERMAN, CA 93630



Fresno County Recorder
William C. Greenwood
DOC- 2000-0112591
Act 5-First American Title Insurance Company
Friday, SEP 15, 2000 15:09:54
FEE \$8.00 TTU \$860.00
Ttl Pd \$868.00 Nbr-0008405778
jje/R2/1-3

MAIL TAX STATEMENTS TO:

SAME AS ABOVE

SPACE ABOVE THIS LINE FOR RECORDER'S USE

DOCUMENTARY TRANSFER TAX \$868.00
 unincorporated area City of
 Computed on the consideration or value of property conveyed; OR
 Computed on the consideration or value less liens or encumbrances
remaining at time of sale.

The Undersigned
Signature of Declarant or Agent determining tax - Firm Name

APN 073-080-02

GRANT DEED

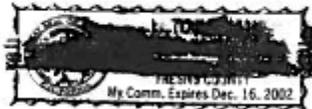
FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,
STANLEY E. MEISNER, A SINGLE MAN

hereby GRANT(S) to CITY OF KERMAN, a California Municipal Corporation

the real property in the Unincorporated Area
County of FRESNO

, State of California, described as

AS DESCRIBED IN EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF



Stanley E. Meisner
STANLEY E. MEISNER

Dated July 20, 2000

STATE OF CALIFORNIA)
COUNTY OF FRESNO) ss.
On September 14, 2000 before me,
L. Torosian
personally appeared Stanley E. Meisner

personally known to me (or 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 acknowledge to me that he/she/they executed
the same in his/hen/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 *L. Torosian*



(This area for official notarial seal)

EXHIBIT "A"

PARCEL 1:

THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 13,
TOWNSHIP 14 SOUTH, RANGE 17 EAST, MOUNT DIABLO BASE AND MERIDIAN,
ACCORDING TO THE OFFICIAL PLAT THEREOF;

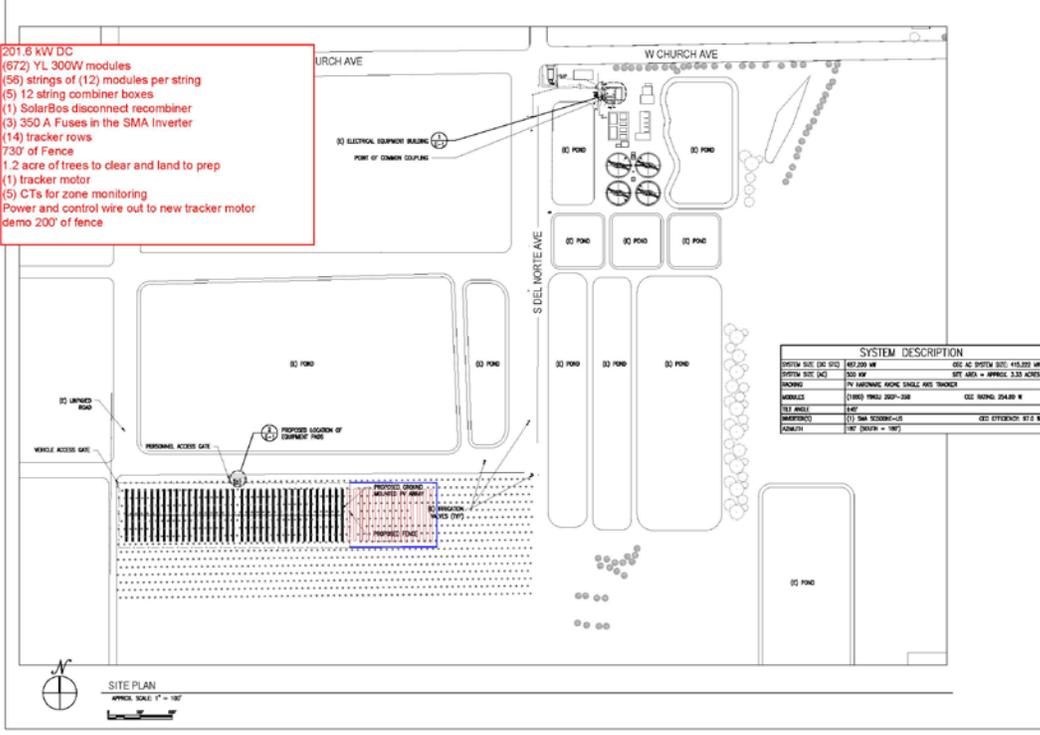
EXCEPT ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCE IN AND UNDER
SAID PROPERTY TOGETHER WITH THE RIGHT AND PRIVILEGE TO DEVELOP AND
REMOVE THE SAME, AS RESERVED IN THE DEED FROM HENRY KRESSMANN, TO
HARLEY E. ROBERTS AND GLADYS A. ROBERTS, RECORDED NOVEMBER 23, 1951
IN BOOK 3091, PAGE 268 OF OFFICIAL RECORDS, DOCUMENT NO. 61355

PARCEL 2:

THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 13,
TOWNSHIP 14 SOUTH, RANGE 17 EAST, MOUNT DIABLO BASE AND MERIDIAN
ACCORDING TO THE OFFICIAL PLAT THEREOF;

EXCEPT THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCE IN
AND UNDER SAID PROPERTY, AS GRANTED IN THE DEED FROM HENRY
KRESSMANN, A MARRIED MAN, TO PORTIA F. KRESSMAN, ET AL, RECORDED
MAY 5, 1949, AS DOCUMENT NO. 22288, AND AS RESERVED IN THE DEED FROM
HENRY KRESSMAN, AS HIS SOLE AND SEPARATE PROPERTY AND PORTIA F.
KRESSMANN, WIFE OF HENRY KRESSMANN, TO HARLEY E. ROBERTS AND
GLADYS A. ROBERTS, DATED JANUARY 12, 1952, RECORDED JANUARY 23, 1952 IN
BOOK 3113 PAGE 340 OF OFFICIAL RECORDS, DOCUMENT NO. 3913

201.6 kW DC
 (672) YL 300W modules
 (56) strings of (12) modules per string
 (5) 12 string combiner boxes
 (1) SolarBos disconnect recombiner
 (3) 350 A Fuses in the SMA Inverter
 (14) tracker rows
 730' of Fence
 1.2 acre of trees to clear and land to prep
 (1) tracker motor
 (5) CTs for zone monitoring
 Power and control wire out to new tracker motor
 demo 200' of fence



SYSTEM DESCRIPTION	
SYSTEM SIZE (DC SIZE)	467,208 W
SYSTEM SIZE (AC)	300 KW
SYSTEM SIZE (AC)	300 KW
INVERTER	2x HYBRID INVERTER (SHALL NOT EXCEED 150KW)
MODULES	(672) 300W 200V-300V
EST. ANGLE	14.5°
WARRANTY	(1) 25yr PERFORM-10
PERMITS	1st PERMIT = 100%
EST. SYSTEM EFFICIENCY	17.5%

KERNAN SOLAR, LLC
 CITY OF KERN COUNTY
 15405 WEST CHURCH ST. BURNHAM, CA 93309

PROJECT NUMBER: PV-1
 SHEET: 1 OF 1

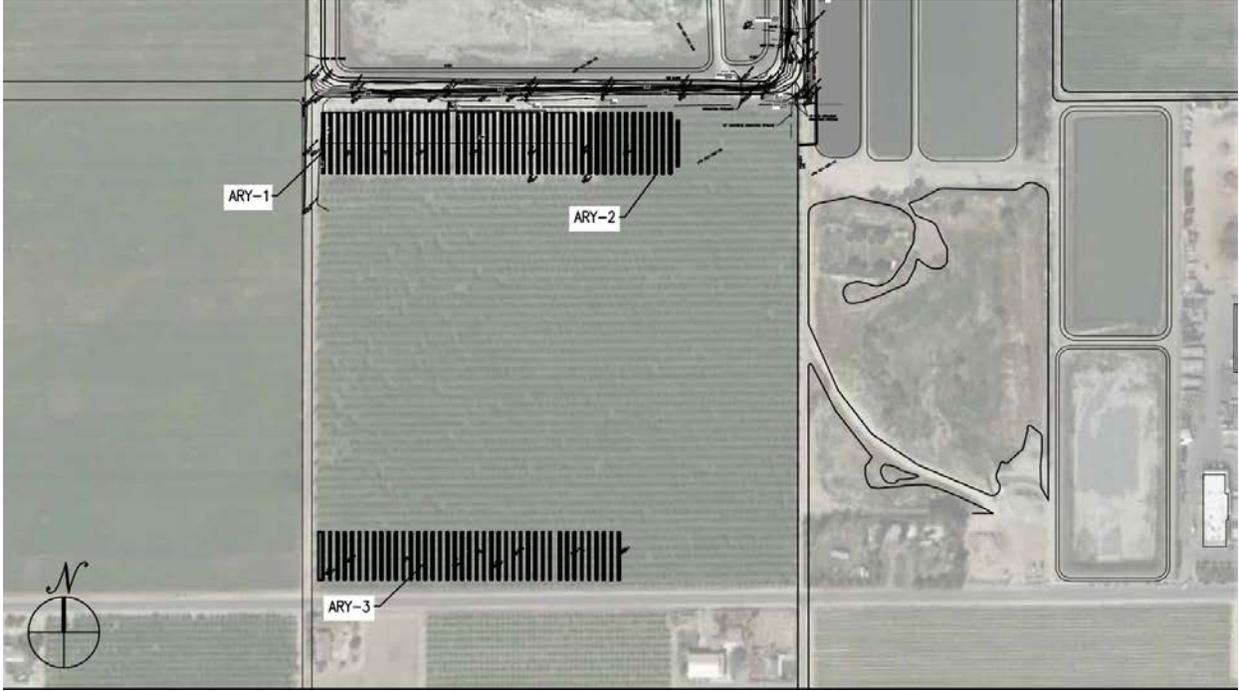


EXHIBIT F
TERMINAL VALUES

The applicable Terminal value with respect to the System under the Agreement shall be calculated in accordance with the following:

Terminal Value in Year after Commercial Operation of Expansion System:	Column 1 <u>Circumstances Under Which Host Does Not Take Title to the System (\$ including costs of removal)</u>	Purchase Date Occurs on the 91st day following: (Each "Anniversary" below shall refer to the anniversary of the Commercial Operation Date of Expansion System)	Column 2 <u>Circumstances Under Which Host Takes Title to the System (\$, does not include costs of removal)</u>
1	\$6,056,000		
2	\$5,856,000		
3	\$5,656,000		
4	\$5,556,000		
5	\$5,420,000		
6	\$5,245,000	6 th Anniversary**	\$4,489,000
7	\$5,067,000	7 th Anniversary	\$4,311,000
8	\$4,886,000	8 th Anniversary	\$4,130,000
9	\$4,601,000	9 th Anniversary	\$3,845,000
10	\$4,312,000	10 th Anniversary	\$3,556,000
11	\$4,019,000	11 th Anniversary	\$3,263,000
12	\$3,721,000	12 th Anniversary	\$2,965,000
13	\$3,417,000	13 th Anniversary	\$2,661,000
14	\$3,109,000	14 th Anniversary	\$2,353,000
15	\$2,794,000	15 th Anniversary	\$2,038,000
16	\$2,573,000	16 th Anniversary	\$1,817,000
17	\$2,395,000	17 th Anniversary	\$1,639,000
18	\$2,209,000	18 th Anniversary	\$1,453,000
19	\$1,929,000	19 th Anniversary	\$1,173,000
20	\$1,787,000	20 th Anniversary	\$1,031,000
21	\$1,645,000	21 th Anniversary	\$889,000
22	\$1,502,000	22 th Anniversary	\$746,000
23	\$1,360,000	23 th Anniversary	\$604,000
24	\$1,260,000	24 th Anniversary	\$504,000
25	\$1,160,000	25 th Anniversary	\$404,000

** Purchase Date refers to the Purchase Date as defined in the General Conditions of the PPA. Any purchase of the System by Host must comply with Section 2.3 of the General Conditions of the PPA.



City of Kerman

"Where Community Comes First"

MAYOR
Stephen B. Hill
MAYOR PRO-TEM
Gary Yep
COUNCIL MEMBER
Rhonda Armstrong
COUNCIL MEMBER
Kevin Nehring
COUNCIL MEMBER
Bill Nijjer

DEPARTMENT: CITY MANAGER
STAFF REPORT
CITY COUNCIL MEETING
COUNCIL MEETING DATE: JULY 20, 2016

To: Mayor and City Council
From: John Kunkel, City Manager
Subject: Public Hearing of Ordinance adding Chapter 3.16A to the Kerman Municipal Code to approve a special Three Quarter Cent (.75%) Retail Transactions and Use Special Tax for Construction of Senior Center, Regional Fairgrounds, Police Station, Animal Kennel, and Other Similar Projects, As Well As Downtown Revitalization not to exceed 10%

RECOMMENDATIONS

Council open the public hearing, receive public comments, close the public hearing and after deliberations take the following action:

1. By motion waive full reading and adopt Ordinance adding Chapter 3.16A to the Kerman Municipal Code to Approve a Special Three Quarter Cent (.75%) Transactions and Use Tax for Construction of Senior Center, Regional Fairgrounds, Police Station, Animal Kennel, and Other Similar Projects, and Downtown Revitalization not to exceed 10%.

EXECUTIVE SUMMARY

The Council at the July 6, 2016 meeting adopted a resolution submitting a ballot measure to City voters concerning the addition of a .75% to the transaction and use tax currently collected by the City. Council also designated two members to author the ballot argument in favor of the measure, and introduced and waived the full reading of an Ordinance of the City of Kerman Adding Chapter 3.16A to the Kerman Municipal Code to Approve a Special (.75%) Transaction and Use tax for Construction of Senior center. Regional Fairgrounds, Police Station, Animal Kennel, and Other Similar Projects, and Downtown Revitalization not to exceed 10%.

DISCUSSION

Ordinance

Under the State Revenue and Taxation Code if the Council wishes to increase the City's sales tax, the City Council must approve an ordinance establishing the sales tax by a 2/3 vote of the Council. The proposed ordinance is attached to the Council resolution calling for the election. Thereafter, the voters would vote on the ordinance via the ballot measure. Approval requires a 2/3 vote of the electorate. The ordinance designates the specified uses and purposes as directed by the Council on March 16, includes accountability language (annual audit, report, and a Citizens Oversight Committee) and includes text required by the Board of Equalization.

If the local revenue sales tax measure passes and the ordinance is adopted, Kerman will enter into two contracts with the State: the first to set up the tax and the second for ongoing administration. The tax will not be operative until the first day of the first calendar quarter commencing more than 110 days after the adoption of this ordinance at the election. This means that a tax passed in November 2016 would not be imposed and collected until February 2017. The ordinance would also be part of the Kerman Municipal Code.

OUTSTANDING ISSUES

None

FISCAL IMPACT

Cost of placing initiative on the ballot: \$4,000-\$6,000.

Potential revenue of \$550,000-\$750,000 annually.

PUBLIC HEARING

Council waive full reading, open Public Hearing, receive public comment, close Public Hearing and adopt Ordinance of the City of Kerman Adding Chapter 3.16A to the Kerman Municipal Code to Approve a Special Three Quarter Cent (.75%) Transactions and Use Tax for Construction of Senior Center, Regional Fairgrounds, Police Station, Animal Kennel, and Other Similar Projects, and Downtown Revitalization not to exceed 10%.

Attachments:

A. Ordinance

Attachment 'A'

ORDINANCE NO. 16-___

AN ORDINANCE OF THE CITY OF KERMAN ADDING CHAPTER 3.16A TO THE KERMAN MUNICIPAL CODE IMPOSING A SPECIAL THREE QUARTER CENT (.75 %) TRANSACTIONS AND USE TAX FOR CONSTRUCTION OF SENIOR CENTER, REGIONAL FAIRGROUNDS, POLICE STATION, ANIMAL KENNEL, AND OTHER SIMILAR PROJECTS, AS WELL AS DOWNTOWN REVITALIZATION NOT TO EXCEED 10%

THE PEOPLE OF THE CITY OF KERMAN DO ORDAIN AS FOLLOWS:

SECTION 1. Chapter 3.16A is added to Title 9 of the Kerman Municipal Code to read as follows:

CHAPTER 3.16A

TRANSACTIONS AND USE TAX FOR CAPITAL PROJECTS RELATING TO CONSTRUCTION OF SENIOR CENTER, REGIONAL FAIRGROUNDS, POLICE STATION, ANIMAL KENNEL, AND OTHER SIMILAR PROJECTS, AS WELL AS DOWNTOWN REVITALIZATION NOT TO EXCEED 10%

Sections:

- 3.16.010A Title.
- 3.16.020A Operative Date.
- 3.16.030A Purpose.
- 3.16.040A Use of Tax Revenue-Deposit in Special Fund.
- 3.16.050A Annual Audit and Citizen Oversight.
- 3.16.060A Contract with State.
- 3.16.070A Transactions Tax Rate.
- 3.16.080A Place of Sale.
- 3.16.090A Use Tax Rate.
- 3.16.100A Adoption of Provisions of State Law.
- 3.16.110A Limitations on Adoption of State Law and Collection of Use Taxes.
- 3.16.120A Permit Not Required.
- 3.16.130A Exemptions and Exclusions.
- 3.16.140A Amendments.
- 3.16.150A Enjoining Collection Forbidden.
- 3.16.160A Severability

3.16.010A. Title. This ordinance shall be known as the Transactions and Use Tax Ordinance for Construction of Senior Center, Regional Fairgrounds, Police Station, Animal Kennel, Other Similar Projects and Downtown Revitalization not to exceed 10%. The City of Kerman hereinafter shall be called "City." This ordinance shall be applicable in the incorporated territory of the City.

3.16.020A. Operative Date. "Operative Date" means the first day of the first calendar quarter commencing more than 110 days after the adoption of this ordinance, the date of such adoption being as set forth below.

3.16.030A. Purpose. This ordinance is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

A. To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code and Section 7285.91 of Part 1.7 of Division 2 which authorizes the City to adopt this tax ordinance which shall be operative if two-thirds of the electors voting on the measure vote to approve the imposition of the tax at an election called for that purpose.

B. To adopt a retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.

C. To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefore that can be administered and collected by the State Board of Equalization in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the State Board of Equalization in administering and collecting the California State Sales and Use Taxes.

D. To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this ordinance.

3.16.040A Use and Expenditure of Tax Revenue-Deposit in Special Fund.

A. The proceeds of the tax imposed by this Chapter shall be placed in a special fund and shall be dedicated and used only for City Council approved purposes set forth in this Section B. The Director of Finance shall establish and keep such accounts as may be necessary to account for said taxes.

B. All of the taxes collected under this Chapter shall be expended only for the following purposes:

1. Capital Projects for Public Safety and Parks such as a new police station, a senior center, youth recreation center, an animal kennel, park development and other similar projects.

2. Downtown Revitalization so long as such expenditures do not exceed ten percent (10 %) of the revenue generated by the taxes.

3.16.050A Annual Audit, Report, and Citizen Oversight.

A. The revenues from the tax imposed by this Chapter shall be subject to the annual audit performed by the City's independent auditor of the City's books, records, accounts, and fiscal procedures and which is reported in the City's Comprehensive Annual Financial Report.

B. In addition to the annual audit, an Annual Review Report shall be prepared by the City setting forth the amount of revenues received from the tax imposed by this Chapter, amount of disbursements, and description of expenditures. The purpose is to assure accountability and the proper disbursement of the proceeds of the taxes collected under this ordinance. The Annual Review Report shall be filed in the City Clerk's Office not later than January 1 of each fiscal year in which the tax is collected.

C. A Special Sales Tax Oversight Committee comprised of City Residents shall be established by the City Council to review the Annual Review Report and related records and to make comments and recommendations to the City Council to ensure compliance with this ordinance.

3.16.060A Contract With State. Prior to the operative date, the City shall contract with the State Board of Equalization to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if the City shall not have contracted with the State Board of Equalization prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

3.16.070A Transactions Tax Rate. For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated territory of the City at the rate of three quarter cent (.75 %) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of this ordinance.

3.16.080A Place of Sale. For the purposes of this ordinance, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the State Board of Equalization.

3.16.090A Use Tax Rate. An excise tax is hereby imposed on the storage, use or other consumption in the City of tangible personal property purchased from any retailer on and after the operative date of this ordinance for storage, use or other consumption in said territory at the rate of three quarter cent (.75 %) of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

3.16.100A Adoption of Provisions of State Law. Except as otherwise provided in this ordinance and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this ordinance as though fully set forth herein.

3.16.110A Limitations on Adoption of State Law and Collection of Use Taxes. In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

A. Wherever the State of California is named or referred to as the taxing agency, the name of this City shall be substituted therefor. However, the substitution shall not be made when:

1. The word "State" is used as a part of the title of the State Controller, State Treasurer, Victim Compensation and Government Claims Board, State Board of Equalization, State Treasury, or the Constitution of the State of California;

2. The result of that substitution would require action to be taken by or against this City or any agency, officer, or employee thereof rather than by or against the State Board of Equalization, in performing the functions incident to the administration or operation of this Ordinance.

3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:

a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;

b. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the state under the said provision of that code.

4. In Sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.

B. The word "City" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in Section 6203 and in the definition of that phrase in Section 6203.

3.16.120A Permit Not Required. If a seller's permit has been issued to a retailer under Section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this ordinance.

3.16.130A Exemptions and Exclusions.

A. There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.

B. There are exempted from the computation of the amount of transactions tax the gross receipts from:

1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the county in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.

2. Sales of property to be used outside the City which is shipped to a point outside the City, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the City shall be satisfied:

a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code by registration to an out-of-City address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and

b. With respect to commercial vehicles, by registration to a place of business out-of-City and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this ordinance.

5. For the purposes of subparagraphs (3) and (4) of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

C. There are exempted from the use tax imposed by this ordinance, the storage, use or other consumption in this City of tangible personal property:

1. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.

2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in Sections 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.

3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this ordinance.

5. For the purposes of subparagraphs (3) and (4) of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

6. Except as provided in subparagraph (7), a retailer engaged in business in the City shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the City or participates within the City in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the City or through any representative, agent, canvasser, solicitor, subsidiary, or person in the City under the authority of the retailer.

7. "A retailer engaged in business in the City" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with Section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with Section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with Section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the City.

D. Any person subject to use tax under this ordinance may credit against that tax any transactions tax or reimbursement for transactions tax paid to a district imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use or other consumption of which is subject to the use tax.

3.16.140A Amendments.

A. All amendments subsequent to the effective date of this ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this ordinance. The foregoing amendments shall not require voter approval.

B. The following amendments to this ordinance must be approved by the voters of the City: (i) increasing the tax rate or revising the methodology for calculating the tax such that a tax increase would result; (ii) imposing the tax on transactions and uses not previously subject to the tax (unless such amendment occurs automatically by operation of preceding paragraph A); (iii) amending the purposes and/or use for which the tax is collected.

3.16.150A Enjoining Collection Forbidden. No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the City, or against any officer of the State or the City, to prevent or enjoin the collection under this ordinance, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

3.16.160A Severability. If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

3.16.170A Sunset Clause. This ordinance shall terminate fifteen years from the Operative Date set forth in Section 3.16.020A of this ordinance.

SECTION 2. Compliance with the California Environmental Quality Act. The approval of this ordinance is exempt from the California Environmental Quality Act (Public Resources Code Sections 21000 *et seq.*, "CEQA," and 14 Cal. Code Reg. Sections 15000 *et seq.*, "CEQA Guidelines"). This ordinance imposes a special tax that can be used only for any legitimate governmental purpose as specified in the ordinance. It is not a commitment to any specific project that may result in a potentially significant physical impact on the environment.

SECTION 3. Two-Thirds Voter Approval. The tax imposed by this ordinance is a special tax. This tax shall be effective only if approved by two-thirds of the City's voters voting thereon at the November 8, 2016, City election.

SECTION 4. Effective Date. This ordinance relates to the levying and collecting of the City transactions and use taxes and shall take effect immediately.

SECTION 5. Certification and Publication. The City Clerk shall certify the final approval of this Ordinance, publish the same as required by law, and forward a copy of the adopted Ordinance to the Board of Equalization.

The foregoing ordinance was introduced at a regular meeting of the City Council of the City of Kerman held on _____, 2016, and was passed and approved for placement on the ballot by a 2/3 vote of the City Council at a regular meeting of the City Council held on _____, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

The foregoing ordinance was adopted by the voters of the City of Kerman at the regular election held on November 8, 2016 by the following vote:

YES:

NO:

The foregoing ordinance is hereby approved.

Stephen B. Hill
Mayor

ATTEST:

Marci Reyes
City Clerk



MAYOR
Stephen B. Hill

MAYOR PRO-TEM
Gary Yep

COUNCIL MEMBER
Rhonda Armstrong

COUNCIL MEMBER
Kevin Nehring

COUNCIL MEMBER
Bill Nijjer

DEPARTMENT: PLANNING AND DEVELOPMENT
STAFF REPORT
CITY COUNCIL MEETING
COUNCIL MEETING DATE: JULY 20, 2016

TO: Mayor and City Council
FROM: Olivia Pimentel, Planning Technician
SUBJECT: Public Hearing Ordinance Repealing Chapter 13.06 of Title 13 of the Kerman Municipal Code and Adding new Chapter 13.06 of the Kerman Municipal Code Adopting by Reference the State Model Water Efficient Landscape Ordinance

RECOMMENDATION

Council by motion, open public hearing, consider any public testimony, close public hearing, waive further reading and Adopt Ordinance Repealing Chapter 13.06 of Title 13 of the Kerman Municipal Code and Adding new Chapter 13.06 of the Kerman Municipal Code Adopting by Reference the State Model Water Efficient Landscape Ordinance.

EXECUTIVE SUMMARY

This Ordinance was introduced at the July 6, 2016 meeting and is being presented to Council for public hearing, second reading and adoption of the proposed Ordinance that would bring the City of Kerman in compliance with current state law relating to Water Efficiency Landscape Ordinance.

Local agencies were required to adopt or amend their current Water Efficiency Landscape Ordinance that is as effective as the State's Model Water Efficient Landscape Ordinance (MWELO) in conserving water use in new development by December 1, 2015, and submit a copy of the adopted ordinance to the State by February 1, 2015. Because the City did not take action on a water efficient landscape ordinance by the specified dates, the State's Ordinance became effective by default. Additionally, the City's current ordinance does provide in KMC Section 13.06.010 that subsequent amendments by the State will be deemed to have the effect of amending the City's MWELO.

Staff has discussed the comprehensive details of the State's requirements and the four options that are available:

1. Adopt by reference Sections 490-495, Chapter 2.7, Division 2, Title 23 in the California Code of Regulations
2. Adopt the MWELO in detail - Sections 490-495, Chapter 2.7, Division 2, Title 23 in the California Code of Regulations
3. Amend an existing or adopt a new Local Ordinance or Regional Ordinance to meet the requirements contained in the regulations
4. Take no action and allow the MWELO to be in effect by default and pursuant to KMC Section 13.06.010.

Option 4 could lead to confusion as persons looking at the Kerman Municipal Code would be viewing an incomplete ordinance that has been amended by the state in great detail.

Option 3 would take significant effort to reconcile the existing ordinance with the new MWELO. This leaves

Options 1 and 2. After consideration, staff in consultation with the City Attorney has determined that it will be clearer to the public and clearer for staff to adopt the MWELO by reference. This will also eliminate future editing to meet State requirements.

Government Code Section 50022.1 et seq. provides that ordinances and codes of the federal, state, or any of their agencies may be adopted by the city by reference provided that prior to adoption a noticed public hearing has been held.

OUTSTANDING ISSUES

Governor Brown's Drought Executive Order of April 1, 2015 (EO B-29-15) directed DWR to update the State's MWELO through expedited regulation. The California Water Commission approved the revised Ordinance on July 15, 2015.

By way of background the City adopted a model ordinance 2009 that was adopted by City Council on December 16, 2009. In 2006, Governor Schwarzenegger signed Assembly Bill 1881 amending the Water Conservation in the Landscape Act (Act). The bill required that all cities and counties were to update their local landscape ordinances by January 1, 2010. All cities had until this date to either adopt the state's MWELO or adopt their own local water efficient landscape ordinance. If a City adopted its own local ordinance, it must be at least as effective in achieving water use efficiency as the MWELO. The intent of the state's model ordinance is to achieve increased landscape water use efficiency in new development.

The most recent Executive Order of April 1, 2015, affects new development projects that include landscape areas of 500 sq. ft. or more that are subject to the Ordinance. This applies to residential, commercial, industrial and institutional projects that require a permit, plan check or design review. The previous landscape size threshold for new development projects ranged from 2500 sq. ft. to 5000 sq. ft.

The size threshold for existing landscapes that are being rehabilitated has not changed, remaining at 2500 sq. ft. Only rehabilitated landscapes that are associated with a building or landscape permit, plan check, or design review are subject to the Ordinance.

The new law's significant revisions are as follows:

More Efficient Irrigation Systems

- Dedicated landscape water meters or sub-meters are required for residential landscapes over 5000 sq. ft. and non-residential landscapes over 1000 sq. ft.
- Irrigation systems are required to have pressure regulators and master shut-off valves.
- All irrigation emission devices must meet the national standard stated in the Ordinance to ensure that only high efficiency sprinklers are installed.
- Flow sensors that detect and report high flow conditions due to broken pipes and/or popped sprinkler heads are required for landscape areas greater than 5000 sq. ft.

- The minimum width of areas that can be overhead irrigated was changed from 8 feet to 10 feet; areas less than 10 feet wide must be irrigated with subsurface drip or other technology that produces no over spray or runoff.

Incentives for Graywater Usage

Landscapes under 2500 sq. ft. that are irrigated entirely with graywater or captured rainwater are subject only to the irrigation system requirements of Appendix D, Prescriptive Compliance Option.

Improvements in Onsite Stormwater Capture

Friable soil is required in planted areas to maximize water retention and infiltration. Four yards of compost per 1000 sq. ft. of area must be incorporated. Other recommended measures for increasing onsite stormwater retention are listed in the Ordinance.

Limiting the Portion of Landscapes that can be Planted with High Water Use Plants

The maximum amount of water that can be applied to a landscape reduced from 70% of the reference evapotranspiration (Eto) to 55% for residential landscape projects, and to 45% of Eto for non-residential projects. This water allowance reduces the landscape area that can be planted with high water use plants such as cool season turf.

Reporting Requirements

All local agencies will report on the implementation and enforcement of their ordinances to DWR by December 31, 2015. Local agencies developing a regional ordinance will report on their adopted regional ordinance by March 1, 2016. Reporting for all agencies will be due by January 31st of each year thereafter.

Prescriptive Checklist Option for Landscapes under 2500 sq. ft.

Projects with landscape areas under 2500 sq. ft. may comply with the performance requirements of the Ordinance or conform to the prescriptive measures contained in Appendix D. Many will find that the Appendix D checklist simplifies compliance.

If the local agencies have not adopted a local ordinance by the date the model ordinance is mandated to take effect, the State's model ordinance shall be enforced by the local agency, and shall have the same force and effect as if adopted by the local agency. Furthermore, not later than December 31, 2015, each local agency shall notify the Department of Water Resources as to whether the local agency is subject to the State's model ordinance and/or shall submit to DWR a copy of the water efficient landscape ordinance adopted by the local agency. Since the City did not meet the deadline, we have been enforcing the State's model ordinance as required.

SUMMARY/CONCLUSION:

Exemption from California Environmental Quality Act

The Ordinance is exempt from review under the California Environmental Quality Act ("CEQA") (California Public Resources Code Section 21000 et seq.), pursuant to State CEQA Regulation 15307. This Ordinance is covered by CEQA's Category 7 Exemption for actions taken to assure the maintenance, restoration, enhancement, or protection of a natural resource where the regulatory process involves procedures for protection of the environment. The adoption of this Ordinance will result in the enhancement and protection of water resources in the City and will not result in cumulative adverse environment impacts.

FISCAL IMPACT

The fiscal impacts of implementing the State's MWELO or the City's own water efficiency ordinance are unknown. The City currently does not have certified staff to evaluate and certify that developments are in compliance with the water efficiency ordinance. More than likely the City would retain an outside consultant to plan check and certify that projects meet the objectives of the ordinance. Thus, the cost of review and certification will be transferred to applicants similar to plan check fees assessed for building plans.

Attachments:

- A. Ordinance

Attachment 'A'

ORDINANCE NO. 16-__

AN ORDINANCE OF THE CITY OF KERMAN REPEALING CHAPTER 13.06 OF TITLE 13 OF THE KERMAN MUNICIPAL CODE AND ADDING NEW CHAPTER 13.06 TO TITLE 13 OF THE KERMAN MUNICIPAL CODE ADOPTING BY REFERENCE THE STATE MODEL WATER EFFICIENT LANDSCAPE ORDINANCE

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

SECTION 1. Chapter 13.06 of Title 13 of the Kerman Municipal Code comprised of Sections 13.06.010 through 13.06.494 is hereby repealed.

SECTION 2. Chapter 13.06 of Title 13 of the Kerman Municipal Code is added to read as follows:

CHAPTER 13.06

MODEL WATER EFFICIENT LANDSCAPE ORDINANCE

Sections:

- 13.06.010 Purpose and Intent.
- 13.06.020 Adoption of State Model Water Efficient Landscape Ordinance.
- 13.06.030 Local Agency Defined.
- 13.06.040 Local Purveyor Defined.

Section 13.06.010 Purpose and Intent.

The purpose of this Chapter is to adopt by reference the State Model Water Efficient Landscape Ordinance as required by state law.

Section 13.06.020 Adoption of State Model Water Efficient Landscape Ordinance.

Except as hereafter provided, the City hereby adopts the Model Water Efficient Landscape Ordinance of the State of California by reference as set forth in Sections 49-495, Chapter 2.7, Division 2, of Title 23 of the California Code of Regulations, as amended. A copy of the Model Water Efficient Landscape Ordinance of the State of California shall be maintained in the Building Department and City Clerk's Office and shall be made available for public inspection while this ordinance is in force.

Section 13.06.030 Local Agency Defined.

The term "local agency" in the Water Efficient Landscape Ordinance shall mean the City of Kerman.

Section 13.06.040 Local Water Purveyor Defined.

The term "local water purveyor" in the Water Efficient Landscape Ordinance shall mean the City of Kerman.

SECTION 3. CEQA.

This Ordinance is categorically exempt under CEQA Guidelines for Implementation of the California Environmental Quality Act, Section 15307, Actions by Regulatory Agencies for Protection of Natural Resources, Class 7 Exemption.

SECTION 4. Severance. If any section, subsection, phrase, or clause of this ordinance is for any reason held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portions of this Ordinance.

SECTION 5. Publication. Upon passage, this ordinance or a summary of the same shall be published within fifteen (15) days of passage pursuant to the laws of the State of California in the Kerman News, a newspaper of general circulation published and circulated in said City of Kerman.

SECTION 6. Effective Date. This ordinance shall become effective thirty (30) days after its adoption.

The foregoing ordinance was introduced at a regular meeting of the City Council of the City of Kerman held on 6th day of July 2016, and was passed and adopted at a noticed public hearing of the City Council held on 20th day of July, 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

The foregoing ordinance is hereby approved.

Stephen B. Hill
Mayor

ATTEST:

Marci Reyes
City Clerk



City of Kerman

"Where Community Comes First"

MAYOR Stephen B. Hill
MAYOR PRO-TEM Gary Yep
COUNCIL MEMBER Rhonda Armstrong
COUNCIL MEMBER Kevin Nehring
COUNCIL MEMBER Bill Nijjer

DEPARTMENT: PLANNING AND DEVELOPMENT
STAFF REPORT
CITY COUNCIL MEETING
COUNCIL MEETING DATE: JULY 20, 2016

To: Mayor and City Council
From: Jerry Jones, City Engineer
Subject: Application for Community Development Block Grant Funds for Fiscal Year 2017-2018

RECOMMENDATION

Council by motion adopt the resolution approving the submittal of an application for Community Development Block Grant Funds for Fiscal Year 2017-2018 for the development of the Stanislaus Avenue Park and authorize the City Manager to request an advance of the City's FY 2018-2019 funding allocation.

EXECUTIVE SUMMARY

The City receives an annual allocation of Federal Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD) through an agreement with the County of Fresno (County). The City's funding allocation for FY 2017-2018 is estimated to be \$260,000. Typically, the City receives approximately \$125,000 in funding on an annual basis. However, the FY 2017-2018 estimated funding includes the City's FY 2016-2017 allocation which the City elected to defer during last year's application cycle. The intent of deferring funds was to accumulate enough funding to construct the City's Stanislaus Avenue Park. The estimated cost to develop the park is \$434,000. Staff have discussed the possibility of receiving an advance on the City's FY 2018-2019 CDBG allocation with the County, which would bring the total CDBG funds available to approximately \$390,000. The County would approve of the advance, but the availability of advance funds depends on whether other participating agencies elect to defer their FY 2017-2018 funding allocation.

OUTSTANDING ISSUES

If the City elects to submit an application for the Stanislaus Avenue Park, the application will show that the City will contribute the required funding in excess of CDBG funding, estimated to be \$174,000, unless the City is able to receive an advance of FY 2018-2019 CDBG funding. If the City does not receive an advance, the City will have to move forward with the project via one of the following options:

1. City contribute the difference between CDBG funding and project cost, estimated to be \$174,000;
2. Reduce the scope of the project to only included the initial development of the park (i.e. grading, concrete, and underground utilities);
3. Attempt to schedule the project in a manner that allows for the City's FY 2018-2019 CDBG allocation be added to the project via amendment in Summer 2018.

DISCUSSION

The County receives an annual allocation of CDBG funds from HUD and, through an agreement with local participating Cities, makes a portion of the CDBG funds available to each City. The City's FY 2017-2018 allocation is estimated to be \$260,000, which includes the City's FY 2016-2017 allocation. On July 15, 2015, Council elected to defer the City's FY 2016-2017 allocation in an effort to accumulate funds to complete a larger project. When Council elected to defer the City's FY 2016-2017 funding allocation, the project in mind was the development of the Stanislaus Avenue Park. The park will be located on City-owned property on the south side of Stanislaus Avenue, on the west side of Goldenrod Elementary School. A vicinity map is included as Attachment B. The City has received complaints from residents regarding a lack of equity in park space between the west side and east side of the City. The development of the park would help relieve these concerns. The estimated cost of developing the park is \$434,000.

Based on the City's FY 2017-2018 funding allocation of \$260,000, the City would have to allocate \$174,000 in City funds to complete the park. In an effort to reduce the City's funding contribution, Staff contacted the County to discuss the possibility of receiving an advance on the City's FY 2018-2019 CDBG funding allocation. The City could receive an advance, but it depends on whether other participating agencies elect to defer their FY 2017-2018 funding allocation. The County receives a set amount of CDBG funding annually, so if one agency wants to advance funds, another agency or agencies must defer funds in an equal amount. The final decision on which agencies receive advance funds, if any funds are deferred, is made by a vote of the City Managers of the participating agencies in the Spring.

In-lieu of submitting an application for the Stanislaus Avenue Park and requesting an advance of CDBG funding, Council may direct Staff to submit an application for another project. Example projects that have been discussed in the past include Kerckoff Park restroom replacement, Kiwanis Park restroom installation, continuation of California Avenue sidewalk (south side), and installation of additional street lights in the older portions of the City. Projects for which CDBG funds can be used must benefit either areas within the City with at least 51 percent low to moderate income households, senior citizens, or persons with disabilities. HUD utilizes the American Community Survey (ACS) to determine the percentage of low to moderate income households within Census Block Groups. The eligible areas are shown on the map included as Attachment C. The City must submit a project application to the County to verify eligibility and receive funding. Applications are due July 29, 2016.

FISCAL IMPACT

The City's estimated CDBG funding allocation for FY 2017-2018 is \$260,000. If the cost of the project for which an application is submitted is greater than \$260,000, the City will have to fund the difference. For the development of the Stanislaus Avenue Park, the difference between the FY 2017-2018 CDBG funding and estimated project cost is \$174,000. However, the City may request an advance of FY 2018-2019 CDBG funding to increase the total CDBG funding to approximately \$390,000 and reduce the City's contribution to \$44,000, if the advance is approved.

PUBLIC HEARING

After submittal of the application to the County and receipt of approval of the project, the City will be required to conduct a Public Hearing.

Attachments:

- A. Resolution
- B. Stanislaus Avenue Park Vicinity Map
- C. CDBG Eligibility Map

Attachment 'A'

RESOLUTION NO. 16-__

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KERMAN AUTHORIZING SUBMISSION OF APPLICATION FOR COMMUNITY DEVELOPMENT BLOCK GRANT FUNDING FOR FISCAL YEAR 2017-2018

WHEREAS, the County of Fresno receives an annual allocation of Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development and through an agreement with local participating agencies makes a portion of the funds available to each agency; and;

WHEREAS, the City of Kerman is a participating agency and has been invited to apply for Fiscal Year 2017-2018 CDBG funding by the County; and

WHEREAS, the City's Fiscal Year 2017-2018 CDBG funding allocation is estimated to be \$260,000; and

WHEREAS, the City engineer recommends the City apply for Fiscal Year 2017-2018 CDBG funding for the development of the Stanislaus Avenue Park and request an advance of the City's Fiscal Year 2018-2019 CDBG funding to be applied to the development of the park.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF KERMAN RESOLVES AS FOLLOWS:

1. Submission of an application for CDBG funds for Fiscal Year 2017-2018 to the County of Fresno for the development of the Stanislaus Avenue Park is hereby authorized.
2. The City Manager is authorized to sign the application and all associated documents.
3. The City Manager is authorized to request an advance of the City's Fiscal Year 2018-2019 CDBG funding to be applied to the development of the park.

The foregoing resolution was introduced at a regular meeting of the City Council of the City of Kerman held on the 20th day of July, 2016, and passed at said meeting by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

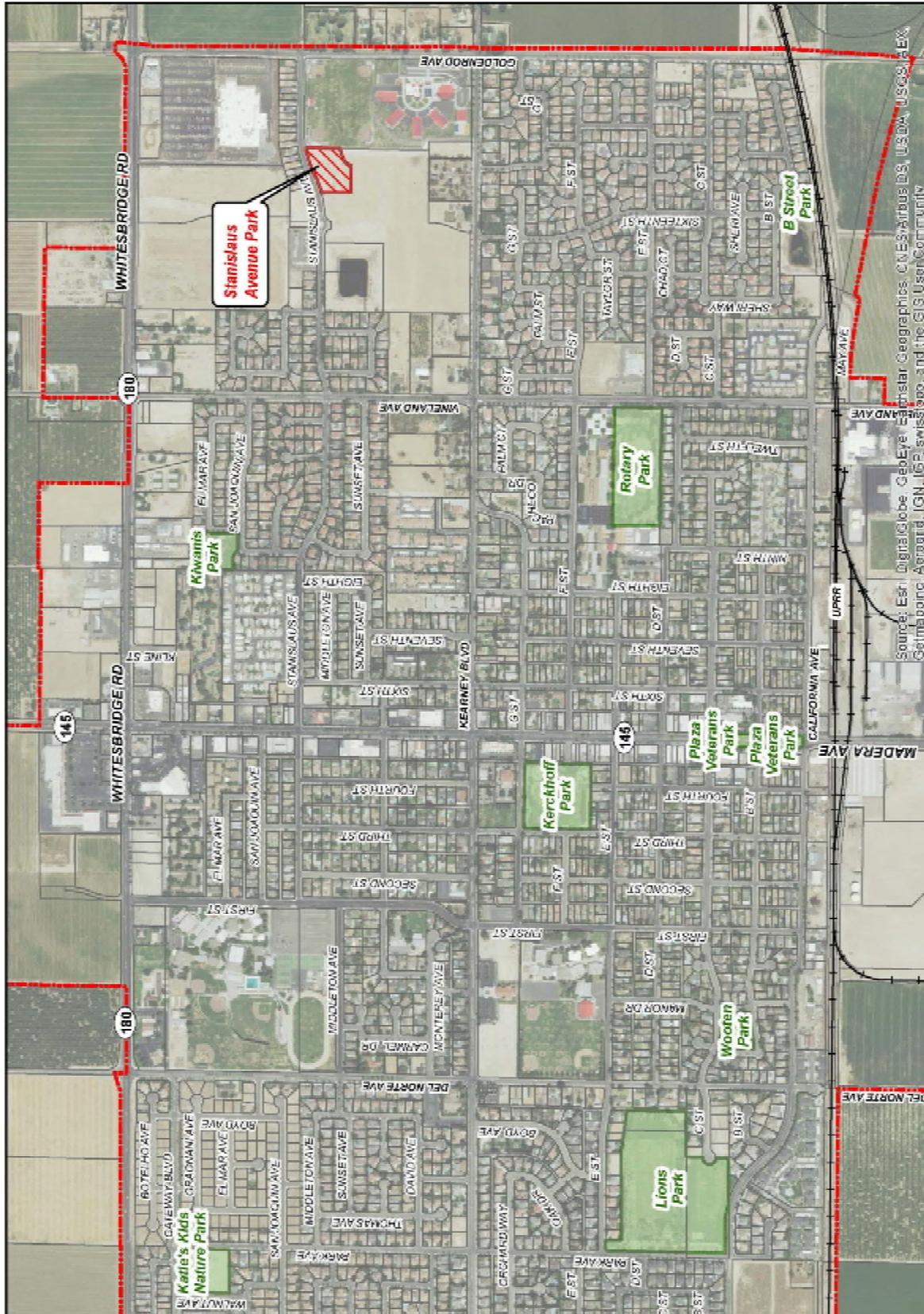
The foregoing resolution is hereby approved.

Stephen B. Hill
Mayor

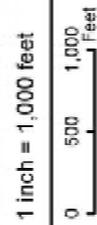
ATTEST:

Marci Reyes
City Clerk

Attachment 'B'



Stanislaus Avenue Park
Vicinity Map



Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, Aero
Geo, GeoEye, IGN, GeoEye, and the GIS User Community



City of Kerman

"Where Community Comes First"

MAYOR
Stephen B. Hill
COUNCIL MEMBER
Rhonda Armstrong
MAYOR PRO-TEM
Gary Yep
COUNCIL MEMBER
Kevin Nehring
COUNCIL MEMBER
Bill Nijjer

DEPARTMENT: PLANNING AND DEVELOPMENT
STAFF REPORT
CITY COUNCIL MEETING
COUNCIL MEETING DATE: JULY 20, 016

To: Mayor and City Council
From: Jerry Jones, City Engineer
Subject: Resolution Approving Agreements for Water Service for Properties within the West Date Avenue Community

RECOMMENDATION

Council by motion adopt the resolution approving Agreements for Water Service for properties within the West Date Avenue Community.

EXECUTIVE SUMMARY

The City has received requests to connect to the City water system from several properties within the West Date Avenue Community, commonly known as La Fe, to ensure reliable water service. The City has previously agreed to provide water service to properties within the La Fe Community through an agreement with the County of Fresno. The County installed the required water infrastructure to serve La Fe in 2000. Per the Kerman Municipal Code, properties outside of City Limits must enter into an agreement with the City in order to receive any utility service.

OUTSTANDING ISSUES

None.

DISCUSSION

Due to contamination of private wells in the La Fe Community, the County of Fresno funded a project to extend City water facilities to the community to provide safe water service in 2000. The City entered into an agreement with the County to take over the new water facilities once complete and provide water service to any properties in the La Fe service area that wish to connect to the City water system, granted those properties enter into a service agreement with the City and pay all applicable fees. La Fe is located outside of the City Limits, on the east side of Madera Avenue, south of Jensen Avenue. A vicinity Map is included as Attachment 'B'.

A number of the property owners connected to the City water system at the completion, or shortly thereafter, of the County's project that installed the necessary water system infrastructure to serve the properties. However, several properties elected to continue to use their own private water wells instead of connecting to the City system. Over the last year, the City has received requests from several of these properties to connect to the City water system due to failure, or signs of impending failure, of their private water well. There are a total of twelve (12) properties within the community that have not connected to the City's water system. The map included as Attachment 'C' delineates the properties which have, and have not, connected.

In response to the requests, City Staff submitted the required application to the Fresno County Local Agency Formation Commission (LAFCo) to gain approval to provide water service to the properties in the La Fe Community that have yet to connect to the City's water system. LAFCo must approve of any utility service provided by the City outside of City Limits. The City received approval from LAFCo on May 2, 2016.

Kerman Municipal Code (KMC) Section 13.04.100 allows for properties located outside of City Limits to connect to City utilities provided the property owners enter into a written agreement with the City for all utility services. Furthermore, KMC Section 13.08 requires the payment of fees for connection, either in full or on an installment basis. Each property owner will be required to pay the applicable Development Impact Fees (DIFs) for connection to the City water system. The DIFs will be determined on a case by case basis by City Staff. Water Front Footage and Water Oversize DIFs will not be charged as the County installed, at no expense to the City, significant improvements to the City's water distribution system on behalf of the La Fe Community. Property owners may request that DIFs be collected on a monthly basis over a 10-year period, subject to approval by the City. Any future development on each property will be subject to additional DIFs.

FISCAL IMPACT

The City will collect the required DIFs either on a lump sum or installment basis, depending on the request from each property owner. All connection fees, including purchase of the required water meter, will be required to be paid upfront prior to the City providing service. Each water service will be metered and the property owner will be billed monthly for their water use.

PUBLIC HEARING

Not Required.

Attachments:

- A. Resolution
- B. Vicinity Map
- C. Service Connection Map

Attachment 'A'

RESOLUTION NO. 16- __

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KERMAN
APPROVING AGREEMENTS FOR WATER SERVICE FOR PROPERTIES
WITHIN THE WEST DATE AVENUE COMMUNITY

WHEREAS, the City of Kerman entered into an agreement with the County of Fresno in 2000 to provide water service to the properties located within the West Date Avenue Community, commonly known as La Fe, granted the property owner pays all applicable fees and enters into an agreement for water service with the City; and

WHEREAS, the West date Avenue Community is located outside of the City Limits, and as such any water service provided by the City must be approved by the Fresno County Local Agency Formation Commission; and

WHEREAS, the City applied for, and received approval from, the Fresno County Local Agency Formation Commission on May 2, 2016 to provide water service to properties located within the West Date Avenue Community; and

WHEREAS, Kerman Municipal Code Sections 13.04.100 and 13.08 require properties located outside of City Limits to enter into a utility service agreement with the City and pay all applicable fees prior to receiving any service; and

WHEREAS, several property owners have requested water service from the City due to failure or impending failure of their private water well and have made application to the City for water service; and

WHEREAS, the water system infrastructure required to serve the properties within the West Date Avenue Community was installed by the County of Fresno and no additional improvements to the water system are required to provide service.

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

1. The Standard Form of Agreement for Water Service for properties within the West Date Avenue Community, as substantially shown in Exhibit A, is hereby approved.
2. The City Manager is authorized to sign each Agreement on behalf of the City.

The foregoing resolution was introduced at a regular meeting of the City Council of the City of Kerman held on the 20th day of July, 2016, and passed at said meeting by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

The foregoing resolution is hereby approved.

Stephen B. Hill
Mayor

ATTEST:

Marci Reyes
City Clerk

RECORDED AT THE REQUEST OF
AND WHEN RECORDED MAIL TO:

CITY CLERK
CITY OF KERMAN
850 S. MADERA AVENUE
KERMAN, CA 93630

NO RECORDING FEE GOV. CODE 27383

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Address: *(Insert Property Address)*
APN: *(Insert APN)*

AGREEMENT FOR WATER SERVICE
(INSERT FULL NAME OF OWNER)

This Agreement for Water Service (the Agreement) is made this _____ day of _____, 20XX between the CITY OF KERMAN, a municipal corporation (City), and *(INSERT FULL NAME OF OWNER)*, *(Insert Ownership Status)* (Owner).

Recitals

A. Owner is the record owner of that certain real property (Real Property) located at *(Insert Property Address)*, in the County of Fresno, California and more particularly described as follows:

(Insert Property Description from Deed)

B. Improvements to the Owner's Real Property include a residence(s) (referred to as "residence"), a water well and septic system.

C. Owner desires to connect their existing residence to the water system of the City within 120 days of the date of this Agreement and to receive service from water system.

Agreement

In consideration of the mutual promises contained herein, the parties agree as follows:

1. **Payment of Fees.** Owner agrees that he/she is obligated to pay Development Impact Fees to City in the amount of *(In Words) (\$XXXX)* in order to receive water service from the City, as shown in attached Exhibit A.

(If Requested, Add)

Owner agrees to pay these fees in 120 monthly installments of \$XXXX each. Installments shall begin with the first monthly utility billing after Owner is connected to the water system and shall continue until the entire amount is paid.

2. Utility Service Application and Service Rates. In addition to this Agreement, Owner agrees to complete a Utility Service Application for water service and agrees to pay the water rates applicable to City residents which will be billed in accordance with City billing of City residents. As a new water service connection, Owner is required to pay for the required water meter at the rate established by the City.

3. Plumbing Permits; Restrictions on Well Use. Owner agrees to obtain and pay for Plumbing Permits from the City or County, whichever is applicable, for the connection of the residence on the Real Property to the City water system. If Owner chooses to maintain the existing water well, Owner agrees to use water produced by it for landscape irrigation purposes only, to disconnect the existing water pipeline from the well to the residence, and to install an approved backflow prevention device immediately downstream of his water meter and connection to the City water system. If after connection to the City water system, Owner ceases to use the existing well for irrigation purposes, Owner agrees to obtain and pay for a permit and abandon the existing well as required by law within 120 days of cessation of use of the water well.

4. Discontinuance of Utilities. The parties acknowledge that one result of the utility billing method of payment is to allow City to use the non-judicial remedy of discontinuing all utility services in the event of a default by Owner in the performance of its duties and obligations pursuant to the Agreement.

5. Arbitration. In addition to any other relief that may be available to the parties in connection with this Agreement, the parties agree that a court or arbitrator may, in appropriate circumstances, order either party to specifically perform its obligations as set forth in this Agreement.

6. No Assignment; Agreement Runs with the Land. The rights and obligations of the parties shall not be assigned or transferred to others without the prior written consent of the other party. This agreement shall be binding upon and insure to the benefit of the parties' successors or assigns. The burdens and benefits of this Agreement shall run with the land identified in Recital A above. This Agreement shall be executed in recordable form.

7. Notices. All notices to be given under this Agreement shall be in writing and either:
(a) Sent by certified mail, return receipt requested, in which case notice shall be deemed delivered three (3) business days after deposit, postage prepaid in the United States Mail,
(b) Sent by a nationally recognized overnight courier, in which case notice shall be deemed delivered one (1) business day after deposit with this courier, or
(c) By telecopy or similar means, if a copy of the notice is also sent by United States Certified Mail, in which case notice shall be deemed delivered on transmittal by telecopier or other similar means provided that a transmission report is generated by reflecting the accurate transmission of the notices, as follows:

TO OWNER: *(Insert Name of Owner)*
(Insert Property Address)

TO CITY: City Manager
CITY OF KERMAN
850 South Madera Avenue
Kerman, CA 93630

With Courtesy Notice to: City Attorney
 850 South Madera Avenue
 Kerman, CA 93630

These addresses may be changed by written notice to the other party, provided that no notice of a change of address shall be effective until actual receipt by the parties of the notice. Copies of notices are for informational purposes only, and a failure to give or receive copies of any notice shall not be deemed a failure to give notice.

8. Attorneys Fees. If either party commences an action against the other to enforce this Agreement, or because of the breach by either party of this Agreement, the prevailing party in this action shall be entitled to recover attorney fees and costs incurred in connection with the prosecution or defense of this action, including any appeal of the action, in addition to all other relief. Prevailing party within the meaning of this Section shall include, without limitation, a party who successfully brings an action against the other party for sums allegedly due or performance of covenants allegedly breached, or that party who obtains substantially the relief sought in the action.

9. Entire Agreement. This Agreement contains the entire agreement between the parties as to the subject matter hereof. This Agreement shall not be construed to relieve Owner from properly maintaining improvements on Owner's property as required by any existing site plan or conditional use permit, to excuse compliance with any law or regulation of general application, or to address any developmental requirements that may be applied to any future development of Owner's property. Without limitation of the foregoing, Owner acknowledges that the Development Impact Fees paid as provided herein are for the existing residence only, and any additional residences or other uses or additional improvements will require the payment of additional Development Impact Fees as may be applicable to such additional residences, uses or improvements.

No promise, representation, warranty, or covenant not included in this Agreement has been or is relied on by either party. Each party has relied upon his own examination of this Agreement, the counsel of his own advisors, and the warranties, representations, and covenants in the Agreement itself. The failure or refusal of either party to read the Agreement or other documents, or to obtain legal or other advice relevant to this transaction constitutes a waiver of any objection, contention, or claim that might have been based on such reading, inspection, or advice.

10. Time of the Essence. Time is of the essence for each condition, term, and provision in this Agreement.

11. Counterpart Signatures. This Agreement may be executed in one or more counterparts. Each shall be deemed an original and all taken together shall constitute one and the same instrument. The execution of this Agreement is deemed to have occurred, and this Agreement shall be enforceable and effective only on the complete execution of this Agreement by the parties.

12. Severance. If any term or provision of this Agreement shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement shall not be affected.

13. No Waiver. A waiver or breach of a covenant or provision in this Agreement shall not be deemed a waiver of any other covenant or provision in this Agreement, and no waiver shall be valid unless in writing and executed by the waiving party. An extension of time for performance of any obligation or act shall not be deemed an extension of the time for performance of any other obligation or act.

13. Headings. Headings at the beginning of each section and subsection are solely for the convenience of the parties and are not a part of and shall not be used to interpret this Agreement. The singular form shall include the plural and vice versa. This Agreement shall not be construed as if it had been prepared by one of the parties, but rather as if both parties have prepared it. Unless otherwise indicated, all references to sections are to this Agreement. All exhibits referred to in this Agreement are attached to it and incorporated to it by this reference.

14. Applicable Law. This Agreement shall be governed and construed in accordance with California law. This Agreement concerns real property located in Kerman, California and each party agrees that a court of competent jurisdiction for the judicial district including Kerman, California would be the most appropriate court for any litigation that might arise in connection with this Agreement.

15. Authority to Sign. Each party signing below certifies that he or she is authorized to execute this Agreement and thereby obligate the party on whose behalf such signature is made. The authority of each signer was, if necessary, granted by appropriate corporate action.

16. Amendments to Agreement. This Agreement may be modified or amended only by a writing duly authorized and executed by both parties. It may not be amended or modified by oral agreements or understanding between the parties. This Agreement and any modification or amendment thereto shall only be effective if authorized by the City Council of the City of Kerman.

17. Limitation on Use of City Water. The Owner agrees that the water provided by the City shall be used only for domestic use and residential landscape irrigation use. No use of City water for agricultural irrigation or other use atypical of residential use shall be allowed.

18. LAFCo Approval. The Real Property is located outside the corporate limits of the City of Kerman and as such any utility service provided by the City is subject to Fresno County Local Agency Formation Commission (LAFCo) approval. The City has prepared and submitted the required application, paid the application fee, and LAFCo has authorized the City to provide water service to the Real Property.

19. Annexation. In accordance with LAFCo's condition of approval of the application to extend and/or connect utility services to the Real Property, Owner agrees not to protest the future annexation of the Real property into the City of Kerman, if such annexation is not subject to conditions, excluding the facts pertaining to the annexation itself or the extension of water or sanitary sewer service, which might materially prejudice those holding interest in the Real Property. Owner understands that this Agreement binds Owner and all subsequent owners of the subject Real Property and that this Agreement will be recorded with the Fresno County Recorder's Office.

20. Sewer Service. If, at any time, sewer service from the City's sewer system becomes available to the Real Property, Owner agrees to connect to the City's sewer system and pay all applicable

fees. Owner shall connect to the City's sewer system within two (2) years of the date that the Owner is notified in writing by the City that sewer service is available.

IN WITNESS WHEREOF, the parties have executed this agreement the day and year first above written.

"CITY"
CITY OF KERMAN, a Municipal
Corporation

Approved as to form

City Manager

Hilda Cantu Montoy, City Attorney

"OWNER"
(Insert Full Name of Owner)

(Owner)

(Owner)

EXHIBIT 'A' (to agreement)

FEE	QUANTITY	RATE	EXTENSION
Water Front Footage (1)	0 L.F.	\$15.00	\$0
Water Oversize (1)	0 UN.	\$304.00	\$0
Water Major Facilities (2)	0 UN.	\$2,126.00	\$0
Total			\$0

- (1) Water Front Footage and Water Oversize Development Impact Fees are waived due to installation of significant City water distribution system infrastructure by the County of Fresno on behalf of the West Date Avenue Community.
- (2) To be determined by the City Engineer on a case by case basis. For a typical single-family residential property with one residence, fee would be \$2,126 based on current Development Impact Fee Schedule.

Attachment 'B'

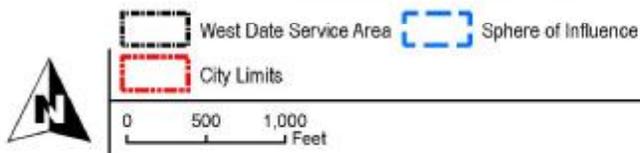
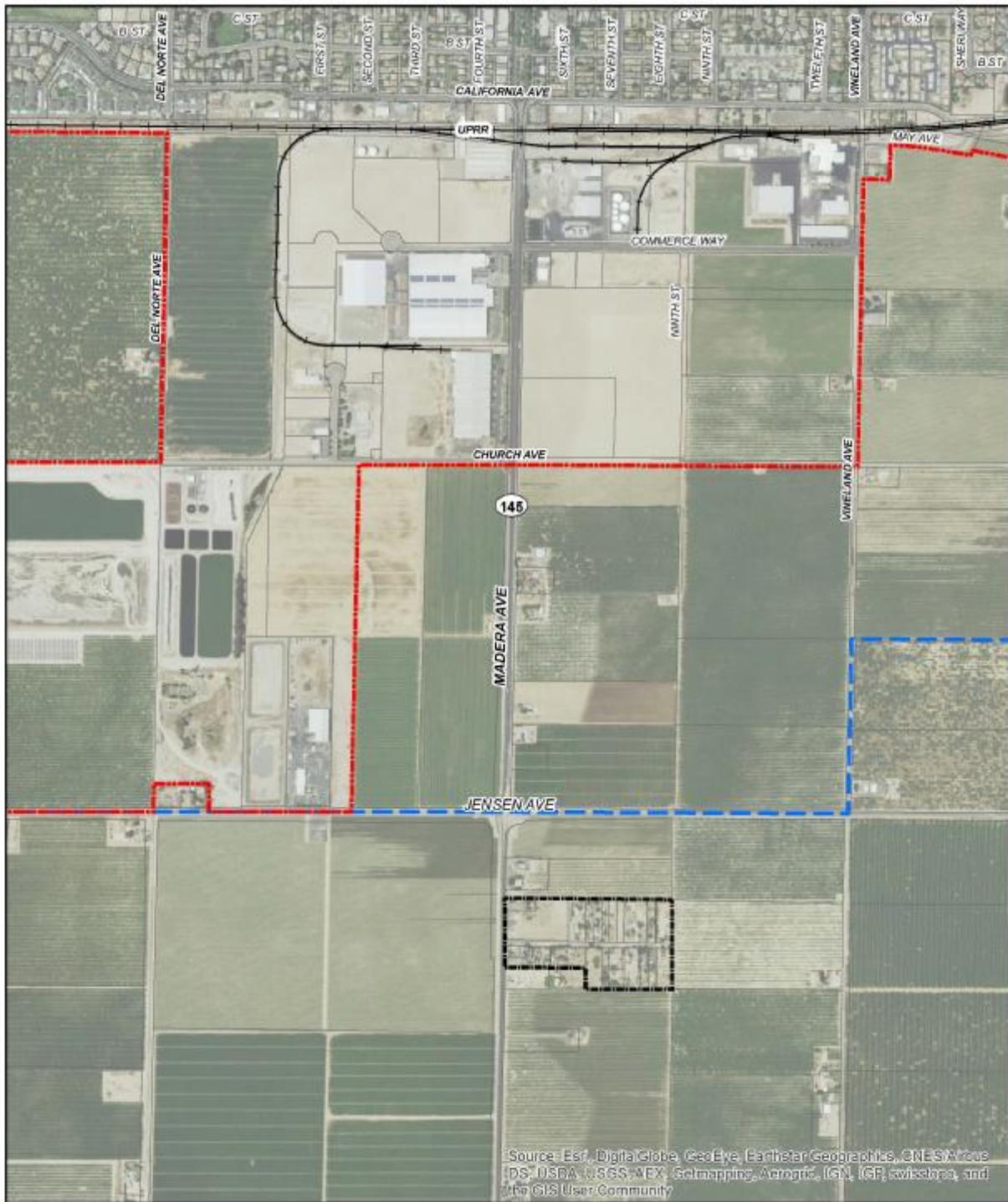


Exhibit 1 - Vicinity Map
West Date Avenue Community



Attachment 'C'

