



**CITY COUNCIL AGENDA  
CITY HALL, 291 N. MAIN STREET  
PORTERVILLE, CALIFORNIA  
JUNE 2, 2015, 5:30 PM**

Call to Order

Roll Call

**ORAL COMMUNICATIONS**

This is the opportunity to address the City Council on any matter scheduled for Closed Session. Unless additional time is authorized by the Council, all commentary shall be limited to three minutes.

**CITY COUNCIL CLOSED SESSION:**

A. Closed Session Pursuant to:

- 1** - Government Code Section 54956.8 – Conference with Real Property  
Negotiators/Property: APN: 253-182-009. Agency Negotiator: John Lollis and Jenni Byers.  
Negotiating Parties: City of Porterville and Pacifica First National, Inc. Under Negotiation: Terms and Price.
- 2**- Government Code Section 54956.8 – Conference with Real Property  
Negotiators/Property: APN: 261-190-006. Agency Negotiator: John Lollis and Jenni Byers.  
Negotiating Parties: City of Porterville and Dr. William Gnekow. Under Negotiation: Terms and Price.
- 3** - Government Code Section 54957.6 – Conference with Labor Negotiator. Agency Negotiator: John Lollis, Steve Kabot, and Patrice Hildreth. Employee Organizations: Porterville City Employees Association; Management and Confidential Series; Porterville Police Officers Association; Fire Officer Series; Porterville City Firefighters Association; Public Safety Support Unit; and all Unrepresented Management Employees.
- 4** - Government Code Section 54956.9(d)(4) – Conference with Legal Counsel – Anticipated Litigation – Initiation of Litigation: 28 Case(s).

**6:30 P.M. RECONVENE OPEN SESSION AND REPORT ON  
REPORTABLE ACTION TAKEN IN CLOSED SESSION**

Pledge of Allegiance Led by Council Member Ward

Invocation

**PRESENTATIONS**

Employee of the Month - Manuel Azevedo

**AB 1234 REPORTS**

This is the time for all AB 1234 reports required pursuant to Government Code § 53232.3.

1. Council of Cities - May 20, 2015
2. San Joaquin Valley Air Pollution Control District Board - May 21, 2015
3. Tulare County Economic Development Corp. (TCEDC) - May 27, 2015

## **REPORTS**

This is the time for all committee/commission/board reports; subcommittee reports; and staff informational items.

- I. City Commission and Committee Meetings
  1. Parks & Leisure Services Commission
  2. Library & Literacy Commission
  3. Arts Commission - May 20, 2015
  4. Animal Control Commission - June 1, 2015
  5. Youth Commission - Summer Break
  6. Transactions and Use Tax Oversight Committee (TUTOC)
- II. Staff Informational Reports
  1. Notice of Public Information Meeting - Full Solid Waste Facility Permit
  2. CalRecycle Tire-Derived Product Grant Award

## **ORAL COMMUNICATIONS**

This is the opportunity to address the Council on any matter of interest, whether on the agenda or not. Please address all items not scheduled for public hearing at this time. Unless additional time is authorized by the Council, all commentary shall be limited to three minutes.

## **CONSENT CALENDAR**

All Consent Calendar Items are considered routine and will be enacted in one motion. There will be no separate discussion of these matters unless a request is made, in which event the item will be removed from the Consent Calendar. All items removed from the Consent Calendar for further discussion will be heard at the end of Scheduled Matters.

1. **City Council Minutes of October 7, 2014, and January 27, 2015**  
Re: Considering approval of the Minutes of October 7, 2014, and January 27, 2015.



2. **Laboratory Instrument Service Contracts**  
Re: Considering approval of service contracts with Thermo Electron, LLC in the amount of \$9,117 (per year for 3 years), and Agilent Technologies in the amount of \$6,692 (for one year) for instrument technical support at the City laboratory.
3. **Authorization to Advertise for Bids - Transit Signal Priority Project**  
Re: Considering approval of staff's Plans and Project Manual for the project consisting of the purchase and installation of TSP equipment for the transit vehicles, and installation of City supplied transit signal priority equipment.
4. **Authorization to Advertise for Bids - Replacement of Digester Mixing Pump & Valves**  
Re: Considering approval to advertise for bids for the replacement of a digester mixing pump and valves at the City's Wastewater Treatment Facility at an estimated cost of \$54,144.
5. **Authorization to Advertise for Bids for the Wilson Place Concrete Repair Project**  
Re: Considering approval of staff's Plans and Project Manual for the project consisting of the removal and installation of curb, gutter, pavement and related appurtenances in the cul-de-sac of Wilson Place near the intersection of Mulberry Avenue and Wilson Place; and authorization to negotiate construction surveying services.
6. **Authorization to Distribute a Request for Qualifications for On-Call Escrow and Title Services**  
Re: Considering granting authorization to distribute a Request for Qualifications for on-call Escrow and Title services.
7. **Second Amendment to the Agreement for Transit Service Between the City of Porterville and the Tule River Indian Tribe**  
Re: Considering approval of the Second Amendment to Agreement for Transit Service between the City and the Tule River Indian Tribe to continue services through June 30, 2016; and authorizing acceptance of funding in the amount of 30% of operational costs from the Tule River Indian Tribe.
8. **Authorization to Purchase Tax-defaulted Property at Assessor Parcel Number 245-150-054**  
Re: Consideration of a resolution objecting to the sale of a tax-defaulted property, authorizing the submittal of an application to the County of Tulare to purchase the specified tax-defaulted property, and authorizing the execution of an agreement to purchase the tax-defaulted property identified as Parcel 245-150-054.
9. **Authorization to Purchase Tax-defaulted Property at Assessor Parcel Number 260-193-006**  
Re: Consideration of a resolution objecting to the sale of a tax-defaulted property, authorizing the submittal of an application to the County of Tulare to purchase the specified tax-defaulted property, and authorizing the execution of an agreement to purchase the tax-defaulted property identified as Parcel 260-193-006.
10. **Confirmation of City Council's Intent to Utilize 287 N. Hockett Street for an Administrative Building for the City's Governmental Purposes**  
Re: Consideration of a resolution confirming the Council's intent to utilize 287 N. Hockett Street for government use of an administrative building.

11. **State Department of Finance - Population Estimates**  
Re: Considering authorizing the Mayor to sign a request for State certification for the City of Porterville, January 1, 2015, at a population of 55,852.
12. **Police Vehicle Repair Authorization**  
Re: Considering authorization of repairs to Police Unit 3320.
13. **Cooperative Agreement with Porterville College for Use of the Police Firing Range**  
Re: Considering approval of agreement with Porterville College for utilization of the shooting range for their Reserve Police Officer training program.
14. **Cooperative Agreement with California Highway Patrol for Use of the Police Firing Range**  
Re: Considering approval of an agreement with the California Highway Patrol for use of the Police Firing Range.
15. **Joint Funding Agreement with Porterville Unified School District and Burton School District for School Resource Officers**  
Re: Considering approval of a Joint Funding Agreement with Porterville Unified School District and Burton School District for two School Resource Officers for the 2015/2016 school year.

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

#### **PUBLIC HEARINGS**

16. **Request for a Modification to Conditional Use Permit 2014-033-C to Allow for the Sale of Alcohol in Conjunction with the Outdoor Patio Area for Los Portales Restaurant Located at 377 E. Orange Avenue**  
Re: Consideration of a draft resolution approving the Modification to Conditional Use Permit (PRC 2014-033-C) to allow for the sale of alcohol in conjunction with an outdoor patio area.
17. **Gibbons Avenue Reconstruction Project**  
Re: Consideration of resolution approving a Mitigated Negative Declaration pursuant to CEQA for improvements to Gibbons Avenue between Indiana and Main Streets.
18. **Annual Adjustment of Fees by Application of the ENR Cost Index**  
Re: Consideration of implementing the Engineering News Record Construction Cost Index automatic impact fee increase.
19. **Public Hearing – Consider Moving into Phase III of the City’s Water Conservation Plan**  
Re: Consideration of moving into Phase III of the City's Water Conservation Plan.

#### **SCHEDULED MATTERS**

20. **Approval of WildPlaces Mural to be Located at 466 E. Putnam Avenue**  
Re: Consideration of proposed mural design and Mural Maintenance Agreement with WildPlaces for a mural to be located at 466 E. Putnam Avenue.

21. **Cargo Container Permit - Wal-Mart (1250 W. Henderson Avenue)**  
Re: Consideration of a resolution approving a Cargo Container Permit to allow 16 cargo containers from the timeframe of January 16th through September 30th, and 26 cargo containers from the timeframe of October 1st through January 15th, for a period of four years to be located at 1250 W. Henderson Avenue (Wal-Mart).
22. **Update Regarding Temporary Structure Permit for Storage and Consignment of Equipment at 952 West North Grand Avenue**  
Re: Consideration of a temporary structure permit for storage and consignment of equipment at 952 West North Grand Avenue.
23. **City of Porterville 2015 Water System Hydraulic Analysis**  
Re: Consideration of a recently completed Water System Hydraulic Analysis.
24. **Consideration of Fiscal Year 2015-2016 Proposed Budget and Setting Date of Public Hearing**  
  
Re: Consideration of the 2015/2016 Fiscal Year Budget and the scheduling of a Public Hearing on the proposed budget for Tuesday, June 16, 2015.
25. **Consideration of How City Employees May Donate and Support Non-Profit Organizations**  
Re: Consideration of how City employees may donate and support non-profit organizations.
26. **Consideration of Hiring Additional Code Enforcement Officers to Enforce Water Restrictions**  
Re: Consideration of the hiring of additional Code Enforcement Officers to enforce water restrictions.
27. **Consideration of Establishing a Moratorium on New Residential Development Exceeding Ten (10) Units, as Well as Commercial Projects That Require Significant Water Usage**  
Re: Consideration of establishing a moratorium on new residential development exceeding ten (10) units, as well as commercial projects that require significant water usage.
28. **Consideration of Prohibiting the Installation of Natural Grass in Commercial and Industrial Zoned Areas, and to Require a Permit for the Installation of Natural Grass Exceeding 300 Square Feet in Residential Zoned Areas**  
Re: Considering the modification of the City's Development Code to prohibit the installation of natural grass in commercial and industrial zoned areas, and to require a permit for the installation of natural grass exceeding 300 square feet in residential zoned areas.
29. **Governor's Executive Order for Statewide Mandatory Water Reductions, Status and Review of Declaration of Local Emergency, and Provision of Water for East Porterville Residents**  
Re: Consideration of the continuance of the Declaration of Local Emergency, an agreement with the County in regards to a new well, and the provision of water for purchase in support of the County's Household Tank Program in East Porterville.

Adjourn to a joint meeting of the Porterville City Council, Porterville Public Improvement Corporation, and Porterville Public Financing Authority.

**JOINT CITY COUNCIL, PORTERVILLE PUBLIC IMPROVEMENT CORPORATION, AND  
PORTERVILLE PUBLIC FINANCING AUTHORITY AGENDA  
291 N. MAIN STREET, PORTERVILLE, CA 93257  
JUNE 2, 2015**

Roll Call:

**WRITTEN COMMUNICATION**

**ORAL COMMUNICATIONS**

**JOINT SCHEDULED MATTERS**

**30. Prepayment of 2013 Rabobank Lease Agreement and Refinancing of the 2002 Certificates of Participation**

Re: Consideration of the prepayment of the 2013 Rabobank Lease Agreement and refinancing of the 2002 Certificates of Participation, and authorization to execute all draft resolutions, agreements, and documents as may be required.

Adjourn to a meeting of the Porterville City Council.

**ORAL COMMUNICATIONS**

**OTHER MATTERS**

**CLOSED SESSION**

Any Closed Session Items not completed prior to 6:30 p.m. will be considered at this time.

**ADJOURNMENT** - to the meeting of June 16, 2015

In compliance with the Americans with Disabilities Act and the California Ralph M. Brown Act, if you need special assistance to participate in this meeting, or to be able to access this agenda and documents in the agenda packet, please contact the Office of City Clerk at (559) 782-7464. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting and/or provision of an appropriate alternative format of the agenda and documents in the agenda packet.

Materials related to an item on this Agenda submitted to the City Council after distribution of the Agenda packet are available for public inspection during normal business hours at the Office of City Clerk, 291 North Main Street, Porterville, CA 93257, and on the City's website at [www.ci.porterville.ca.us](http://www.ci.porterville.ca.us).



## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** 1. Notice of Public Information Meeting - Full Solid Waste Facility Permit

**SOURCE:** Public Works

**COMMENT:** On April 8, 2015, the City submitted a Full Solid Waste Facility Permit application package to the Tulare County Local Enforcement Agency (LEA) for review. The City seeks to expand the existing, separately-permitted operations, consisting of a Direct Transfer Facility handling up to 150 tons per day (TPD) of recyclable materials and municipal solid waste (MSW), and a Green Materials Processing Operation handling up to 200 TPD, at the Facility, as allowed by the Solid Waste Facility Permit, to include the following operational changes:

- Increase the throughput tonnage from 350 TPD to 500 TPD;
- Increase the traffic count to approximately 136 incoming vehicles per day (VPD), including 97 incoming VPD in addition to 39 outbound VPD; and
- Expand the transfer operations to allow the temporary storage of recyclable materials, MSW, co-collected residential green waste with food waste, or green waste, prior to transfer in trailers, roll-off debris boxes, or other vehicles.

On May 8, 2015, the LEA determined that the permit application met the requirements of Section 21570, Title 27, California Code of Regulations and pursuant to Section 21650, Title 27, California Code of Regulations, and accepted the application package as complete and correct. A copy of the application was forwarded to the Department of Resources, Recycling and Recovery (CalRecycle) for their concurrence on the issuance of the permit.

Title 27, Section 21660.2 requires the LEA to notice and conduct an information meeting for all new and revised Full Solid Waste Facilities permit applications within 60 days of receipt of the application. This Public Information Meeting is provided for interested parties to learn more about the facility and the proposed revision to the Solid Waste Facility Permit, and provide comments to the LEA regarding the proposed action. The Information Meeting has been scheduled for Tuesday, June 9, 2015, at 5:30 pm in Council Chambers. All affected parties within a 300' radius of the Facility have been notified by direct mailing.

**RECOMMENDATION:** Informational Only

**ATTACHMENTS:**

1. Tulare County Health & Human Services Agency Letter
2. Notice of Public Information Meeting

Appropriated/Funded: N/A

Review By:

Department Director:

Mike Reed, City Engineer

Final Approver: John Lollis, City Manager



TULARE COUNTY  
HEALTH & HUMAN SERVICES AGENCY

Cheryl L. Duerksen, Ph.D. • Agency Director

RECEIVED

MAY 12 2015

CITY OF PORTERVILLE  
FIELD SERVICES

May 8, 2015

BRYAN STYLES  
FIELD SERVICES MANAGER  
CITY OF PORTERVILLE  
291 NORTH MAIN STREET  
PORTERVILLE, CA 93257

RE: PORTERVILLE TRANSFER FACILITY, 291 N. MAIN STREET, PORTERVILLE

Dear Mr. Styles:

This office has received the Solid Waste Facility Permit Application Package on April 8, 2015.

Pursuant to Section 21650 of Title 27, California Code of Regulations, the Tulare County Local Enforcement Agency hereby accepts the application package as complete and correct. The permit application package meets the requirements of Section 21570, Title 27, California Code of Regulations.

A copy of the application form will be forwarded to the Department of Resources, Recycling and Recovery (CalRecycle) within 5 days, and a copy of the permit application package will be forwarded within 60 days for their concurrence on the issuance of the permit.

If you have any questions, please call me at (559) 624-7430.

Sincerely,

A handwritten signature in black ink, appearing to read "Keith Jahnke".

Keith Jahnke  
Registered Environmental Health Specialist III  
Environmental Health Services Division

cc: Joy Isaacson, CalRecycle

Tulare County Department of Health Services  
Division of Environmental Health  
Solid Waste Local Enforcement Agency (LEA)

Date of Notice: May 29, 2015

## NOTICE OF PUBLIC INFORMATION MEETING

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DATE OF MEETING: Tuesday, June 9, 2015

TIME OF MEETING: 5:30 pm

LOCATION OF MEETING: Porterville City Hall  
291 North Main Street  
Porterville, California 93257

PROJECT NAME: City of Porterville Solid Waste Transfer Facility  
("Facility")

PROJECT TYPE/NUMBER: New Solid Waste Facility Permit  
Solid Waste Facility Permit # 54-AA-0045

PROJECT LOCATION: 555 N. Prospect St., Porterville, California

FACILITY CONTACT: Bryan Styles, Facility Manager  
(559) 782-7514

APPLICANT: City of Porterville ("City")

DATE LEA ACCEPTED APPLICATION: May 8, 2015

### PURPOSE OF THE MEETING

This Public Informational Meeting is provided for interested parties to learn more about the Facility and the proposed new Solid Waste Facility Permit and to provide comments to the Local Enforcement Agency ("LEA") regarding the proposed action. The decision to issue the New Solid Waste Facility Permit (SWFP) must be made by the Tulare County LEA within 120 days of the date the application was deemed complete. Prior to the actual issuance of the SWFP, the Tulare County LEA must request and receive concurrence from the state oversight agency, California Department of Resources Recycling and Recovery, known as CalRecycle.



## PROJECT DESCRIPTION:

The Facility is a Transfer/Processing Facility, sited on approximately five acres, located at 555 N. Prospect St., Porterville, California. The Facility is owned and operated by the City of Porterville Public Works/Field Services Division. On November 4, 2014, the Mitigated Negative Declaration for the Facility was adopted by the Porterville City Council.

On May 8, 2015, Tulare County LEA accepted the New Full Solid Waste Facility Permit application package for review. The City seeks to expand the existing, separately-permitted operations – which consist of a Direct Transfer Facility handling up to 150 tons per day (TPD) of recyclable materials and municipal solid waste (MSW) and a Green Materials Processing Operation handling up to 200 TPD - at the Facility, as allowed by the Solid Waste Facility Permit, to include the following operational changes that are considered to be significant:

- Increase the total throughput tonnage from 350 TPD to 500 TPD.
- Increase the traffic count to approximately 136 incoming vehicles per day (VPD), including 97 incoming VPD in addition to 39 outbound VPD.
- Expand the transfer operations to allow the temporary storage of recyclable materials, MSW, co-collected residential green waste with food waste, or green waste, prior to transfer in trailers, roll-off debris boxes, or other vehicles.

## ENVIRONMENTAL REVIEW

State law requires compliance with the California Environmental Quality Act (“CEQA”) either through the preparation, circulation and adoption/certification of an environmental document and mitigation reporting or monitoring program or by determining that the proposal is categorically or statutorily exempt. The City of Porterville, acting as Lead Agency, has prepared the following environmental document for the Facility.

- Mitigated Negative Declaration – State Clearinghouse Number 2014101011 – which was circulated locally and through the state agencies. A Notice of Determination was filed on November 14, 2014.

The limits of the proposed permit for the Facility are as follows:

- Operating Hours: Monday-Saturday, 6:00 a.m. – 6:00 p.m.
- Permitted Tons Per Operating Day: 500 tons per day
- Permitted Traffic Volume: 136 vehicles per day
- Conditions to the permit include: An odor management plan meeting the conditions of the Odor Impact Minimization Plan required by state regulations.

The Local Enforcement Agency made a finding that the terms and conditions in the proposed Solid Waste Facilities Permit are consistent with and supported by the environmental document cited above, and consistent with the information contained in the Report of Facility Information for this facility that was submitted as part of the SWFP application package. Tulare County LEA finds that the proposed permit application to be acceptable and able to be approved.

A copy of the SWFP application package and the proposed SWFP are available by appointment in the Tulare County LEA office located at 5957 S. Mooney Blvd., Visalia, California, 93277.

If you have any questions after reviewing the above information or would like to schedule an appointment to review the new SWFP application package, please contact Keith Jahnke at (559) 624-7400. If you would like to comment on this project you may send your written comments to Keith Jahnke at 5957 S. Mooney Blvd., Visalia, California, 93277 within 14 days of the date of this Notice or provide them at the meeting.

For information on the appeals process pursuant to PRC 44307, the statute is listed below:

*PRC 44307. From the date of issuance of a permit that imposes conditions that are inappropriate, as contended by the applicant, or after the taking of any enforcement action pursuant to Part 5 (commencing with Section 45000) by the enforcement agency, the enforcement agency shall hold a hearing, if requested to do so, by the person subject to the action. The enforcement agency shall also hold a hearing upon a petition to the enforcement agency from any person requesting the enforcement agency to review an alleged failure of the agency to act as required by law or regulation. A hearing shall be held in accordance with the procedures specified in Section 44310.*

After the decision to issue or deny the new SWFP has occurred, you may contact Keith Jahnke at (559) 624-7400, to further inquire about the appeal process.



## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** 2. CalRecycle Tire-Derived Product Grant Award

**SOURCE:** Parks and Leisure Services

**COMMENT:** The Department of Resources Recycling and Recovery (CalRecycle) administers a competitive grant program to provide opportunities to divert tires from landfill disposal, prevent illegal tire dumping, and promote markets for recycled-content products. Staff recently was notified that it was awarded the full grant application amount of \$149,868.

The application proposed to utilize CalRecycle Tire-Derived Product Grant funding to replace playground surfacing at Zalud Park, Veterans Park, and both playgrounds at Murry Park. The application was submitted prior to the issuance of Executive Order B-29-15 by Governor Brown which included prohibiting irrigation with potable water of ornamental turf on public street medians. In the continued efforts to conserve water, staff has received verbal permission by the grant administrator to change the project scope to utilize the recycled rubber mulch on city medians. This is another popular use of the recycled material. Staff has been given instruction on how to formally complete the change of scope process and is in the process of submitting the necessary paperwork.

The project plan is to use 448,000 pounds of rubber mulch which would divert 37,333 passenger tires from landfills. The rubber mulch does not bio-degrade like wood products and it offers unique color choices. There is no match requirement for this grant. Per Council Resolution No. 89-2014, the Parks and Leisure Services Director will negotiate the purchase of rubber mulch surfacing at an amount not to exceed \$149,868.

**RECOMMENDATION:** Information only

**ATTACHMENTS:**

Appropriated/Funded: MB

Review By:

Department Director:

Donnie Moore, Parks and Leisure Services Director

Final Approver: Patrice Hildreth, Administrative Services Dir



## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** City Council Minutes of October 7, 2014, and January 27, 2015

**SOURCE:** Administrative Services

**COMMENT:** Staff has prepared the draft Minutes for the City Council meetings on October 7, 2014, and January 27, 2015, for the Council's review and consideration.

**RECOMMENDATION:** That the City Council approve the Minutes of October 7, 2014, and January 27, 2015.

**ATTACHMENTS:**

1. Draft Minutes of October 7, 2014
2. Draft Minutes of January 27, 2015

**Appropriated/Funded:**

**Review By:**

Department Director:

Patrice Hildreth, Administrative Services Dir

Final Approver: Patrice Hildreth, Administrative Services Dir

**CITY COUNCIL MINUTES  
CITY HALL, 291 N. MAIN STREET  
PORTERVILLE, CALIFORNIA  
OCTOBER 7, 2014, 5:30 P.M.**

Call to Order at 5:30 p.m.

Roll Call: Council Member Reyes, Council Member Ward, Vice Mayor Hamilton, Council Member Gurrola, Mayor Stowe

**ORAL COMMUNICATIONS**

- John Coffee, spoke of his 50 year high school reunion and acceptance; Panther Pride; and read quotes regarding the unsupported proclamation of “Coming Out Day” and suspected violation of the Brown Act
- Brock Neeley, spoke on behalf of Elliot Trueblood, requesting removal of item #19 from the consent calendar because it was submitted in his name without his permission and the LGBTQ community did not support the proclamation.

**CITY COUNCIL CLOSED SESSION:**

A. Closed Session Pursuant to:

**1** - Government Code Section 54956.8 – Conference with Real Property Negotiators/Property: City of Porterville Water Rights. Agency Negotiators: John Lollis and Baldo Rodriguez. Negotiating Parties: City of Porterville and Pioneer Water Company. Under Negotiation: Terms and Price.

**2** - Government Code Section 54957.6 – Conference with Labor Negotiator. Agency Negotiator: John Lollis, Steve Kabot, and Patrice Hildreth. Employee Organizations: Porterville City Employees Association; Management and Confidential Series; Porterville Police Officers Association; Fire Officer Series; Porterville City Firefighters Association; Public Safety Support Unit; and all Unrepresented Management Employees.

**3-** Government Code Section 54956.9(d)(1) – Conference with Legal Counsel – Existing Litigation: Josephine Acevedo v. City of Porterville, Tulare County Superior Court Case No. 254083.

**4-** Government Code Section 54956.9(d)(3) – Conference with Legal Counsel – Anticipated litigation – Significant Exposure to Litigation: Three cases with facts not yet known to potential plaintiffs.

**6:30 P.M. RECONVENE OPEN SESSION**

**AND REPORT ON REPORTABLE ACTION TAKEN DURING CLOSED SESSION**

City Attorney Julia Lew reported that no reportable action took place during Closed Session.

Pledge of Allegiance Led by Council Member Gurrola  
Invocation – two individuals participated.

**PRESENTATIONS**

Employee of the Month – Terry Mendez

## **PROCLAMATIONS**

Domestic Violence Awareness Month – October 2014

## **AB 1234 REPORTS**

This is the time for all AB 1234 reports required pursuant to Government Code § 53232.3.

1. Consolidated Waste Management Authority (CWMA): Sept. 18, 2014 – Member Reyes provided an update of the discussion from the recent meeting, spoke of a drug take back event conducted on September 27<sup>th</sup>, and efforts to set aside funds for future projects.
2. Tulare County Association of Governments (TCAG): Sept. 15, 2014; Oct. 1-3, 2014 – Member Gurrola spoke of the review of the Title 6 discrimination law and recent census data, approval of a Master Fund Transfer Agreement for Federal funding through Caltrans, and reported on her attendance at the TCAG conference.
3. Tulare County Economic Development Corporation (TCEDC): Sept. 24, 2014 – no report.
4. Local Agency Formation Committee (LAFCO): Oct. 1, 2014 – Vice Mayor Hamilton reported on the approval of the City's Sphere of Influence and Urban Development Boundaries.

## **REPORTS**

This is the time for all committee/commission/board reports; subcommittee reports; and staff informational items.

- I. City Commission and Committee Meetings:
  1. Parks & Leisure Services Commission: Monte Moore presented the report and spoke of maintenance staff repairing restrooms at the OHV park, two new pieces of play equipment from the First5 grant awards, lauded staff for their efforts in writing that has led to the winning of competitive grants, work being done at the golf course, community outreach events including health fairs, visit a park day, health and safety day and the upcoming Step-Up event, and the Pioneer Days and Rib Cook-Off, announced the new foot-golf course and invited all to attend.
  2. Library & Literacy Commission: No report given.
  3. Animal Control Commission: Shawn Schwanzenberger gave the report of the review of ordinance 1812, orientation on the procedures, a request for two additional members of the Animal Control Commission, choices of Chair and Vice Chair, decided to meet on the first and third Monday of each month at 6:00 p.m., discussed their mission statement and goals, and announced they will be visiting the current facility and new proposed facility.
  4. Arts Commission: No report given.
  5. Youth Commission: No report given.
  6. Transactions and Use Tax Oversight Committee (TUTOC): Russell Fletcher announced the next meeting October 22 at 6:30 p.m. and encouraged the public to attend, and spoke of the new safety facility currently being built.

## II. Staff Informational Reports

1. Vacancies on City Commissions – no verbal report.
2. Building Permit Activity – July and August 2014 – no verbal report.

### **ORAL COMMUNICATIONS**

- Dr. John Chapman spoke of the statistics of suicide by members of the LGBTQ community and encouraged the community and parents to support the LGBTQ community, sons and daughters, to help discourage suicide and encourage acceptance.
- John Coffee, Porterville, quoted Vice Mayor Hamilton from the Sept. 27, 2014 Porterville Recorder and questioned Member Ward's position on the LGBTQ community, requested removal of item #19.
- Anne Marie Wagstaff, address on record, explained what coming out day means to the LGBTQ community, suggested the proclamation is similar to an American's view of Independence Day.
- Elliot Trueblood, address on record, spoke of the LGBTQ community being victims of systemic discrimination, and expressed his disappointment in the Council's actions and comments pertaining to proclamation requests.
- Myra Ramirez, Porterville, read the requested "Coming out Day" proclamation that was not sponsored by the City Council.
- Matthew (last name inaudible), Porterville resident, urged the Council to be fiscally responsible.
- Michelle Ragsdale, Parents against Bullying, extended an invitation to the 3<sup>rd</sup> Annual Anti-Bullying Rally on Saturday, October 18<sup>th</sup>.
- Brock Neeley, Porterville, provided reports and studies regarding homosexuality identity development and the coming out process.
- Fred Beltran, Porterville Area Coordinating Council, thanked the City for their efforts pertaining to the drought and provision of water to East Porterville residents, provided an update regarding State and County activity, and spoke of upcoming Toys for Tots and food basket events.
- Elva Beltran, recognized donors and spoke of media coverage regarding the drought.
- Patricia Young, Porterville, thanked the City for refurbishing a well down her street, and spoke of water waste during the installation of wells and water testing.
- Mark Pitcher, Porterville, thanked the Council for their work meeting specific needs in the community, and voiced appreciation for their decisions concerning proclamations and other areas.
- Holly (last name inaudible), Happy Hearts Children's Center, spoke of marijuana odors and expressed concern for the children.
- Richard Freeman, Porterville, spoke of a marijuana grove near his home, in proximity to Sequoia Middle School and a children's dance studio, water being wasted growing marijuana, and abuse of medical marijuana cards.
- Dawn Jobe, thanked the City Council for their consideration of a medical marijuana ordinance; stated that there were more important issues than offensive marijuana odors; and expressed concerns regarding alleged violations of State law.

- Deborah Arthur, Porterville, stated that she was denied a permit for a mobile dog training/groom business, spoke of the benefits of the services she would like to provide, and requested that the Council reconsider its business license policy.
- Lisa Sparks, Porterville, thanked the Council for their consideration of the medical marijuana ordinance.
- Shelly Hatley, stated that she was the proud parent of two gay children.
- Name inaudible, spoke in favor of equal treatment for gay, lesbian, bi-sexual and transgender individuals.
- Barry Caplan, indicated he did not see the proclamation procedure within the Council Member Handbook (Item No. 29), spoke about proclamation requests submitted by the LGBT community, and encouraged the Council to work with the LGBT towards understanding.
- Joe Sparks, Porterville, thanked the Council for their work on the marijuana ordinance, and spoke in support of a dispensary for those who cannot grow their own medicine.
- Name inaudible, requested that the Council remove Item No. 19 and schedule the matter for public hearing; spoke of his tolerance of others, but requested that the Council refrain from approving proclamations regarding sexual orientation.
- Michael Green, Fresno Cannabis Association, thanked the City for taking on the task of a medical marijuana ordinance; and spoke of his concerns regarding the definition of a “collective” and the permitting process.
- Ron Hulsey, Porterville, applauded the Council’s consideration of the ordinance, and spoke in support of its approval.
- Tony Mauck, stated that medical marijuana was a rouse; encouraged the Council to award the reclamation area lease to the bidder who was making the City money; and requested that the Council pull Item No. 19 and deny the request for proclamation.
- Tammy May, Porterville, thanked staff and the Council for allowing 20 medical marijuana plants, and spoke in favor of a dispensary.
- Jesus Garcia, Porterville, spoke of his own coming out experience; compared the level of acceptance while at college to that of the Porterville community; and asked that the Council recognize him and other LGBT members of the community with a proclamation.
- Name not given, stated that LGBT community members shouldn’t have to be afraid and requested approval of the proclamation request.

Mayor Stowe thanked those who spoke for being respectful, and the Council recessed for ten minutes at 7:05 p.m.

### **CONSENT CALENDAR**

Item No. 19 was removed for further discussion, and Item No. 2 was removed from the agenda at the request of staff.

**COUNCIL ACTION:** MOVED by Council Member Gurrola, SECONDED by Council Member Ward that the City Council approve Item Nos. 1, 3 through 18, and 20 through 23. The motion carried unanimously.



1. AUTHORIZATION TO INCREASE DEPARTMENTAL CONTRIBUTIONS FOR HEALTHCARE AND APPROVAL OF BUDGET ADJUSTMENTS

Recommendation: That the City Council approve the increase in City-paid medical benefits effective October 1, 2014 and authorize the necessary budget

Documentation: M.O. 01-100714

Disposition: Approved.

3. AUTHORIZATION TO EXECUTE CONSULTANT SERVICE AGREEMENTS - SURVEYING SERVICES

Recommendation: That the City Council:

1. Authorize the Mayor to execute the Consultant Service Agreements with each firm at the presented fee schedules;
2. Authorize progress payments up to 100% of the agreed upon fee amounts; and
3. Authorize a 10% contingency to cover unforeseen costs.

Documentation: M.O. 02-100714

Disposition: Approved.

4. AUTHORIZATION TO ADVERTISE FOR BIDS - NEWCOMB STREET SHOULDER STABILIZATION

Recommendation: That City Council

1. Approve Staff's recommended Plans and Project Manual;
2. Authorize Staff to advertise for bids on the project; and
3. Authorize the City Engineer to negotiate a Construction Surveying Service Agreement with one of the local firms.

Documentation: M.O. 03-100714

Disposition: Approved.

5. AUTHORIZATION TO ADVERTISE FOR BIDS - OAK AVE TRANSPORTATION ENHANCEMENT (TE) PROJECT

Recommendation: That City Council:

1. Approve Staff's recommended Plans and Projects Manual;
2. Authorize Staff to advertise for bids on the project;
3. Authorize the City Engineer to sign the SCE application and issue a \$67,136.71 payment; and
4. Authorize the City Engineer to negotiate a Construction Surveying Service Agreement with one of the local firms.

Documentation: M.O. 04-100714

Disposition: Approved.

6. AWARD OF CONTRACT - MISCELLANEOUS CONCRETE AND STREET REPAIR PROJECT (PUTNAM ALLEY BETWEEN D STREET AND HOCKETT STREET, AND SECOND STREET BETWEEN MILL AVENUE AND OAK AVENUE)

Recommendation: That the City Council

1. Award the Miscellaneous Concrete and Street Repair project to JT2 dba Todd Companies, in the amount of \$35,751.00;
2. Authorize progress payment up to 95% of the contract amount; and
3. Authorize a 10% contingency to cover unforeseen construction costs.

Documentation: M.O. 05-100714

Disposition: Approved.

7. RATIFICATION OF EMERGENCY EXPENDITURES – REPAIR OF WELL #6 AND REPAIR OF THE WASTEWATER TREATMENT FACILITY BLOWER #4

Recommendation: That the City Council

1. Ratify that the repair of Well #6 and the repair of Blower #4 were necessary and met emergency criteria as promulgated in Article VII, Section 2-38 of the City Council;
2. Direct the Finance Director to initiate a Purchase Order to Valley Power and Abacus IMT in the amounts not to exceed \$24,500 and \$25,000 respectively; and
3. Direct the Finance Director to make payment to Valley Power and Abacus IMT upon receipt of invoices approved by the Public Works Director.

Documentation: M.O. 06-100714

Disposition: Approved.

8. REQUEST FOR SPECIALIZED SERVICES WITH TESCO CONTROLS

Recommendation: That City Council approve the request for Specialized Service for the upgrade of the WWTF SCADA system with TESCO Controls, Incorporated, at a cost not to exceed \$194,295.

Documentation: M.O. 07-100714

Disposition: Approved.

9. PUBLIC SAFETY BUILDING – CITY EASEMENT CONVEYANCE TO SOUTHERN CALIFORNIA EDISON COMPANY

Recommendation: That the City Council:

1. Accept Southern California Edison Company's request to have the City convey an easement for the installation and maintenance of an underground electrical conduit and related facilities;
2. Authorize the Mayor to sign the Grant of Easement; and
3. Authorize the City Clerk to mail the signed Grant of Easement to Southern California Edison Company for recordation.

Documentation: Resolution No. 66-2014

Disposition: Approved.

#### 10. CONSIDERATION OF TEMPORARY CARGO CONTAINER REQUEST

Recommendation: That the City Council approve the request for a temporary structure permit as outlined above and subject to the site plan and conditions of approval.

Documentation: M.O. 08-100714

Disposition: Approved.

#### 11. ANNUAL LIBRARY FOOD FOR FINES CAMPAIGN

Recommendation: That the City Council authorize the eighth Annual Food for Fines Campaign to run October 20 through December 20, 2014.

Documentation: M.O. 09-100714

Disposition: Approved.

#### 12. RENEWAL OF PUBLICSTUFF CONTRACT

Recommendation: That the City Council authorize a three (3)-year contract renewal with PublicStuff for the myPorterville mobile application.

Documentation: M.O. 10-100714

Disposition: Approved.

#### 13. AN AGREEMENT TO PROVIDE EXTRATERRITORIAL SERVICES TO AKIN WATER COMPANY AND INITIATING AN APPLICATION TO THE LOCAL AGENCY FORMATION COMMISSION TO TAKE PROCEEDINGS ON THE AGREEMENT

Recommendation: That the City Council authorize staff to initiate an application to the Local Agency Formation Commission to take proceedings for the approval of the extraterritorial service agreement.

Documentation: Resolution No. 67-2014

Disposition: Approved.

14. VANDALIA MOBILE HOME PARK – RESOLUTION OF SUPPORT

Recommendation: That the City Council:

1. Adopt and approve the Resolution of Support for the Vandalia Mobile Home park Water Connection Project; and
2. Designate and authorize the City Manager to sign:
  - a) Claims for reimbursement;
  - b) Budget & Expenditure Summary Report;
  - c) Certify that project is complete; and
  - d) Sign the Final Release form.

Documentation: Resolution No. 68-2014

Disposition: Approved.

15. AUTHORIZATION TO EXECUTE A GRANT AGREEMENT WITH THE FEDERAL AVIATION ADMINISTRATION FOR THE UPDATE OF THE AIRPORT MASTER PLAN STUDY

Recommendation: That the City Council adopt the resolution authorizing the execution of a grant agreement with Federal Aviation Administration for the update of the Airport Master Plan Study or alternatively, the Airport Layout Plan.

Documentation: Resolution No. 69-2014

Disposition: Approved.

16. AMENDMENT TO EMPLOYEE PAY & BENEFIT PLAN – PORTERVILLE CITY EMPLOYEE ASSOCIATION

Recommendation: That the City Council approve the draft resolution amending the Employee Pay and Benefit Plan

Documentation: Resolution No. 70-2014

Disposition: Approved.

17. REQUEST FOR PROCLAMATION – NATIONAL FRIENDS OF THE LIBRARY WEEK – OCTOBER 19 – 25, 2014

Recommendation: That the City Council consider approval of the request to proclaim October 19-25, 2014, as Friends of the Library Week.

Documentation: M.O. 11-100714

Disposition: Approved.

18. REQUEST FOR PROCLAMATION – PORTERVILLE COLLEGE VETERANS

RESOURCE CENTER DAY – NOVEMBER 7, 2014

Recommendation: That the City Council consider approval of the request to proclaim November 7, 2014, as Porterville College Veterans Resource Center Day

Documentation: M.O. 12-100714

Disposition: Approved.

20. APPROVAL OF COMMUNITY CIVIC EVENT – OPTIMIST CLUB OF PORTERVILLE – PARENTS AGAINST BULLYING – ANTI BULLYING RALLY – OCTOBER 18, 2014

Recommendation: That the City Council approve the Community Civic Event Application and Agreement submitted by the Optimist Club of Porterville and Parents Against Bullying, subject to the Restrictions and Requirements contained in the Application, Exhibit A and Exhibit B of the Community Civic Event Application.

Documentation: M.O. 13-100714

Disposition: Approved.

21. APPROVAL OF COMMUNITY CIVIC EVENT – VETERANS HOMECOMING COMMITTEE – VETERANS DAY PARADE – NOVEMBER 11, 2014

Recommendation: That the City Council approve the Community Civic Event Application and Agreement from the Veterans Homecoming Committee, subject to the Restrictions and Requirements contained in the Application, Agreement, Exhibit A and Exhibit B of the Community Civic Event Application.

Documentation: M.O. 14-100714

Disposition: Approved.

22. APPROVAL OF COMMUNITY CIVIC EVENT – U.S. MARINES TOYS FOR TOTS – A CHRISTMAS TO REMEMBER CAR SHOW AND TOY DRIVE – NOVEMBER 15, 2014

Recommendation: That the City Council approve the attached Community Civic Event Application and Agreement submitted by the U.S. Marines Toys for Tots subject to the stated requirements contained in the Application, Agreement and Exhibit A and Exhibits B.

Documentation: M.O. 15-100714

Disposition: Approved.

23. REVIEW OF LOCAL EMERGENCY STATUS – DECEMBER 21, 2010

Recommendation: That the City Council:

1. Receive the status report and review of the designated local emergency; and
2. Pursuant to the requirements of Article 14, Section 8630 of the California Emergency Services said local emergency designation.

Documentation: M.O. 16-100714

Disposition: Approved.

### **PUBLIC HEARINGS**

24. REQUEST FOR CONDITIONAL USE PERMIT (PRC 2014-009-C) TO ALLOW FOR THE SALE OF ALCOHOL UNDER A TYPE 41 BEER AND WINE LICENSE IN CONJUNCTION WITH A RESTAURANT FOR TONY'S PIZZA PARLOR LOCATED AT 1304 W. OLIVE AVENUE

Recommendation: That the City Council adopt the draft resolution approving Conditional Use Permit (PRC2014-009C) subject to conditions of approval.

City Manager Lollis introduced the item, and Associate Planner Fernando Rios presented the staff report.

The public hearing was opened at 8:29 p.m. Seeing no one, the Mayor closed the public hearing at 8:29 p.m.

**COUNCIL ACTION:** MOVED by Council Member Ward, SECONDED by Council Member Gurrola that the City Council adopt the draft resolution approving Conditional Use Permit (PRC2014-009C) subject to conditions of approval. The motion carried unanimously.

Documentation: Resolution 71-2014

Disposition: Approved.

- 1818 25. TEXT AMENDMENT TO THE DEVELOPMENT ORDINANCE TO AMEND THE DEFINITION OF COMMERCIAL ENTERTAINMENT USES AND ADJUST THE ZONE DISTRICTS WITHIN WHICH COMMERCIAL ENTERTAINMENT AND TRADE SCHOOLS ARE ALLOWED

Recommendation: That the City Council:

1. Approve the proposed ordinance for the Development Code and Give first reading to the draft ordinance; and
2. Waive further reading and order the Ordinance to print.

City Manager Lollis introduced the item, and the staff report was presented by Acting Community Development Director Jenni Byers.

The public hearing was opened at 8:33 p.m. Seeing no one, the Mayor closed the public hearing at 8:34 p.m.

**COUNCIL ACTION:** MOVED by Vice Mayor Hamilton, SECONDED by Council Member Gurrola that the City Council approve the proposed ordinance for the Development Code and give first reading to the draft ordinance, being AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE AMENDING THE PORTERVILLE DEVELOPMENT ORDINANCE TO AMEND THE DEFINITION OF COMMERCIAL ENTERTAINMENT USES AND ADJUST THE ZONE DISTRICTS WITHIN WHICH COMMERCIAL ENTERTAINMENT AND TRADE SCHOOLS ARE ALLOWED, waive further reading and order the Ordinance to print. The motion carried unanimously.

Documentation: Ordinance No. 1818

Disposition: Approved for first reading.

### **SECOND READINGS**

26. SECOND READING - ORDINANCE 1817, CONCERNING MEDICAL MARIJUANA CULTIVATION

Recommendation: That the City Council give Second Reading to Ordinance No. 1817, waive further reading, and adopt said Ordinance.

City Manager Lollis introduced the item, and presented the staff report.

**COUNCIL ACTION:** MOVED by Vice Mayor Hamilton, SECONDED by Council Member Ward that the City Council give Second Reading to Ordinance No. 1817, being AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE AMENDING ARTICLE I, SECTION 15-5.1 OF THE PORTERVILLE MUNICIPAL CODE, CONCERNING REFUSAL TO ISSUE LICENSES, REPEALING ARTICLE VII, SECTIONS 15-85 THROUGH 15-105, OF CHAPTER 15, AND ADDING SECTION 301.23 OF THE PORTERVILLE MUNICIPAL CODE, CONCERNING MEDICAL MARIJUANA CULTIVATION, waive further reading, and adopt said Ordinance. The motion carried unanimously.

The City Manager read the ordinance by title only.

Documentation: Ordinance No. 1817

Disposition: Approved.

### **SCHEDULED MATTERS**

27. AWARD OF CONTRACT - RECLAMATION AREA LEASE

Recommendation: That the City Council:

1. Consider the lack of a signed addendum as non-responsive and accept Rick Perigo Roadsiding's proposal of \$165 per acre, for an annual amount of \$112,596 for 682.4 acres as the top proposal;
2. Approve the lease agreement between the City of Porterville and Rick Perigo Roadsiding; and
3. Authorize the Mayor to sign a five (5) year lease agreement with Rick Perigo Roadsiding and stipulate that the lease agreement start date shall be November 1, 2014, and the lease agreement end date shall be October 30, 2019.

OR

1. Waive the lack of a signed addendum and accept Nuckols Farming proposal of \$239 per acre, \$163,094 for 682.4 acres as the top proposal;
2. Approve the lease agreement between the City of Porterville and Nuckols Farming; and
3. Authorize the Mayor to sign a five (5) year lease agreement with Nuckols Farming and stipulate that 2014, and lease agreement end date shall be October 30, 2019.

City Manager Lollis introduced the item, and the staff report was presented by Public Works Director Baldo Rodriguez.

Vice Mayor Hamilton and Council Member Gurrola both indicated that they had gone over the numbers and could not ignore the difference in proposed revenue for the City. Council Member Ward spoke of the City's previous experience with Mr. Nuckols and the importance of trust.

COUNCIL ACTION: MOVED by Council Member Ward, SECONDED by Vice Mayor Hamilton that the City Council consider the lack of a signed addendum as non-responsive and accept Rick Perigo Roadsiding's proposal of \$165 per acre, for an annual amount of \$112,596 for 682.4 acres as the top proposal; approve the lease agreement between the City of Porterville and Rick Perigo Roadsiding; and authorize the Mayor to sign a five (5) year lease agreement with Rick Perigo Roadsiding and stipulate that the lease agreement start date shall be November 1, 2014, and the lease agreement end date shall be October 30, 2019.

AYES: Ward  
NOES: Reyes, Gurrola, Hamilton, Stowe  
ABSTAIN: None  
ABSENT: None

COUNCIL ACTION: MOVED by Vice Mayor Hamilton, SECONDED by Council Member



Gurrola that the City Council waive the lack of a signed addendum and accept Nuckols Farming proposal of \$239 per acre, \$163,094 for 682.4 acres as the top proposal; approve the lease agreement between the City of Porterville and Nuckols Farming; and authorize the Mayor to sign a five (5) year lease agreement with Nuckols Farming and stipulate that 2014, and lease agreement end date shall be October 30, 2019.

Documentation: M.O. 17-100714

Disposition: Approved award of contract to Nuckols.

28. GOVERNOR'S EXECUTIVE ORDER FOR CALIFORNIA DISASTER ASSISTANCE ACT FUNDING, AND THE PROVISION OF WATER AND SERVICE DELIVERY TO EAST PORTERVILLE RESIDENTS

Recommendation: That the City Council consider the provision and delivery of water service to East Porterville county residents in reference to the Governor's Executive Order, as well as PACC's request for support of Fire Department Reserve Firefighters, and provide direction and authorization to staff as deemed appropriate.

City Manager Lollis introduced the item and presented the staff report. Following the presentation of the staff report, Mr. Lollis addressed questions regarding available funding, recent meetings, and the Porterville Area Coordinating Council's request for support. Public Works Director Rodriguez expressed concern regarding the provision of water, regardless of whether the City was reimbursed, without another water source.

City Manager Lollis indicated that a meeting of the Porterville Community Healthcare Taskforce would be scheduled, and an update provided at the next meeting.

Disposition: No action.

29. CONSIDERATION OF CITY COUNCIL PROCEDURAL HANDBOOK

Recommendation: That the City Council consider the City Council Procedural Handbook, and adopt changes to the Handbook and/or provide direction to staff as deemed appropriate.

City Manager Lollis introduced the item.

COUNCIL ACTION: MOVED by Council Member Gurrola, SECONDED by Council Member Ward that the City Council continue the item to the next meeting. The motion carried unanimously.

Documentation: M.O. 18-100714

Disposition: Item continued to October 21, 2014.

## **CONSENT CALENDAR (Items Removed for Further Discussion)**

### **2. PURCHASE OF USED TRACTOR**

Recommendation: That the City Council authorize the Police Department to purchase a used Kubota tractor from Farmer's Tractor Supply per provided quote.

Disposition: No action. The item was removed from the agenda by staff.

### **19. REQUEST FOR PROCLAMATION – CELEBRATION OF EQUALITY, FAIRNESS AND RESPECT FOR RIGHTS FOR ALL WEEK – NOVEMBER 2 – 8, 2014**

Recommendation: That the City Council consider approval of the request to proclaim November 2-8, 2014, as Celebration of Equality, Fairness and Respect for Rights for all Week.

City Manager Lollis introduced the item, and the staff report was waived at the Council's request. During discussion it was noted that one of the individuals named on the request was not in support of it, and Council Member Ward commended efforts to bring the two sides together. Council Member Gurrola spoke of the need for recognition, but stated that she did not feel this proclamation was the recognition needed; and Vice Mayor Hamilton expressed sympathy for individuals in need of a proclamation to feel whole.

**COUNCIL ACTION:** MOVED by Vice Mayor Hamilton, SECONDED by Council Member Ward that the City Council deny the request to proclaim November 2-8, 2014, as Celebration of Equality, Fairness and Respect for Rights for all Week. The motion carried unanimously.

Documentation: M.O. 20-100714

Disposition: Denied.

## **ORAL COMMUNICATIONS**

- John Coffee, Porterville, expressed concern regarding the condition of Veterans Park and its memorial; and challenged the Council to look into the condition of the trees and grounds.
- Barry Caplan, addressed the Council's comments regarding those named on the Proclamation Request form; stated that he had requested staff to amend the request prior to its distribution to the Council; and expressed his disappointment in the Council's denial of his proclamation request.
- Tony Mauck, Porterville, stated that he was glad Baldo Rodriguez worked for the City; spoke regarding the water issue and urged the Council to set a finish line; expressed his support of Mr. Coffee's comments regarding Veterans Park; and spoke in support of the Council denying the request for a proclamation.

## **OTHER MATTERS**

- Council Member Gurrola, stated that she attended the Fil-Amer Event and judged the pageant in the absence of the Mayor.
- Vice Mayor Hamilton, requested that staff look into Mr. Coffee's concerns; spoke of his attendance at the Relay for Life event; and encouraged the Council to participate in the race at Rocky Hill.
- Council Member Reyes, encouraged attendance at Pioneer Days and Rib Cook-Off; and spoke of an exhibit at the Zalud House featuring Royal Porter Putnam's personal belongings.
- Mayor Stowe, addressed Mr. Coffee's concerns and stated that he had communicated his own similar concerns to staff.
- Council Member Ward, encouraged attendance at the Parents Against Bullying rally; requested that the odd-even watering schedule be pushed on the City's app and website; and stated that he was enjoying using the roundabout on Jaye Street.
- City Manager Lollis, spoke of outreach efforts regarding the CDBG 5-Year Consolidated Plan and advised of upcoming stakeholder and community meetings.

#### **ADJOURNMENT**

The meeting adjourned at 9:31 p.m. to the meeting of October 21, 2014.

SEAL

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Milt Stowe, Mayor

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Luisa M. Zavala, Deputy City Clerk

**ADJOURNED CITY COUNCIL MINUTES  
CITY HALL, 291 N. MAIN STREET  
PORTERVILLE, CALIFORNIA  
JANUARY 27, 2015, 6:00 P.M.**

Called to Order at 6:01 p.m.

Roll Call: Council Member Reyes, Council Member Ward, Council Member Gurrola, Vice Mayor Hamilton, Mayor Stowe

Pledge of Allegiance led by Mayor Stowe

Invocation – a moment of silence was observed.

**ORAL COMMUNICATIONS**

None

**STUDY SESSION**

**1. CITY COUNCIL CONSIDERATION OF 2015 PRIORITY PROJECTS AND OBJECTIVES**

City Manager John Lollis introduced the item, and presented the staff report which consisted of a review of the City's anticipated capital projects work plan and Fund activities for the 2015/2016 Fiscal Year.

Mr. Lollis began his presentation by identifying major City projects of significance, which included the following:

- Former Porterville Hotel Site – City Manager Lollis reported on the upcoming preparation of the vacant site for development; and staff addressed questions regarding an environmental review, the existing basement, the wall being used by the adjacent property owner and parking.
- New Public Safety Station – It was reported that construction of the new Public Safety Station remained on schedule and within budget, with anticipated completion in the fall, and in operation by January of 2016. In addition, ISO ratings were being adjusted which would necessitate an increase in on-shift personnel. Staff addressed questions regarding current response to structure fires, and the scheduled replacement of one fire engine.
- New Animal Shelter Facility – An update of options being considered was presented; and discussion regarding the bids received, a “storefront” adoption facility in the City, and a dog park followed.
- Centennial Plaza – Sierra View Medical Center, Porterville Transit, and the Library were identified as several tenant possibilities.
- Jaye Street Bridge Rehabilitation – The project, expected to begin spring of 2016, was approximately 90% designed, and funded.
- Murry Park Extension – Council Member Ward proposed use of the house and surrounding area as the “storefront” adoption facility and dog park. The City Manager spoke of the status

- of the Environmental Impact Report and funding available for development of the property.
- W. North Grand Avenue Reconstruction – It was reported that the final phase of reconstruction would begin in February.
  - Downtown Improvement Projects – City Manager Lollis spoke of investment efforts being made in the downtown area, reconstruction of four parking lots, pedestrian improvements, and funding sources. Mayor Stowe spoke of his interest in seeing improved planters and landscape irrigation, and staff indicated they could look into use of funds.

The Council took a ten minute recess at 7:19 p.m. Following the break, the Mayor invited questions from the Council regarding any of the current and anticipated projects identified by the departments.

Staff addressed questions from Council Member Gurrola regarding the Receivership Program for blighted properties, and improvements to Union Street (from Indiana to Jaye).

Council Member Ward inquired about Henderson Avenue Reconstruction (Jaye to Indiana), and spoke of the poor condition of Henderson Avenue from D Street to Plano; and Mayor Stowe inquired about the costs to rehabilitate City streets in need, to which staff provided an estimated of \$48M.

Public Works Director advised the Council of the need to replace 55 miles of asbestos/cement (AC) pipe that had exceeded its 30 year lifetime, 28 miles of which was over 40 years old; and recommended an increase in water user fees to fund the replacement. Council Member Ward spoke of the importance of timing underground infrastructure projects with street improvement projects, and Mr. Rodriguez agreed that was the preferred practice when funding was available. City Manager Lollis spoke of the need to review all City utility rates, and spoke specifically of sewer rates as they pertained to tertiary treatment.

Mayor Stowe requested that staff look into the installation of bicycle sensors at lit intersections; and Vice Mayor Hamilton requested that Acting Fire Chief Glenn Irish elaborate on the proposed department reorganization and reclassifications. Mr. Irish spoke of an evaluation of the current work load to include the third station and the need to increase the number on shift by six, which could be accomplished by transferring three existing employees to shift work, and funding three additional firefighters through Measure H.

Council Member Ward inquired about staff's previous assurance that no additional personnel would be required, and a discussion followed regarding comment made by the Fire Chief at the time. Staff stated that the additional personnel was a proposal, but should Council direct they could make it work with the existing personnel.

At Vice Mayor Hamilton's request, Parks and Leisure Services Director Moore spoke regarding projects of significance in the coming fiscal year: Murry Park Extension development, Centennial Plaza Library Services implementation, Main Library ADA restroom improvements, OHV Park Lease, and Dog Park development. During his presentation Mr. Moore addressed questions from the Council regarding the space available for library use at Centennial Plaza and ADA requirements.

Police Captain Kroutil spoke regarding officer body camera policies, the pros, cons and costs associated with their implementation, and possible funding available. He added that while use of the cameras was not required, there were as many as twenty pieces of pending legislation regarding the use of body cameras. He then elaborated on the proposed reorganization, which consisted of decreasing the number of captains to two and increasing the number of lieutenants to three.

Vice Mayor requested clarification regarding the presentation of ordinance updates. Staff clarified that those ordinances listed would not be brought to the Council for consideration all at once.

In response to a question posted by the City Manager, the Council briefly discussed how they preferred to be kept apprised of progress made on those projects identified.

Members of the Council then identified the following as areas of interest:

- Mayor Stowe – a recreation type building that can be rented by the public for events; and improvements to downtown planters.
- Council Member Ward – the addition of two softball fields; exploring more neighborhood parks; and the installation of wires across Main Street for Christmas lights.
- Council Member Gurrola – the installation of veteran flags on Main Street; and the replacement of infrastructure.
- Council Member Reyes – the City’s infrastructure and improvement to the downtown area.

City Manager Lollis spoke of a movement in the State to change the funding formula for the distribution of gas tax funds, which could change the split from 75-25 in the City’s favor to a 50-50 split with the State; he reminded the Council that Wall of Fame nominations were due tomorrow; and thanked Ms. Jenni Byers for the successful acquisition of 8.2 miles of rail right-of-way.

## **ADJOURNMENT**

The Council adjourned at 8:46 p.m. to the meeting of February 3, 2015.

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Luisa M. Zavala, Deputy City Clerk

SEAL

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Milt Stowe, Mayor



## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** Laboratory Instrument Service Contracts

**SOURCE:** Public Works

**COMMENT:** The City Laboratory has two sophisticated instruments that are under service contract with the instrument manufacturers. Each service contract includes one preventative maintenance service call, unlimited technical support, an onsite technician for instrument repair, and replacement part costs. The City Laboratory needs to renew the following contracts to continue instrument technical support:

Inductively Coupled Plasma Instrument:

Thermo Electron LLC - \$9,117 per year for three (3) years.

Contract period 7/15 to 6/18.

Gas Chromatography/ Mass Spectrometry:

Agilent Technologies - \$6,792 for one (1) year.

Contract period 8/15 to 7/16.

The service contract fees are paid from the laboratory operating budget.

**RECOMMENDATION:** That the City Council:

1. Approve the service contract with Thermo Electron LLC for three (3) years;
2. Approve the service contract with Agilent Technologies for one (1) year; and
3. Authorize payment for these services from the laboratory operating budget.

**ATTACHMENTS:**

Appropriated/Funded: MB

Review By:

Department Director:

Mike Reed, City Engineer

Final Approver: John Lollis, City Manager







## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** Authorization to Advertise for Bids - Transit Signal Priority Project

**SOURCE:** Public Works

**COMMENT:** Over the past several years, the City's Transit Division has had to contend with increased population and vehicle traffic growth in the city of Porterville, which has also resulted in an increase in ridership along Porterville Transit's bus routes. As a result of these factors, Porterville Transit has had challenges maintaining desired on-time performance levels along certain routes. These issues were referenced in the City of Porterville's 2010 and 2012 Short Range Transit Plan prepared by TPG Consulting. One of their recommendations to the City for addressing the on-time performance and reliability issues was to consider implementing Transit Signal Priority (TSP) at traffic signals along certain Porterville Transit bus routes.

On February 17, 2014, Kimley-Horn, transit consultant, prepared a technical report to document the City's TSP strategy, which includes deployment of TSP technology along several transit routes and in transit vehicles. Phase 1 of the TSP strategy identified eleven (11) intersections along the Morton and Henderson corridors.

On April 1, 2014, Council authorized staff to purchase TSP equipment for the eleven (11) identified intersections, which has been received and is ready for installation. However, equipment is still needed for the transit vehicles.

Staff is requesting authorization to advertise for bids for the purchase and installation of TSP equipment for the transit vehicles, and installation of the City-supplied TSP equipment at the intersections.

Staff has received the attached probable construction cost from Kimley-Horn of \$40,590, which includes a 10 percent contingency. Staff also received the attached transit vehicle equipment quote from Advanced Traffic Products of \$54,000, excluding installation and sales tax. Staff has estimated installation and sales tax will be \$11,358, for an estimated project cost of \$105,948.

Funding for the project will come from Federal Transit Administration (FTA) capital assistance and Local Transportation Funds (LTF). Eighty percent of the project cost (\$84,758.40) will be reimbursed by the FTA and twenty percent (\$21,189.60) will be a local match provided by LTF.

Public Safety vehicles are also able to use the TSP equipment, as two City Fire

Department vehicles are currently TSP-equipped, with the plan to equip all Fire Department apparatus over the next couple of years.

RECOMMENDATION: That the City Council:

1. Approve staff's recommended Plans and Project Manual; and
2. Authorize staff to advertise for bids for the purchase and installation of TSP equipment for the transit vehicles, and installation of City-supplied transit signal priority equipment.

ATTACHMENTS:

1. Engineer's Estimate of Probable Costs
2. Opticom GPS Quote - Vehicle Equipment

Appropriated/Funded: MB

Review By:

Department Director:

Mike Reed, City Engineer

Final Approver: John Lollis, City Manager

**City of Porterville**  
**Transit Signal Priority Installation**  
*Opinion of Probable Construction Costs*  
*Final Design*

Prepared by: MWW

Checked by: KGA

Item	Description	Quantity	Unit	Unit Cost	Total
1	Mobilization	1	LS	\$1,000	\$1,000
2	Traffic Control	1	LS	\$1,700	\$1,700
3	Install and Configure Opticom Model 764 Multimode Phase Selector	12	EA	\$350	\$4,200
4	Install Opticom Model 1010 GPS Radio Unit on signal mast.	12	EA	\$1,500	\$18,000
5	Install Opticom Model 1070 GPS Installation Cable in existing conduit.	1,200	LF	\$10	\$12,000
<b>Sub-Total</b>					<b>\$36,900</b>
<b>Contingency @ 10%</b>					<b>\$3,690</b>
<b>Construction Total</b>					<b>\$40,590</b>

The Engineer has no control over the cost of labor, materials, equipment, or over the Contractor's methods of determining prices or over competitive bidding or market conditions. Opinions of probable costs provided herein are based on the information known.



[www.advancedtraffic.com](http://www.advancedtraffic.com)



## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** Authorization to Advertise for Bids - Replacement of Digester Mixing Pump & Valves

**SOURCE:** Public Works

**COMMENT:** The City Waste Water Treatment Facility (WWTF) is experiencing a problem with one of the mixing pumps on Digester #3. It has been determined that the pump needs to be replaced. While replacing the mixing pump on Digester #3, we will also replace two valves on Digester #1.

Staff is seeking authorization to advertise for the pump and valve replacements and return the results of the bids to City Council to award.

The estimated cost of the project is \$54,144. The funding source is the Waste Water Treatment Facility Capital Reserve account. Funds for this project need to be added to the 2014/2015 Annual Budget from the WWTF Capital Reserve Account so we can begin this project as soon as possible if approved by Council.

**RECOMMENDATION:** That City Council:

1. Authorize staff to advertise for bids for the replacement of the digester mixing pump and valves; and
2. Direct the Finance Director to appropriate \$55,000 from the Waste Water Treatment Facility Capital Reserve account to the 2014/2015 Annual Budget.

**ATTACHMENTS:**

Appropriated/Funded: MB

Review By:

Department Director:

Mike Reed, City Engineer

Final Approver: John Lollis, City Manager



## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** Authorization to Advertise for Bids for the Wilson Place Concrete Repair Project

**SOURCE:** Public Works

**COMMENT:** The Plans and Project Manual have been prepared for the Wilson Place Concrete Repair Project. The project is located in the cul-de-sac of Wilson Place near the intersection of Mulberry Avenue and Wilson Place. The project includes the removal and installation of curb, gutter, pavement and related appurtenances.

The Plans and Project Manual have been completed and are available in the Pete V. McCracken Conference Room for Council's review.

The estimate of probable cost for the entire project is \$17,050 with \$1,705 required for construction contingency (10%). An additional \$3,000 is required for construction management, quality control and inspection. The total estimated cost associated with the project is \$21,755. An Estimate of Probable Cost is attached for Council's review.

Special Gas Tax is the funding source for this project and was approved in the 2014/2015 Annual Budget.

**RECOMMENDATION:** That City Council:

1. Approve staff's recommended Plans and Project Manual;
2. Authorize staff to advertise for bids on the project; and
3. Authorize the City Engineer to negotiate construction surveying services with one of the firms as approved by Council MO #02-100714.

**ATTACHMENTS:**

1. Locator Map - Wilson Place Concrete Repair
2. Engineer's Estimate of Probable Cost

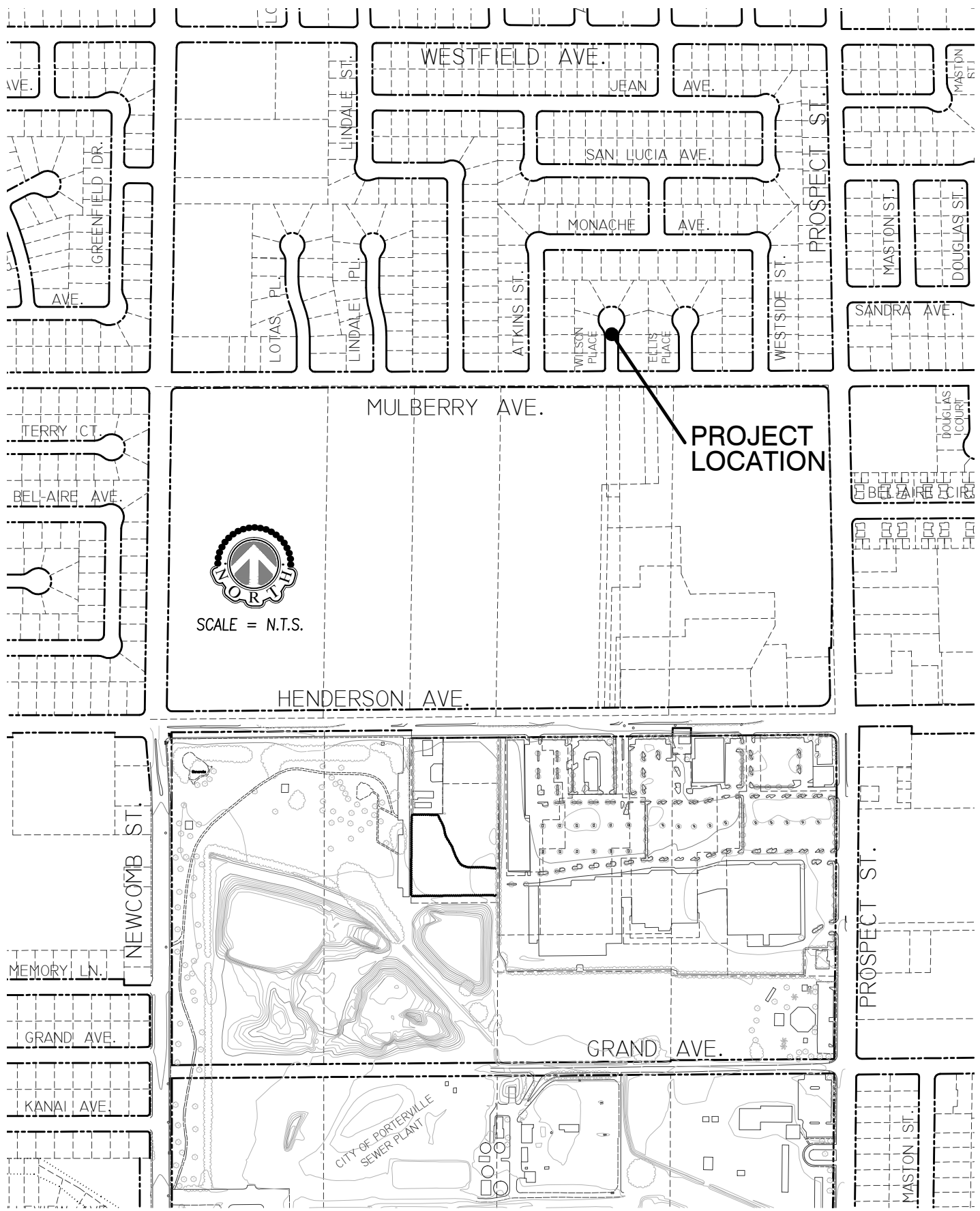
Appropriated/Funded: MB

Review By:

Department Director:

Mike Reed, City Engineer

Final Approver: John Lollis, City Manager



## CITY OF PORTERVILLE

### ENGINEERING DIVISION

291 NORTH MAIN STREET  
PORTERVILLE, CA. 93257  
(559) 782-7462

## WILSON PLACE CONCRETE REPAIR PROJECT

OWNER	-
APN	-
AREA	-
ACRES	-
SCALE	N.T.S.
DATE	-
DRAWN BY	-
CHECKED BY	-



City of Porterville

**Wilson Place Repair**


Wilson Place and Mulberry Avenue

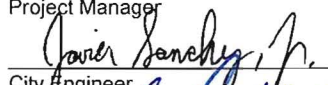
**5/26/15**


City of Porterville, Engineer's Estimate

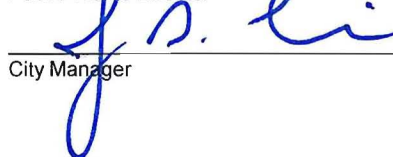
**Estimate - Wilson Place**

ITEM NO.	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	TOTAL PRICE
1	Mobilization and Demobilization	1	LS	\$ 1,000.00	\$ 1,000.00
2	Traffic Control	1	LS	\$ 500.00	\$ 500.00
3	Clearing and Grubbing (including but not limited to concrete, dirt, and asphalt removal)	1	LS	\$ 2,000.00	\$ 2,000.00
4	Curb & Gutter also includes driveway curb and gutter	150	LF	\$ 30.00	\$ 4,500.00
5	Install 5' paveout in street with 3" Asphalt Concrete Pavement Patch, including 6" Class 2 Aggregate Base and sub-grade preparation.	750	SF	\$ 10.00	\$ 7,500.00
Total					\$ 15,500.00
10% Construction Engineering					\$ 1,550.00
Total					\$ 17,050.00

 5-26-15  
Project Manager Date

 05/27/2015  
City Engineer Date

 5/27/2015  
Public Works Director Date

 05/27/15  
City Manager Date



## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** Authorization to Distribute a Request for Qualifications for On-Call Escrow and Title Services

**SOURCE:** Community Development

**COMMENT:** The Community Development Department oversees acquisition of right-of-way, easements, and properties on behalf of all City Departments. Escrow and Title services are an important element of that activity, and a qualified firm has been used for many years under a general agreement as to terms and pricing for specific activities. However, no formal contract was established, and staff has recently been working to update or establish contracts as needed for all applicable consulting services.

In a manner similar to the recently approved contract for on-call right-of-way appraisals, staff suggests that a defined contract to provide escrow and title services would expedite and simplify the process of acquisitions. The Request For Qualifications is attached and, if the recommendation is approved, staff will immediately route it to potential consultants.

**RECOMMENDATION:** That the City Council authorize staff to distribute a Request for Qualifications for on-call Escrow and Title services.

**ATTACHMENTS:** 1. Request For Qualifications

**Appropriated/Funded:** MB

**Review By:**

Department Director:

Jenni Byers, Community Development Director

Final Approver: John Lollis, City Manager

June 4, 2015

Subject: Request for Qualifications (RFQ) – On-call Consulting Services

The City of Porterville has need of a consultant or firm to provide escrow and title services when right-of-way or property acquisition is necessary to complete certain projects. These tasks are a specialty that are not within the current capacity of City staff. Subject projects may be privately initiated by a seller approaching the City, or in response to a need for right of way to complete a public improvement project. Therefore, the City of Porterville is requesting qualifications for escrow and title services to assist staff in the purchase of properties as may be needed. The required services described in the attached RFQ will be performed upon request by the City as projects are initiated.

If selected, the City will provide a Service Contract for five (5) years following the date of the signed service agreement. The contract may be extended by mutual agreement. Upon contract renewal, the cost for services must be agreed upon by both parties. Due to the volume of work needed, the City of Porterville reserves the right to place services, in addition to the services being performed by the selected firm, with other qualified firms.

This contract is subject to thirty (30) days written notice of cancellation by either party except that City may cancel contract upon five (5) days written notice in the event of nonperformance by contractor. Nonperformance by contractor or repeated lack of response or attention to responsibilities and/or directions and requests of City shall be considered adequate cause for termination of contract and/or withholding of funds to contractor which City must pay to third party or parties to correct deficiencies due to lack of performance as determined by City.

The selected consultants must identify the principal project manager, and the consultant shall not substitute the project manager without prior approval by the Community Development Director of the City of Porterville. Four (4) copies of the proposals must be submitted, in accordance with the attached request, by 4:00 PM, June 25, 2015, to:

City of Porterville, Community Development Department  
Attn: Jennifer M. Byers  
Acting Community Development Director  
291 N. Main Street  
Porterville, CA 93257

Award of contract should occur in July 2015 by the City Council.

Please contact me at (559) 782-7460 if you have any questions regarding this letter.

Sincerely,

Jennifer M. Byers  
Acting Community Development Director

## CITY OF PORTERVILLE

### REQUEST FOR QUALIFICATIONS (RFQ) FOR ON-CALL ESCROW AND TITLE SERVICES

The City of Porterville has need of a consultant or firm to provide escrow and title services when right-of-way or property acquisition is necessary to complete certain projects. These tasks are a specialty that are not within the current capacity of City staff. Subject projects may be privately initiated by a seller approaching the City, or in response to a need for right-of-way to complete a public improvement project. Although the consultant's work will include involvement by the Community Development Director or designated staff, independent initiative and responsiveness are integral to the success of the contract and each project addressed under the contract. Other services typically rendered by the selected firm may also be utilized during the course of this agreement.

#### SCOPE OF ESCROW AND TITLE SERVICES:

The consultant will respond directly to the Community Development Manager or her designee on a particular project. The selected consultant will perform, but not be limited to, the following tasks:

1. Preliminary Title Reports - Use of e-Pre is preferred, with a supplemental pdf or hard copy of a preliminary title report. Cost per report will be set for the term of the contract, and where title insurance is required, the cost of the preliminary title report will be credited towards the policy premium.
2. Escrow Services.
3. Property Profiles.
4. Document Preparation and Recordation.
5. For complicated projects, coordinate regularly with City staff and other parties as needed.
6. Title production.
7. Provide other consulting services as available through the selected firm.
8. Other Requirements:

- a) The selected firm will be required to carry and provide certificates of insurance for general and automobile liability insurance as follows:

General Liability	\$1,000,000 minimum per occurrence
Automobile Liability	\$1,000,000 minimum per occurrence
Workers Compensation	Statutory Limits

The General Liability is to contain or be endorsed to name the City, its officers, officials, employees and agents as Additional Insured as respects liability arising

out of the activities performed in connection with this contract. The coverage shall be primary and shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. Original endorsements, signed by a person authorized to bind coverage on its behalf, shall be furnished to the City by the successful firm.

- b) The selected consultant/firm shall indemnify and hold harmless the City, its officers, employees and agents from and against all claims, damages, losses and expenses caused in whole or in part by any negligent act or omission of the firm, its consultants, subcontractors, anyone directly or indirectly employed by any of them, or anyone for whose acts any of them may be liable, except where caused by the active negligence, or willful misconduct by the City.
- c) Labor and material proposals submitted on this form shall be subject to the provisions of Section 1700, California Labor Code, as specified by Section 3700, California Labor Code, which requires Workers' Compensation insurance to be provided by the selected consultant/firm.
- d) Workers' Compensation policy(ies) are to be endorsed to include a waiver of subrogation against the City, its officers, officials, employees and agents.
- e) The firm and its employees are independent contractors and not employees of the City of Porterville. The firm and/or its insurers are responsible for payment of any liability arising out of workers' compensation, unemployment, or employee benefits offered to its employees.
- f) Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City.
- g) Endorsements are to be received and approved by the City before work commences.
- h) The successful consultant/firm shall obtain a City of Porterville business license. Fee is based on gross receipts for all business transactions in the city of Porterville. For information, contact the Business License clerk at (559) 782-7457.
- i) A service contract will be provided by the City to the selected contractor.
- j) All work performed by the consultant under this contract shall be under the ownership of the City of Porterville.
- k) All work performed under this contract shall be researched, prepared and executed in a professional and competent manner for which the consultant will be responsible.
- l) In accordance with City of Porterville and Caltrans policy, disadvantaged business enterprises (DBE), including qualified small minority and woman-owned firms, are

encouraged to submit a proposal or otherwise participate in the completion of the work covered by this request. No DBE participation goals have been established for this project.

- m) The employee(s) identified in the proposal as performing the duties under this contract shall not be replaced without the prior written approval of the Community Development Director of the City of Porterville.

#### DESIRABLE QUALIFICATIONS OF THE CONSULTANT

The City is seeking a qualified consultant to provide on-call escrow and title services. The desired consultant shall have the following qualifications:

1. Extensive experience in the preparation of escrow and title documents in compliance with all applicable laws and regulations.
2. The Consultant's proven ability to expeditiously and accurately produce the required product in a concise and useable format.
3. Knowledge of the City of Porterville property acquisition process is highly desirable.
4. The consultant must possess strong writing skills and be proficient using Microsoft Word and other standard software programs.

#### CONTENTS OF STATEMENTS OF QUALIFICATIONS TO BE SUBMITTED TO CITY

Firms wishing to be considered for selection to provide the services to the City described herein should submit Statements of Qualifications in their proposals containing the following information:

1. A description, including background, size and orientation of the firm.
2. A summary of the qualifications of the firm to perform the services described herein, including, but not necessarily limited to:
  - a) the firm's previous experience in preparing the required documents and providing the described services;
  - b) the firm's previous experience in performing similar services for other agencies;
  - c) the firm's previous experience with the City of Porterville and familiarity with the community; and
  - d) the firm's ability to produce the required product in a timely fashion, within budget and ability to present such reports to applicable staff and other involved agencies/parties.

3. Prospective consultants shall describe the qualifications of all professional personnel to be assigned to this project, including a summary of similar work or studies each member has performed and a resume of each professional involved with this contract.
4. Prospective consultants shall designate by name the project manager to be employed in this effort. The selected consultant shall not substitute the project manager without prior approval by the Community Development Director of the City of Porterville.

The proposal shall contain the fee(s) the firm proposes to charge for the services to be provided. The fee(s) shall be in the form of hourly rates which consider all billable expenses such as mileage, materials, insurance, phones, etc. Time will be of the essence in completing the services described in relation to this project. It is anticipated that this effort may require significant staff resources at times, particularly for large construction projects requiring acquisition of several properties or easements. It is also important that when services are requested, the consultant will return to the City for work within five (5) working days in the event a lapse in service occurs.

Four (4) copies of the proposal should be submitted by not later than 4:00 P.M., June 25, 2015, to:

City of Porterville  
Attn: Jennifer M. Byers  
Acting Community Development Director  
291 North Main Street  
Porterville, CA 93257

The proposals must be submitted in an envelope clearly marked with the proposer's name and "Qualifications for Consulting Services." Late or incomplete proposals will not be considered by the City.

#### SELECTION PROCESS:

Proposals will be evaluated using the attached Exhibit "A" Consultant Selection Rating Form.

#### INQUIRIES REGARDING THIS RFQ:

Any inquiries regarding this RFQ or the project described herein should be directed to Jennifer Byers, Acting Community Development Director, by calling (559) 782-7460.

RESPONSE TO REQUEST FOR QUALIFICATIONS FOR  
ESCROW AND TITLE SERVICES

TO: City of Porterville

FROM: \_\_\_\_\_  
Name/Company

\_\_\_\_\_  
Address

\_\_\_\_\_  
City, State, Zip Code

\_\_\_\_\_  
Telephone No. Fax No.

Proposal Amount:	Hourly Rate	Availability/hours per week
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Manager/Principal	_____	_____
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Assisting Staff	_____	_____
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Clerical (if applicable)	_____	_____
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Notice required prior to commencing work on project: \_\_\_\_\_ hours/days.

(Summary of qualifications, references and relevant experience must be attached.)

Signature	_____
Date	_____

\_\_\_\_\_  
Name and Title (Printed)





## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** Second Amendment to the Agreement for Transit Service Between the City of Porterville and the Tule River Indian Tribe

**SOURCE:** Public Works

**COMMENT:** On November 6, 2012, the City Council entered into an Agreement with the Tule River Indian Tribe to expand fixed route transit service and paratransit service from the city of Porterville to the Reservation. On November 5, 2013, the City Council approved the First Amendment to the Agreement to extend the Agreement until June 30, 2015.

The expanded transit and paratransit services were funded in full by competitive grants awarded to the City from the Federal Transit Administration's Job Access and Reverse Commute, and New Freedom programs. To improve the proposed expanded transit services, the Tule River Indian Tribe agreed to partner with the City to provide free public transportation to all passengers by financing the required fare box from general tribal funds.

Since expanded transit service started on December 1, 2012, the service, Route 9, has provided 230,190 passenger trips and has quickly become the most utilized route in the transit system. This highly successful route has improved transportation for tribal, county, and city residents, regardless of income, who are seeking to secure and maintain employment, maintain self-sufficiency, and to improve the quality of life in and around our community. This expanded transit service has also reduced congestion, traffic accidents, and improved the environment by providing a sustainable alternative transportation to those traveling along this corridor.

With the expanded transit service, the transit system, as a whole, has benefited from increased ridership. During the last fiscal year (2013/2014), the transit system has received its highest ridership in its 17 years of service, transporting 625,641 passengers. If ridership continues to increase, it is projected the transit system will transport over 650,000 passengers during the 2014/2015 fiscal year.

Operational funding is provided by the Federal Transit Administration's Section 5311 program at 55%; the required local match is relieved by toll credits. Staff's recommendation is to extend the said transit services between the Tule River Reservation and the city of Porterville until June 30, 2016.

RECOMMENDATION: That the City Council:

1. Approve the attached Second Amendment to the Agreement for Transit Service between the Tule River Indian Reservation and the city of Porterville;
2. Accept funding from the Tule River Indian Tribe in the amount of 30% of the operational costs to cover the required fare box return; and
3. Authorize the Mayor and City Attorney to execute the attached Agreement.

ATTACHMENTS: 1. Second Amendment to Tribe Agreement

Appropriated/Funded: MB

Review By:

Department Director:

Mike Reed, City Engineer

Final Approver: John Lollis, City Manager

## **SECOND AMENDMENT TO AGREEMENT FOR TRANSIT SERVICE**

The City of Porterville Agreement with the Tule River Indian Tribe of California to provide transit services, entered into on November 1, 2012, is amended on June 2, 2015, between the City of Porterville, hereinafter referred to as "CITY" and the Tule River Indian Tribe of California, hereinafter referred to as "TRIBE" with reference to the following:

WHEREAS, CITY and TRIBE entered into an agreement for transit services from November 1, 2012, to October 31, 2013; and

WHEREAS, CITY and TRIBE entered into an agreement on November 5, 2013, to extend the same transit services to June 30, 2015; and

WHEREAS, CITY and TRIBE desire to renew said agreement to provide the same transit services from July 1, 2015, to June 30, 2016.

### **ACCORDINGLY, IT IS AGREED:**

- I. Paragraph 1(b), **City** of Agreement is amended to read: Bus stop(s) shall be established at locations acceptable to the Tribe. The City shall provide bus stop signs and amenities to the Tribe and assist in the installation. The City shall provide fixed route and complimentary paratransit service within the service area on the following schedule: Monday to Friday (Weekdays) from 6:00 AM to 10:00 PM; Saturday from 7:00 AM to 10:00 PM; and Sunday from 8:00 AM to 6:00 PM. The City will not operate on New Year's Day, Independence Day, Thanksgiving, Day, or Christmas Day and will operate a weekend schedule on Memorial Day, Labor Day, and Veterans' Day. City shall provide administrative services for Tribe's Federal Transit Administration (FTA) Section 5311(c) program.

- II. Paragraph 12, **Term of Agreement** entered into on November 5, 2013, is amended to read: The term of the agreement shall commence on July 1, 2015, and shall expire at 11:59 PM on June 30, 2016, unless otherwise terminated as provided in this agreement. The agreement will be renewable for similar or different terms and conditions upon mutual agreement between CITY and TRIBE.
- I. Except as provided above, all other terms and conditions of agreement shall remain in full force and effect.
- II. This amendment shall become effective on July 1, 2015.

**THE PARTIES**, having read and considered the above provisions, indicate their agreement by their authorized signatures below.

**TULE RIVER INDIAN TRIBAL COUNCIL**

Date\_\_\_\_\_ By\_\_\_\_\_

Neil Peyron, Chairman

Approved as to Form, Tribal Counsel

By\_\_\_\_\_ Date\_\_\_\_\_

Tribal Attorney

**CITY OF PORTERVILLE**

Date\_\_\_\_\_ By\_\_\_\_\_

Milt Stowe, Mayor

Approved as to Form, City Attorney

By\_\_\_\_\_

City Attorney



## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** Authorization to Purchase Tax-defaulted Property at Assessor Parcel Number 245-150-054

**SOURCE:** Community Development

**COMMENT:** On May 19, 2015, the Tulare County Board of Supervisors authorized the sale of tax-defaulted properties. Included in the list of tax-defaulted properties to be auctioned is Assessor Parcel Number 245-150-054, situs address not listed. While there is no site address assigned to the site, this property is well known as the former Porterville Drive-In Theater. The theater closed in 2004 and since that time has fallen into severe disrepair and has been regarded as a nuisance and blighted property.

The property owner has been notified several times that the premises and structures were deemed to be dangerous under the provisions of Section 202 of the 1997 Uniform Code for the Abatement of Dangerous Buildings. There have been several complaints regarding trash and debris on this property, as well as multiple fires in and around the abandoned structures.

Staff recommends that the City proceed to acquire the tax-defaulted property through the County of Tulare to abate these substandard conditions. The City Council must first adopt a Resolution objecting to the County Tax Collector sale of a certain tax-defaulted property and then authorize the submittal of an application and the execution of an Agreement to purchase the same property. The property is zoned RM-3: High Density Residential. The purpose and intended use of the City's purchase of the property would be to abate the substandard conditions and develop the site for low-income housing and/or other governmental use.

**RECOMMENDATION:** That the City Council:

1. Adopt a Resolution objecting to the sale of a tax-defaulted property, authorizing the submittal of an application to the County of Tulare to purchase the specified tax-defaulted property, and authorizing the execution of an agreement to purchase the tax-defaulted property identified as Parcel 245-150-054; and
2. Authorize the Mayor to sign all necessary documents to complete the transaction.

**ATTACHMENTS:** 1. Draft Resolution

Appropriated/Funded: MB

Review By:

Department Director:

Jenni Byers, Community Development Director

Final Approver: John Lollis, City Manager

RESOLUTION NO. \_\_\_\_-2015

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
PORTERVILLE OBJECTING TO THE SALE OF A CERTAIN TAX  
DEFAULTED PROPERTY, AUTHORIZING THE SUBMITTAL OF AN APPLICATION  
AND THE EXECUTION OF AN AGREEMENT TO PURCHASE THE PROPERTY  
IDENTIFIED BY ASSESSOR PARCEL NUMBER 245-150-054

WHEREAS, the City of Porterville (the "City") is a charter city organized and existing pursuant to the Constitution of the State of California; and

WHEREAS, in accordance with the California Revenue and Taxation Code, the City Council of the City of Porterville wishes to enter into a purchase agreement to purchase the tax-defaulted property as identified for the specified price of THIRTY TWO THOUSAND SIX HUNDRED DOLLARS (\$32,600) plus sale costs, and to be used for the public purpose described in the attachment to this Resolution as Exhibit "A".

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

1. The City of Porterville hereby objects to the Tax Collector's Public Auction Sale of the tax-defaulted property identified in Exhibit "A," as is required by the appropriate provisions of the California Revenue and Taxation Code.
2. The City of Porterville hereby authorizes City staff to submit an Application to the County of Tulare to purchase the specified tax-defaulted property from the County, authorizes the Mayor to sign an agreement with the County to purchase the above-described property, and authorizes the Mayor to execute all other documents necessary to effectuate the transaction.

PASSED, APPROVED AND ADOPTED this 2<sup>nd</sup> day of June, 2015.

\_\_\_\_\_  
Milt Stowe, Mayor

ATTEST:  
John D. Lollis, City Clerk

By \_\_\_\_\_  
Patrice Hildreth, Chief Deputy City Clerk

## EXHIBIT "A"

## LIST OF TAX-DEFAULTED PROPERTIES

APN	Situs Address	Description	Purchase Price	Public Purpose
245-150-054	None	Abandoned drive in theatre, including dilapidated buildings on approximately 12.6 acres.	\$32,600	Abate substandard conditions and develop the site for low-income housing and/or other governmental use





## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** Authorization to Purchase Tax-defaulted Property at Assessor Parcel Number 260-193-006

**SOURCE:** Community Development

**COMMENT:** On May 19, 2015, the Tulare County Board of Supervisors authorized the sale of tax-defaulted properties. Included in the list of tax-defaulted properties to be auctioned is Assessor Parcel Number 260-193-006, situs address of 87 S. G Street.

The property owner has been notified several times that the premises were deemed to be dangerous under the California Uniform Housing Code, Section 1101 et seq. and received a Notice and Order to Vacate the premises. In addition to the dangerous condition, there have been several complaints of homeless people breaking in and living in the home.

Staff recommends that the City Council proceed to acquire the tax-defaulted property through the County of Tulare to abate these substandard conditions. The City Council must first adopt a Resolution objecting to the County Tax Collector sale of a certain tax-defaulted property and then authorize the submittal of an application and the execution of an Agreement to purchase the same property. The property is zoned RS-2 (Low Density Residential). The purpose and intended use of the City's purchase of the property would be to abate the substandard conditions and develop the site for low-income housing.

**RECOMMENDATION:**

1. Adopt a Resolution objecting to the sale of a tax-defaulted property, authorizing the submittal of an application to the County of Tulare to purchase the specified tax-defaulted property, and authorizing the execution of an agreement to purchase the tax-defaulted property identified as Parcel 260-193-006; and
2. Authorize the Mayor to sign all necessary documents to complete the transaction.

**ATTACHMENTS:**

1. Draft Resolution

Appropriated/Funded: MB

Review By:

Department Director:

Jenni Byers, Community Development Director

Final Approver: John Lollis, City Manager

RESOLUTION NO. \_\_\_\_-2015

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
PORTERVILLE OBJECTING TO THE SALE OF A CERTAIN TAX  
DEFAULTED PROPERTY, AUTHORIZING THE SUBMITTAL OF AN APPLICATION  
AND THE EXECUTION OF AN AGREEMENT TO PURCHASE THE PROPERTY  
IDENTIFIED BY ASSESSOR PARCEL NUMBER 260-193-006

WHEREAS, the City of Porterville (the "City") is a charter city organized and existing pursuant to the Constitution of the State of California; and

WHEREAS, in accordance with the California Revenue and Taxation Code, the City Council of the City of Porterville wishes to enter into a purchase agreement to purchase the tax-defaulted property as identified for the specified price of TWELVE THOUSAND SEVEN HUNDRED DOLLARS (\$12,700) plus sale costs, and to be used for the public purpose described in the attachment to this Resolution as Exhibit "A".

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

1. The City of Porterville hereby objects to the Tax Collector's Public Auction Sale of the tax-defaulted property identified in Exhibit "A," as is required by the appropriate provisions of the California Revenue and Taxation Code.
2. The City of Porterville hereby authorizes City staff to submit an Application to the County of Tulare to purchase the specified tax-defaulted property from the County, authorizes the Mayor to sign an agreement with the County to purchase the above-described property, and authorizes the Mayor to execute all other documents necessary to effectuate the transaction.

PASSED, APPROVED AND ADOPTED this 2<sup>nd</sup> day of June, 2015.

\_\_\_\_\_  
Milt Stowe, Mayor

ATTEST:  
John D. Lollis, City Clerk

By \_\_\_\_\_  
Patrice Hildreth, Chief Deputy City Clerk

## EXHIBIT "A"

## LIST OF TAX-DEFAULTED PROPERTIES

APN	Situs Address	Description	Purchase Price	Public Purpose
260-193-006	87 S G Street	Abandoned single family residence on a 7244± square foot lot	\$12,700	Abate substandard conditions and develop the site for low-income housing



## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** Confirmation of City Council's Intent to Utilize 287 N. Hockett Street for an Administrative Building for the City's Governmental Purposes

**SOURCE:** Community Development

**COMMENT:** Health and Safety Code Section 34191.5, as modified by AB 1484, requires the Successor Agency to prepare a Long Range Property Management Plan (Plan) that addresses the disposition and use of the real properties of the former Redevelopment Agency.

There are seven (7) properties owned and controlled by the Successor Agency. One of the properties is Assessor Parcel Number 252-183-007, located on the northwest corner of Hockett Street and Cleveland Avenue (the "Property"). The Property address is 287 N. Hockett Street. The lot size is 7,150 square feet, and is improved with a 2,446 square foot vacant office building.

The Property was originally acquired by the former Porterville Redevelopment Agency to further the objective of the Redevelopment Plan and the Five Year Implementation Plan 1999-2004 of acquiring land for the development of public facilities.

The City Hall administrative building, located at 291 N. Main Street, is land locked without the ability to expand. The City could utilize the Property as an additional City administrative building for departments such as the Information Technology Department, the Fire Investigation Unit, and/or the Police Dispatch Center. This proposed use would constitute a "governmental use" within the meaning of the Dissolution Laws, specifically Health and Safety Code Section 34181(a).

The Department of Finance is currently reviewing the Successor Agency's Long Range Property Management Plan and has indicated that they will consider the Property a "governmental use" property if the City Council adopts a resolution confirming its intention to utilize the Property for the City's administrative purposes, as described above.

**RECOMMENDATION:** That the City Council adopt a Resolution confirming the Council's intent to utilize 287 N. Hockett Street as an Administrative Building for Governmental Use.

**ATTACHMENTS:** 1. Draft Resolution

Appropriated/Funded: N/A

Review By:

Department Director:

Jenni Byers, Community Development Director

Final Approver: John Lollis, City Manager

RESOLUTION NO. \_\_\_\_-2015

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE  
CONFIRMING THE CITY'S INTENT TO UTILIZE 287 N. HOCKETT STREET FOR THE  
GOVERNMENTAL USE OF AN ADMINISTRATIVE BUILDING

WHEREAS, the City of Porterville ("City") is a municipal corporation organized and operating under the laws of the State of California; and

WHEREAS, the Successor Agency to the Porterville Redevelopment Agency ("Successor Agency") is a public body corporate and politic, organized and operating under Parts 1.8 and 1.85 of Division 24 of the California Health and Safety Code, and the successor of the former Porterville Redevelopment Agency ("former Agency") that was previously a community redevelopment agency organized and existing pursuant to the Community Redevelopment Law, Health and Safety Code Section 33000, et seq. ("CRL"); and

WHEREAS, Assembly Bill x1 26 ("AB x1 26") added Parts 1.8 and 1.85 to Division 24 of the California Health & Safety Code and which laws were modified, in part, and determined constitutional by the California Supreme Court in the petition California Redevelopment Association, et al. v. Ana Matosantos, et al., Case No. S194861 ("Matosantos Decision"), which laws and court opinion caused the dissolution of all redevelopment agencies and winding down of the affairs of former redevelopment agencies; thereafter, such laws were amended further by Assembly Bill 1484 ("AB 1484") (together AB x1 26, the Matosantos Decision, and AB 1484 are referred to as the "Dissolution Laws"); and

WHEREAS, as of February 1, 2012, the former Agency was dissolved pursuant to the Dissolution Laws and as a separate public entity, corporate and politic, the Successor Agency administers the enforceable obligations of the former Agency and otherwise unwinds the former Agency's affairs, all subject to the review and approval by a seven-member oversight board ("Oversight Board"); and

WHEREAS, Health and Safety Code Section 34191.5(b) requires the Successor Agency to prepare a "long-range property management plan" (also referred to herein as the "LRPMP") addressing the future disposition and use of all real property of the former Agency no later than six months following the issuance by the California Department of Finance ("DOF") to the Successor Agency of a finding of completion pursuant to Health and Safety Code Section 34179.7; and

WHEREAS, DOF issued a finding of completion to the Successor Agency on August 7, 2013; and

WHEREAS, the Successor Agency prepared an LRPMP and the LRPMP prepared by the Successor Agency was approved by the Oversight Board and was provided to DOF for its review and approval; and

WHEREAS, the LRPMP describes seven (7) properties owned and controlled by the Successor Agency; and

WHEREAS, one of the properties described in the LRPMP (Assessor Parcel Number 252-183-007) is a 2,446 square foot vacant office building, generally located at 287 N. Hockett Street, on the northwest corner of Hockett and Cleveland Avenue (the “Property”); and

WHEREAS, the City Hall administrative building, located at 291 N. Main Street, is land locked without the ability to expand; and

WHEREAS, the City desires to use the Property to house certain City departments, potentially including the Information Technology Department, the Fire Investigation Unit, and/or the Police Dispatch Center; and

WHEREAS, such uses would constitute a “government use” within the meaning of the Dissolution Laws, specifically Health and Safety Code Section 34181(a); and

WHEREAS, to support the DOF’s determination that the Property qualifies as a “government use” property pursuant to the Dissolution Laws, the City Council desires to confirm its intent to use the Property for a government use, specifically to house certain City administrative functions and departments.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Porterville does hereby make the following findings:

1. The City Council of the City of Porterville is confirming its intent to utilize the Property for the governmental use of a City administrative building, for City departments including, but not limited to, the Information Technology Department, the Fire Investigation Unit, and/or the Police Dispatch Center.
2. The above recitals are true and correct and constitute a substantive part of this Resolution.
3. This Resolution shall be effective immediately upon adoption.
4. The City Clerk on behalf of the City Council shall certify to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 2<sup>nd</sup> day of June 2015.

By: \_\_\_\_\_  
Milt Stowe, Mayor

ATTEST:  
John D. Lollis, City Clerk

\_\_\_\_\_  
Patrice Hildreth, Chief Deputy City Clerk





## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** State Department of Finance - Population Estimates

**SOURCE:** Community Development

**COMMENT:** The Community Development Department has received a summary report of Porterville's estimated population and housing data prepared by the State Department of Finance (DOF). The DOF prepares these estimates based upon information supplied by the City during the previous year, such as new housing units, demolitions, conversions, annexations and other factors, and comparing figures from the 2014 benchmark or a prior year's estimate. Annually, the Community Development Department reviews these estimates and forwards them to the City Council for review and adoption. After Council adoption, the City submits a request for certification to the State Controller.

After certification by the State, the January 1, 2015, population estimate of 55,852 for the City of Porterville becomes the basis used to distribute certain State subvention revenues to the City. The 2014 estimate was 55,573. This is an increase of .5% or 279 persons.

**RECOMMENDATION:** That the City Council authorize the Mayor to sign a request for State certification for the City of Porterville, January 1, 2015, at a population of 55,852.

**ATTACHMENTS:**

1. Department of Finance Tables dated 2015 and 2014 showing population change
2. Draft Letter

**Appropriated/Funded:**

**Review By:**

Department Director:

Jenni Byers, Community Development Director

Final Approver: John Lollis, City Manager

**California Department of Finance  
Demographic Research Unit**

**Report E-1**

**Population Estimates for Cities, Counties, and the State  
January 1, 2014 and 2015**

Released: May 1, 2015

**Table of Contents (links to internal worksheets)**

[City and County Population Estimates, January 1, 2014 and 2015](#)

[County and State Population Estimates, January 1, 2014 and 2015](#)

**For more information:**

<http://www.dof.ca.gov/research/demographic/reports/estimates/e-1/view.php>

**Data Prepared by:**

Demographic Research Unit  
California Department of Finance  
e-mail: [ficalpop@dof.ca.gov](mailto:ficalpop@dof.ca.gov)  
phone: 916-323-4086

[About the Data](#)

**E-1: City/County Population Estimates with Annual Percent Change**

**January 1, 2014 and 2015**

State/County/City	Total Population		Percent Change
	1/1/2014	1/1/2015	
<b>California</b>	38,357,121	38,714,725	0.9
<b>Tulare County</b>	458,827	462,189	0.7
Dinuba	23,601	23,966	1.5
Exeter	10,506	10,572	0.6
Farmersville	10,901	10,908	0.1
Lindsay	12,615	12,678	0.5
Porterville	55,573	55,852	0.5
Tulare	61,725	62,363	1.0
Visalia	129,481	130,753	1.0
Woodlake	7,687	7,702	0.2
Balance of County	146,738	147,395	0.4

Department of Finance

Demographic Research Unit

Phone: (916) 323-4086

For more information: <http://www.dof.ca.gov/research/demographic/reports/estimates/e-1/view.php>

Released on May 1, 2015

**E-1: State/County Population Estimates with Annual Percent Change**  
**January 1, 2014 and 2015**

State/County	Total Population		Percent Change
	1/1/2014	1/1/2015	
<b>California</b>	38,357,121	38,714,725	0.9
Alameda	1,574,497	1,594,569	1.3
Alpine	1,122	1,121	-0.1
Amador	36,143	36,312	0.5
Butte	222,901	224,323	0.6
Calaveras	45,567	45,668	0.2
Colusa	21,783	21,715	-0.3
Contra Costa	1,089,219	1,102,871	1.3
Del Norte	28,051	28,031	-0.1
El Dorado	183,287	184,917	0.9
Fresno	963,375	972,297	0.9
Glenn	28,694	28,728	0.1
Humboldt	134,790	134,398	-0.3
Imperial	180,998	183,429	1.3
Inyo	18,614	18,574	-0.2
Kern	868,610	874,264	0.7
Kings	149,942	149,721	-0.1
Lake	64,759	64,918	0.2
Lassen	32,367	32,092	-0.8
Los Angeles	10,054,852	10,136,559	0.8
Madera	154,354	155,878	1.0
Marin	257,153	258,972	0.7
Mariposa	17,843	17,791	-0.3
Mendocino	88,615	88,863	0.3
Merced	264,567	266,134	0.6
Modoc	9,481	9,399	-0.9
Mono	14,625	14,695	0.5
Monterey	424,774	425,413	0.2
Napa	139,074	140,362	0.9
Nevada	97,823	98,193	0.4
Orange	3,114,209	3,147,655	1.1
Placer	366,678	369,454	0.8
Plumas	19,682	19,560	-0.6
Riverside	2,280,191	2,308,441	1.2
Sacramento	1,456,230	1,470,912	1.0
San Benito	57,909	58,344	0.8
San Bernardino	2,084,151	2,104,291	1.0
San Diego	3,192,457	3,227,496	1.1
San Francisco	834,903	845,602	1.3
San Joaquin	708,678	719,511	1.5
San Luis Obispo	272,955	274,293	0.5

San Mateo	745,635	753,123	1.0
Santa Barbara	434,510	437,643	0.7
Santa Clara	1,868,038	1,889,638	1.2
Santa Cruz	269,322	271,646	0.9
Shasta	178,742	178,673	0.0
Sierra	3,125	3,105	-0.6
Siskiyou	45,311	45,119	-0.4
Solano	425,169	429,552	1.0
Sonoma	492,320	496,253	0.8
Stanislaus	528,157	532,297	0.8
Sutter	95,739	95,948	0.2
Tehama	64,209	64,323	0.2
Trinity	13,623	13,571	-0.4
Tulare	458,827	462,189	0.7
Tuolumne	54,150	54,337	0.3
Ventura	842,385	848,073	0.7
Yolo	208,246	209,393	0.6
Yuba	73,690	74,076	0.5

Department of Finance  
Demographic Research Unit  
Phone: (916) 323-4086

For more information: <http://www.dof.ca.gov/research/demographic/reports/estimates/e-1/view.php>  
Released on May 1, 2015

June 3, 2015

Department of Finance  
Demographic Research Unit  
915 "L" Street, 8<sup>th</sup> Floor  
Sacramento, CA 95814

To Whom It May Concern:

On May 1, 2015, the City of Porterville received Porterville's estimated population and housing data for 2014 from the State Department of Finance.

On June 2, 2015, the Porterville City Council adopted Porterville's new estimated population of 55,852 and authorized transmittal of this correspondence requesting the State Controller to certify Porterville's January 1, 2015, population as 55,852 by Minute Order No. \_\_\_\_\_.

Sincerely,

Milt Stowe, Mayor



## CITY COUNCIL AGENDA – JUNE 2, 2015

SUBJECT: Police Vehicle Repair Authorization

SOURCE: Police

COMMENT: On April 30, 2015, a 2011 Ford Crown Victoria Police Interceptor (Unit #3220) was involved in a vehicle collision while responding to an emergency call. The front end of the police unit sustained moderate damage.

Research was completed by Departmental staff and it was determined that it would be more fiscally prudent to repair the vehicle than to replace it. The damaged vehicle has low mileage and has several years remaining in its current replacement cycle. A replacement police vehicle would cost approximately \$50,000, while repairing the damage to the vehicle would cost \$8,269 to \$11,480. The repairs to the vehicle would allow for the vehicle to be returned to service for several more years.

Department staff has obtained three quotes to repair the damage:

BD Quality Paint and Body Inc. - \$11,480.13.

Faggart Auto Center - \$8,486.17

Porterville Collision Center - \$8,269.09.

Based on the above information, the Department is requesting authorization to enter into an agreement with Porterville Collision Center to repair the damage to Police Unit 3220.

Funds for these repairs are available in the current Police Department Vehicle Replacement budget.

RECOMMENDATION: That the City Council:

- 1) Authorize repairs to Police Unit 3220; and
- 2) Authorize payment upon completion of repairs.

ATTACHMENTS:

1. Faggart Repair Bid
2. BD Paint and Body Bid
3. Porterville Collision Bid

Appropriated/Funded: MB

Review By:

Department Director:

Eric Kroutil, Police Chief

Final Approver: John Lollis, City Manager



**FAGGART AUTO CENTER**

133 S MAIN ST, PORTERVILLE, CA 93257

Phone: (559) 781-2979

FAX: (559) 784-2216

Workfile ID:

87251220

Federal ID:

94-1533513

**Preliminary Estimate****Customer: CITY OF PORTERVILLE****Job Number:**

Written By: Ryan Sanchez

Insured: CITY OF PORTERVILLE

Policy #:

Claim #:

Type of Loss:

Date of Loss:

Days to Repair: 0

Point of Impact:

**Owner:**

CITY OF PORTERVILLE

**Inspection Location:**

FAGGART AUTO CENTER

133 S MAIN ST

PORTERVILLE, CA 93257

Repair Facility

(559) 781-2979 Business

**Insurance Company:****VEHICLE**

Year: 2011

Body Style: 4D SED

VIN: 2FABP7BVXBX177137

Mileage In:

Make: FORD

Engine: 8-4.6L-FI

License:

Mileage Out:

Model: CROWN VICTORIA  
POLICE

Production Date:

State: CA

Vehicle Out:

Color: Int:

Condition: Fair

Job #:

**TRANSMISSION**

Automatic Transmission

Overdrive

**POWER**

Power Steering

Power Brakes

Power Windows

Power Locks

Power Mirrors

Power Adjustable Pedals

**DECOR**

Dual Mirrors

Body Side Moldings

Tinted Glass

Wood Interior Trim

**CONVENIENCE**

Air Conditioning

Intermittent Wipers

Tilt Wheel

Rear Defogger

**RADIO**

AM Radio

FM Radio

Stereo

Search/Seek

**SAFETY**

Drivers Side Air Bag

Passenger Air Bag

Anti-Lock Brakes (4)

4 Wheel Disc Brakes

Front Side Impact Air Bags

**SEATS**

Bucket Seats

**PAINT**

Clear Coat Paint

**OTHER**

Power Trunk/Gate Release

*Approved  
4 pages*

## Preliminary Estimate

Customer: CITY OF PORTERVILLE

Job Number:

Vehicle: 2011 FORD CROWN VICTORIA POLICE 4D SED 8-4.6L-FI

Line	Oper	Description	Part Number	Qty	Extended Price \$	Labor	Paint
1		<b>FRONT BUMPER</b>					
2		O/H front bumper				2.7	
3	**	Repl A/M Bumper cover	6W7Z17D957APTM	1	213.00	Incl.	2.8
4		Add for Clear Coat					1.1
5		Repl Bumper cover hardware kit	4W7Z17C756AA	1	43.35	Incl.	
6		Repl Cover molding chrome	YW7Z17C829BA	1	30.22	Incl.	
7		Repl RT Absorber	4W7Z17F798AA	1	67.95	Incl.	
8		Repl LT Absorber	4W7Z17F799AA	1	78.27	Incl.	
9		Repl Absorber rivet	W7019135303	1	2.50		
10		Repl Impact bar	4W7Z17757K	1	118.83	0.4	
11		Repl RT Mount bracket	6W1Z17752A	1	43.10	Incl.	
12		Repl LT Mount bracket	6W1Z17753A	1	43.10	Incl.	
13		Repl RT Retainer	5W1Z17E954AA	1	8.62		
14		Repl LT Retainer	5W1Z17E954AA	1	8.62		
15		Repl RT Cover	3W7Z17E810AA	1	22.00		
16		Repl LT Cover	3W7Z17E811AA	1	22.00		
17		Repl License bracket	6W7Z17A385AA	1	18.50	0.2	
18		<b>FRONT PANELS</b>					
19	**	Repl A/M CAPA Front panel	6W7Z8190A	1	255.00	Incl.	1.7
20		Add for Clear Coat					0.7
21		Align headlamps				0.5	
22		Add for Edging					0.5
23		<b>FRONT LAMPS</b>					
24	**	Repl A/M CAPA LT Headlamp assy	4W7Z13008A	1	87.00	Incl.	
25		Repl LT Inner bracket	F8AZ13N020AA	1	9.55		
26		Repl LT Outer bracket	F8AZ13N020AB	1	8.75		
27		Repl LT Side marker lamp w/strobe light	1W7Z15A201AB	1	273.68	Incl.	
28		Repl RT Lamp blue illumination	5W7Z13368BA	1	522.20	0.2	
29		Repl LT Lamp red illumination	5W7Z13368AA	1	522.20	0.2	
30		<b>RADIATOR SUPPORT</b>					
31		Refinish Components					1.2
32	**	Repl A/M Radiator support	6W7Z16138A	1	187.00	5.5	Incl.
33		Evacuate & recharge			m	1.4	
34		Refrigerant recovery			m	0.4	
35	**	Repl A/M Lower tie bar	6W1Z8125A	1	67.00	1.0	
36		Repl RT Support bracket	6W1Z8052B	1	19.48		
37		Repl LT Support bracket	6W1Z8052A	1	22.28		
38		Repl RT Side baffle	3W1Z8310BA	1	38.55	0.1	
39		Repl LT Side baffle	3W1Z8311BA	1	38.55	0.1	
40		Repl Air deflector center	3W1Z8327AA	1	25.33	Incl.	
41		Repl RT Air deflector outer	6W7Z8327C	1	45.95	Incl.	
42		Repl LT Air deflector outer	6W7Z8327B	1	45.43	Incl.	

## Preliminary Estimate

Customer: CITY OF PORTERVILLE

Job Number:

Vehicle: 2011 FORD CROWN VICTORIA POLICE 4D SED 8-4.6L-FI

43	<b>AIR CONDITIONER &amp; HEATER</b>						
44	**	Repl	A/M Condenser	BW7Z19712A	1	205.00 m	Incl.
45		Repl	RT Side seal	6W1Z19E572BA	1	27.30	
46		Repl	LT Side seal	6W1Z19E572DA	1	27.83	
47	<b>HOOD</b>						
48	**	Repl	A/M CAPA Hood	6W7Z16612A	1	417.00	1.5 3.0
49			Overlap Major Non-Adj. Panel				-0.2
50			Add for Clear Coat				0.6
51			Add for Underside(Complete)				1.5
52		Repl	RT Hinge reinf	F8AZ16A601AA	1	162.85	Incl.
53		Repl	LT Hinge reinf	F8AZ16A602AA	1	162.85	Incl.
54		Repl	RT Hinge	6W7Z16796A	1	39.32	Incl. 0.3
55			Add for Clear Coat				0.1
56		Repl	LT Hinge	6W7Z16797A	1	43.57	Incl. 0.3
57			Add for Clear Coat				0.1
58		Repl	RT Lift cylinder	6W7Z16C826AB	1	34.30	Incl.
59		Repl	LT Lift cylinder	6W7Z16C826AB	1	34.30	Incl.
60		Repl	RT Bumper	5W1Z16758AA	1	11.65	0.1
61		Repl	LT Bumper	5W1Z16758AA	1	11.65	0.1
62	<b>FENDER</b>						
63	**	Repl	A/M CAPA RT Fender	7W7Z16005A	1	300.00	3.0 2.8
64			Overlap Major Adj. Panel				-0.4
65			Add for Clear Coat				0.5
66			Add for Edging				0.5
67			Deduct for Overlap			-0.4	
68	**	Repl	A/M CAPA LT Fender	7W7Z16006A	1	300.00	2.6 2.8
69			Overlap Major Adj. Panel				-0.4
70			Add for Clear Coat				0.5
71			Add for Edging				0.5
72			Deduct for Overlap			-0.4	
73	<b>FRAME</b>						
74	*	Rpr	Frame assy FRONT END FRAME NEEDS REPAIR			3.5	1.0
75	#	Rpr	FRAME SET UP			1.0	
76	#	Subl	2 WHEEL ALIGNMENT	1	X		
77	#	Subl	FLEX ADDITIVE	1	X		
78	#	Subl	TINT COLOR	1	X		
79	#	Subl	MASK FOR OVERSPRAY	1	X		
80	#	Subl	HAZARDOUS WASTE	1	X		
81	#	Subl	DE-NIB AND FINESSE	1	X		
82	#		NOTE# ESTIMATE IS WRITTEN BY WHAT IS VISABLE AT THIS TIME	1			
83	#		AFTER COMPLETE TEAR DOWN MORE DAMAGES CAN BE FOUND.	1			
<b>SUBTOTALS</b>					<b>4,665.63</b>	<b>23.7</b>	<b>21.5</b>

**Preliminary Estimate****Customer: CITY OF PORTERVILLE****Job Number:**

Vehicle: 2011 FORD CROWN VICTORIA POLICE 4D SED 8-4.6L-FI

**ESTIMATE TOTALS**

Category	Basis		Rate	Cost \$
Parts				4,665.63
Body Labor	23.7 hrs	@	\$ 60.00 /hr	1,422.00
Paint Labor	21.5 hrs	@	\$ 60.00 /hr	1,290.00
Paint Supplies				650.00
Subtotal				8,027.63
Sales Tax	\$ 5,315.63	@	8.2500 %	438.54
<b>Grand Total</b>				<b>8,466.17</b>
Deductible				0.00
<b>CUSTOMER PAY</b>				<b>0.00</b>
<b>INSURANCE PAY</b>				<b>8,466.17</b>

FOR YOUR PROTECTION CALIFORNIA LAW REQUIRES THE FOLLOWING TO APPEAR ON THIS FORM: ANY PERSON WHO KNOWINGLY PRESENTS FALSE OR FRAUDULENT CLAIM FOR THE PAYMENT OF A LOSS IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN STATE PRISON.

THE FOLLOWING IS A LIST OF ABBREVIATIONS OR SYMBOLS THAT MAY BE USED TO DESCRIBE WORK TO BE DONE OR PARTS TO BE REPAIRED OR REPLACED:

MOTOR ABBREVIATIONS/SYMBOLS: D=DISCONTINUED PART, A=APPROXIMATE PRICE. LABOR TYPES: B=BODY LABOR, D=DIAGNOSTIC, E=ELECTRICAL, F=FRAME, G=GLASS, M=MECHANICAL, P=PAINT LABOR, S=STRUCTURAL, T=TAXED MISCELLANEOUS, X=NON TAXED MISCELLANEOUS. PATHWAYS: ADJ=ADJACENT, ALGN=ALIGN, A/M=AFTERMARKET, BLND=BLEND, CAPA=CERTIFIED AUTOMOTIVE PARTS ASSOCIATION, D&R=DISCONNECT AND RECONNECT, EST=ESTIMATE, EXT. PRICE=UNIT PRICE MULTIPLIED BY THE QUANTITY, INCL=INCLUDED, MISC=MISCELLANEOUS, NAGS=NATIONAL AUTO GLASS SPECIFICATIONS, NON-ADJ=NON ADJACENT, O/H=OVERHAUL, OP=OPERATION, NO=LINE NUMBER, QTY=QUANTITY, RECOND=RECONDITION, REFN=REFINISH, REPL=REPLACE, R&I=REMOVE AND INSTALL, R&R=REMOVE AND REPLACE, RPR=REPAIR, RT=RIGHT, SECT=SECTION, SUBL=SUBLET, LT=LEFT, W/O=WITHOUT, W/\_=WITH/\_ SYMBOLS: #=MANUAL LINE ENTRY, \*=OTHER [IE..MOTORS DATABASE INFORMATION WAS CHANGED], \*\*=DATABASE LINE WITH AFTERMARKET, N=NOTES ATTACHED TO LINE. OPT OEM=ORIGINAL EQUIPMENT MANUFACTURER PARTS EITHER OPTIONALLY SOURCED OR OTHERWISE PROVIDED WITH SOME UNIQUE PRICING OR DISCOUNT.

Estimate calculated using a preset user threshold amount for the paint and material cost.

THIS ESTIMATE HAS BEEN PREPARED BASED ON THE USE OF CRASH PARTS SUPPLIED BY A SOURCE OTHER THAN THE MANUFACTURER OF YOUR MOTOR VEHICLE. ANY WARRANTIES APPLICABLE TO THESE REPLACEMENT PARTS ARE PROVIDED BY THE MANUFACTURER OR DISTRIBUTOR OF THE PARTS, RATHER THAN BY THE ORIGINAL MANUFACTURER OF YOUR VEHICLE.

**BD QUALITY PAINT & BODY INC**  
 Quality's not Expensive.....It's Priceless!  
 983 West N. Grand Avenue, PORTERVILLE, CA  
 93257

Phone: (559) 781-3200  
 FAX: (559) 781-3220

Workfile ID: dc32855e  
 Federal ID: 27-2626274  
 State EPA: CAL000375748  
 License Number: 3292877  
 BAR: ARD00262752

**Preliminary Estimate**

**Customer: PORTERVILLE, CITY OF**

**Job Number:**

Written By: Romey Bugarin

Insured: PORTERVILLE, CITY OF  
 Type of Loss:  
 Point of Impact: 12 Front

Policy #:  
 Date of Loss:

Claim #:  
 Days to Repair: 0

**Owner:**  
 PORTERVILLE, CITY OF  
 555 N. PROSPECT  
 PORTERVILLE, CA 93257  
 (559) 782-5240 Business

**Inspection Location:**  
 BD QUALITY PAINT & BODY INC  
 983 West N. Grand Avenue  
 PORTERVILLE, CA 93257  
 Repair Facility  
 (559) 781-3200 Business

**Insurance Company:**

**VEHICLE**

Year: 2011      Body Style: 4D SED      VIN: 2FAB77BVXB177137  
 Make: FORD      Engine: 8-4.6L-FI      License: 1389857  
 Model: CROWN VICTORIA      Production Date: 7/2011      State: CA  
 POLICE  
 Color: BLK/WHITE Int:      Condition:      Job #:

Mileage In:  
 Mileage Out:  
 Vehicle Out:

**TRANSMISSION**

Automatic Transmission  
 Overdrive

**POWER**

Power Steering  
 Power Brakes  
 Power Windows  
 Power Locks  
 Power Mirrors  
 Power Adjustable Pedals

**DECOR**

Dual Mirrors  
 Body Side Moldings  
 Tinted Glass  
 Wood Interior Trim

**CONVENIENCE**

Air Conditioning  
 Intermittent Wipers  
 Tilt Wheel  
 Rear Defogger

**RADIO**

AM Radio  
 FM Radio  
 Stereo  
 Search/Seek

**SAFETY**

Drivers Side Air Bag  
 Passenger Air Bag  
 Anti-Lock Brakes (4)  
 4 Wheel Disc Brakes

Front Side Impact Air Bags

**SEATS**

Bucket Seats

**PAINT**

Clear Coat Paint

**OTHER**

Power Trunk/Gate Release

# Preliminary Estimate

Customer: PORTERVILLE, CITY OF

Job Number:

Vehicle: 2011 FORD CROWN VICTORIA POLICE 4D SED 8-4.6L-FI BLK/WHITE

Line	Oper	Description	Part Number	Qty	Extended Price \$	Labor	Paint
1		<b>FRONT BUMPER</b>					
2		O/H front bumper				2.7	
3	<>	Repl Bumper cover	6W7Z17D957APTM	1	372.48	Incl.	2.8
4		Repl Cover molding black	YW7Z17C829AA	1	38.95	Incl.	
5		Repl RT Absorber	4W7Z17F798AA	1	67.95	Incl.	
6		Repl LT Absorber	4W7Z17F799AA	1	78.27	Incl.	
7		Repl Impact bar	4W7Z17757A	1	118.83	0.4	
8		Repl RT Mount bracket	6W1Z17752A	1	43.10	Incl.	
9		Repl LT Mount bracket	6W1Z17753A	1	43.10	Incl.	
10		Repl License bracket	6W7Z17A385AA	1	18.50	0.2	
11		<b>FRONT PANELS</b>					
12		Repl Front panel	6W7Z8190A	1	300.35	Incl.	1.7
13		Overlap Major Non-Adj. Panel					-0.2
14		Align headlamps				0.5	
15		Add for Edging					0.5
16		Repl Grille w/o chrome emblem ebony	6W7Z8200BAE	1	285.18	Incl.	1.0
17		Overlap Major Non-Adj. Panel					-0.2
18		Repl Emblem w/fleet	F8UZ8213AA	1	24.03	Incl.	
19		<b>ELECTRICAL</b>					
20	R&I	Horn				m 0.2 M	
21		<b>FRONT LAMPS</b>					
22	*	Repl LKQ LT Headlamp assy +25%	4W7Z13008A	1	65.00	Incl.	
23		Repl LT Side marker lamp w/strobe light	1W7Z15A201AB	1	273.68	Incl.	
24		Repl LT Lamp red illumination	5W7Z13368AA	1	522.20	0.2	
25		<b>RADIATOR SUPPORT</b>					
26		Refinish Components					1.2
27		Repl Radiator support	6W7Z16138A	1	304.22	5.5	Incl.
28		Evacuate & recharge				m 1.4 M	
29		Refrigerant recovery				m 0.4 M	
30		Repl Lower tie bar	6W1Z8125A	1	90.23	1.0	
31		Repl LT Support bracket	6W1Z8052A	1	22.28		
32		Repl LT Side baffle	3W1Z8311BA	1	38.55	0.1	
33		Repl LT Air deflector outer	6W7Z8327B	1	45.43	Incl.	
34		Repl Sight shield	3W7Z8C291AA	1	82.25	Incl.	
35		Repl RT Air deflector outer	6W7Z8327C	1	45.95	Incl.	
36		Repl RT Side baffle	3W1Z8310BA	1	38.55	0.1	
37		<b>COOLING</b>					
38		Repl Cooling module w/police pkg.	8W7Z8T000C	1	2,044.11	m 1.7 M	
39		Deduct for Overlap					-0.3 M
40		<b>HOOD</b>					
41		Repl Hood	6W7Z16612A	1	789.85	1.5	3.0
42		Overlap Major Adj. Panel					-0.4

# Preliminary Estimate

Customer: **PORTERVILLE, CITY OF**

Job Number:

Vehicle: 2011 FORD CROWN VICTORIA POLICE 4D SED 8-6L-FI BLK/WHITE

43		Add for Underside(Complete)					1.5
44		Repl RT Hinge	6W7Z16796A	1	39.32	0.4	0.3
45		Repl LT Hinge	6W7Z16797A	1	43.57	0.4	0.3
46		Repl Lock	5W7Z16700A	1	54.97	Incl.	
47	<b>AIR CONDITIONER &amp; HEATER</b>						
48		R&I Compressor			m	1.2 M	
49	*	R&I Air chamber assy			m	1.5 M	
50	<b>FENDER</b>						
51	*	Repl LKQ RT R&R fender assy +25%	7W7Z16005A	1	<u>240.00</u>	2.8	2.8
52		Overlap Major Adj. Panel					-0.4
53		Deduct for Overlap				-0.4	
54		Repl RT Fender liner	6W7Z16054A	1	64.80	0.8	
55		Repl LT Fender liner	6W7Z16055B	1	76.25	0.6	
56	*	Repl LKQ LT R&R fender assy	7W7Z16006A	1	<u>192.00</u>	2.4	2.8
57		Overlap Major Adj. Panel					-0.4
58		Deduct for Overlap				-0.4	
59		Clear Coat					2.5
60	<b>FRAME</b>						
61		Repl Front c'member	3W1Z5019AA	1	76.80	1.7	
62		Repl RT Bracket	5W1Z5A098AA	1	103.43		
63		Repl LT Bracket	5W1Z5A099AA	1	103.43		
64	<b>PILLARS, ROCKER &amp; FLOOR</b>						
65		R&I RT Rocker molding front w/o long wheelbase				Incl.	
66		R&I LT Rocker molding front w/o long wheelbase				Incl.	
67		R&I RT Rocker molding rear				0.5	
68		R&I LT Rocker molding rear				0.5	
69	<b>FRONT DOOR</b>						
70		Blnd RT Outer panel w/o keyless					1.1
71		Blnd LT Outer panel w/o keyless					1.1
72		R&I RT Belt w/strip				0.3	
73		R&I LT Belt w/strip				0.3	
74	*	R&I RT Mirror assy w/o heated glass				0.5	
75	*	R&I LT Mirror assy w/o heated glass				0.5	
76		R&I RT Handle, outside black/chrome				0.6	
77		R&I LT Handle, outside black/chrome				0.6	
78		R&I RT R&I trim panel				0.4	
79		R&I LT R&I trim panel				0.4	
80	*	Rpr RT Door shell w/o keyless entry ALIGN				1.0	Incl.
81	<b>WINDSHIELD</b>						
82		R&I Reservoir assy w/o electronic Inst				0.5	
83	<b>WHEELS &amp; FRONT SUSPENSION</b>						
84	#	Subl 2 Wheel Alignment		1	59.95 X		
85	#	Repl Fluids-Antifreeze		1	24.00		

# Preliminary Estimate

Customer: PORTERVILLE, CITY OF

Job Number:

Vehicle: 2011 FORD CROWN VICTORIA POLICE 4D SED B-4.6L-FI BLK/WHITE

86	#	Cover Car	1	10.00	X		
87	#	Rpr Set Up and Measure Frame Rack				2.0	F
88	#	Rpr frame pull to square				3.0	F
89	#	Rpr left rail OPEN					
90	#	Rpr RIGHT RAIL OPEN					
91	#	COLOR TINT	1				1.0
92	#	R&I SIREN				0.4	
93	#	Repl FREON AND OIL	1	25.00			
94	#	*****VISIBLE DAMAGE ONLY	1				
		VEHICLE NEEDS A					
		TEARDOWN*****					

## SUBTOTALS

6,866.56

38.1

22.0

## ESTIMATE TOTALS

Category	Basis	Rate	Cost \$
Parts			6,796.61
Body Labor	27.0 hrs @	\$ 54.00 /hr	1,458.00
Paint Labor	22.0 hrs @	\$ 54.00 /hr	1,188.00
Mechanical Labor	6.1 hrs @	\$ 65.00 /hr	396.50
Frame Labor	5.0 hrs @	\$ 65.00 /hr	325.00
Paint Supplies	22.0 hrs @	\$ 28.00 /hr	616.00
Miscellaneous			69.95
Subtotal			10,850.06
Sales Tax	\$ 7,412.61 @	8.5000 %	630.07
Grand Total			11,480.13
Deductible			0.00
CUSTOMER PAY			0.00
INSURANCE PAY			11,480.13



Preliminary Estimate

Customer: PORTERVILLE, CITY OF

Job Number:

Vehicle: 2011 FORD CROWN VICTORIA POLICE 4D SED 8-9.6L-FI BLK/WHITE

FOR YOUR PROTECTION CALIFORNIA LAW REQUIRES THE FOLLOWING TO APPEAR ON THIS FORM: ANY PERSON WHO KNOWINGLY PRESENTS FALSE OR FRAUDULENT CLAIM FOR THE PAYMENT OF A LOSS IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN STATE PRISON.

THE FOLLOWING IS A LIST OF ABBREVIATIONS OR SYMBOLS THAT MAY BE USED TO DESCRIBE WORK TO BE DONE OR PARTS TO BE REPAIRED OR REPLACED:

MOTOR ABBREVIATIONS/SYMBOLS: D=DISCONTINUED PART, A=APPROXIMATE PRICE. LABOR TYPES: B=BODY LABOR, D=DIAGNOSTIC, E=ELECTRICAL, F=FRAME, G=GLASS, M=MECHANICAL, P=PAINT LABOR, S=STRUCTURAL, T=TAXED MISCELLANEOUS, X=NON TAXED MISCELLANEOUS. PATHWAYS: ADJ=ADJACENT, ALGN=ALIGN, A/M=AFTERMARKET, BLND=BLEND, CAPA=CERTIFIED AUTOMOTIVE PARTS ASSOCIATION, D&R=DISCONNECT AND RECONNECT, EST=ESTIMATE, EXT. PRICE=UNIT PRICE MULTIPLIED BY THE QUANTITY, INCL=INCLUDED, MISC=MISCELLANEOUS, NAGS=NATIONAL AUTO GLASS SPECIFICATIONS, NON-ADJ=NON ADJACENT, O/H=OVERHAUL, OP=OPERATION, NO=LINE NUMBER, QTY=QUANTITY, RECOND=RECONDITION, REFN=REFINISH, REPL=REPLACE, R&I=REMOVE AND INSTALL, R&R=REMOVE AND REPLACE, RPR=REPAIR, RT=RIGHT, SECT=SECTION, SUBL=SUBLET, LT=LEFT, W/O=WITHOUT, W/\_=WITH/\_ SYMBOLS: #=MANUAL LINE ENTRY, \*-OTHER [IE..MOTORS DATABASE INFORMATION WAS CHANGED], \*\*=DATABASE LINE WITH AFTERMARKET, N=NOTES ATTACHED TO LINE. OPT OEM=ORIGINAL EQUIPMENT MANUFACTURER PARTS EITHER OPTIONALLY SOURCED OR OTHERWISE PROVIDED WITH SOME UNIQUE PRICING OR DISCOUNT.

## Preliminary Estimate

Customer: PORTERVILLE, CITY OF

Job Number:

Vehicle: 2011 FORD CROWN VICTORIA POLICE 4D SED 8-6L-FI BLK/WHITE

Estimate based on MOTOR CRASH ESTIMATING GUIDE. Unless otherwise noted all items are derived from the Guide DR2JA03, CCC Data Date 5/8/2015, and the parts selected are OEM-parts manufactured by the vehicles Original Equipment Manufacturer. OEM parts are available at OE/Vehicle dealerships. OPT OEM (Optional OEM) or ALT OEM (Alternative OEM) parts are OEM parts that may be provided by or through alternate sources other than the OEM vehicle dealerships. OPT OEM or ALT OEM parts may reflect some specific, special, or unique pricing or discount. OPT OEM or ALT OEM parts may include "Blemished" parts provided by OEM's through OEM vehicle dealerships. Asterisk (\*) or Double Asterisk (\*\*) indicates that the parts and/or labor information provided by MOTOR may have been modified or may have come from an alternate data source. Tilde sign (~) items indicate MOTOR Not-Included Labor operations. The symbol (<>) indicates the refinish operation WILL NOT be performed as a separate procedure from the other panels in the estimate. Non-Original Equipment Manufacturer aftermarket parts are described as Non OEM or A/M. Used parts are described as LKQ, RCY, or USED. Reconditioned parts are described as Recond. Recored parts are described as Recore. NAGS Part Numbers and Benchmark Prices are provided by National Auto Glass Specifications. Labor operation times listed on the line with the NAGS Information are MOTOR suggested labor operation times. NAGS labor operation times are not included. Pound sign (#) items indicate manual entries.

Some 2015 vehicles contain minor changes from the previous year. For those vehicles, prior to receiving updated data from the vehicle manufacturer, labor and parts data from the previous year may be used. The CCC ONE estimator has a complete list of applicable vehicles. Parts numbers and prices should be confirmed with the local dealership.

The following is a list of additional abbreviations or symbols that may be used to describe work to be done or parts to be repaired or replaced:

### SYMBOLS FOLLOWING PART PRICE:

m=MOTOR Mechanical component. s=MOTOR Structural component. T=Miscellaneous Taxed charge category.  
X=Miscellaneous Non-Taxed charge category.

### SYMBOLS FOLLOWING LABOR:

D=Diagnostic labor category. E=Electrical labor category. F=Frame labor category. G=Glass labor category.  
M=Mechanical labor category. S=Structural labor category. (numbers) 1 through 4=User Defined Labor Categories.

### OTHER SYMBOLS AND ABBREVIATIONS:

Adj.=Adjacent. Align.=Align. ALU=Aluminum. A/M=Aftermarket part. Blend=Blend. BOR=Boron steel.  
CAPA=Certified Automotive Parts Association. D&R=Disconnect and Reconnect. HSS=High Strength Steel.  
HYD=Hydroformed Steel. Incl.=Included. LKQ=Like Kind and Quality. LT=Left. MAG=Magnesium. Non-Adj.=Non  
Adjacent. NSF=NSF International Certified Part. O/H=Overhaul. Qty=Quantity. Refn=Refinish. Repl=Replace.  
R&I=Remove and Install. R&R=Remove and Replace. Rpr=Repair. RT=Right. SAS=Sandwiched Steel.  
Sect=Section. Subl=Sublet. UHS=Ultra High Strength Steel. N=Note(s) associated with the estimate line.

CCC ONE Estimating - A product of CCC Information Services Inc.

The following is a list of abbreviations that may be used in CCC ONE Estimating that are not part of the MOTOR CRASH ESTIMATING GUIDE:

BAR=Bureau of Automotive Repair. EPA=Environmental Protection Agency. NHTSA= National Highway  
Transportation and Safety Administration. PDR=Paintless Dent Repair. VIN=Vehicle Identification Number.

Date: 5/ 1/2015 05:07 PM  
 Estimate ID: 30547  
 Estimate Version: 0  
 Preliminary  
 Profile ID: Mitchell

## Porterville Collision Center

721 N. Sunnyside St., Porterville, CA 93257  
 (559) 782-5181  
 Fax: (559) 784-0488  
 Email: portervillecollision@ocsnet.net  
 Tax ID: 27-2959598 BAR #: ARD00262887 EPA #: CAL000354506

Damage Assessed By: Tony Covarrubias  
 Classification: Field

Condition Code: Good  
 Deductible: 0.00  
 Claim Number: 30547

Owner: UNIT 3320 CITY OF PORTERVILLE  
 Telephone: Home Phone: (559) 782-7517

Mitchell Service: 910026

Description: 2011 Ford Crown Victoria Police  
 Body Style: 4D Sed 114" WB  
 VIN: 2FABP7BVXB177137  
 OEM/ALT: O  
 Color: BLACK/WHITE

Vehicle Production Date: 7/11  
 Drive Train: 4.6L Inj 8 Cyl 4A RWD  
 License: 1389857 CA  
 Search Code: B610364

Line Item	Entry Number	Labor Type	Operation	Line Item Description	Part Type/ Part Number	Dollar Amount	Labor Units	CEG Unit
<b>MANUAL ENTRIES</b>								
1	900500	BDY *	REMOVE/REPLACE	Push Bar	** QUAL REPL PART	0.00 *	1.0*	T
<b>Front Bumper</b>								
2		BDY	OVERHAUL	Frt Bumper Assy			0.2 #	1.4
3	003417	BDY	REMOVE/REPLACE	Frt Bumper Cover	Qual Recycled Part	575.00 *	INC #r	1.4T
4		REF	REFINISH	Frt Bumper Cover		C	2.8	2.8
5		BDY	REMOVE/INSTALL	R Frt Side Marker Lamp			INC #	0.2
6		BDY	REMOVE/INSTALL	L Frt Side Marker Lamp			INC #	0.2
7		BDY	REMOVE/INSTALL	Upr Radiator Shield Assy			INC	0.2
8				Line Markup %25.00		143.75		
9	003418	BDY	REMOVE/REPLACE	R Frt Bumper Impact Absorber	Qual Recycled Part	INC*	0.2 #r	0.2T
10		BDY	REMOVE/INSTALL	Frt Bumper Cover			INC #	1.2
11	003419	BDY	REMOVE/REPLACE	L Frt Bumper Impact Absorber	Qual Recycled Part	INC*	0.2 #r	0.2T
12	000196	BDY	REMOVE/REPLACE	R Frt Bumper Stopper	Qual Recycled Part	INC*	INC	T
13	000197	BDY	REMOVE/REPLACE	L Frt Bumper Stopper	Qual Recycled Part	INC*	INC	T
14	002843	BDY	REMOVE/REPLACE	Frt Bumper Reinforcement Bar	Qual Recycled Part	INC*	0.7 #r	0.7T
15	000199	BDY	REMOVE/REPLACE	R Frt Bumper Bracket	Qual Recycled Part	INC*	0.2 #	0.2T
16	000200	BDY	REMOVE/REPLACE	L Frt Bumper Bracket	Qual Recycled Part	INC*	0.2 #	0.2T
<b>Grille</b>								
17	001815	BDY	REMOVE/REPLACE	Grille	Qual Recycled Part	57.00 *	0.1 #r	0.3T
18				Line Markup %25.00		14.25		
19	003922	BDY	REMOVE/REPLACE	Grille Header Panel	Qual Recycled Part	193.00 *	1.8 #r	3.2T
20		BDY	CHECK/ADJUST	Headlamps			0.4	0.4
21		REF	REFINISH	Header Panel		C	2.1	2.1
22				Line Markup %25.00		48.25		
<b>Front Lamps</b>								
23	004111	BDY	REMOVE/REPLACE	L Frt Combination Lamp Assembly	Qual Recycled Part	52.00 *	INC #r	0.2T
24				Line Markup %25.00		13.00		
25	000523	BDY	REMOVE/REPLACE	L Frt Combination Lamp Socket	2U5Z 13411 SA	19.53		T

ESTIMATE RECALL NUMBER: 05/01/2015 15:37:53 30547

Mitchell Data Version: OEM: MAR\_15\_V

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Software Version: 7.1.177

Date: 5/ 1/2015 05:07 PM  
Estimate ID: 30547  
Estimate Version: 0  
Preliminary  
Profile ID: Mitchell  
Qual Recycled Part 85.00 \* INC # 0.2T  
21.25

26	000536	BDY	REMOVE/REPLACE	L Front Side Marker Lamp					
27				Line Markup %25.00					
<u>Hood</u>									
28	004116	BDY	REMOVE/REPLACE	Hood Panel	Qual Recycled Part	250.00	*	0.5	r 1.0T
29		REF	REFINISH	Hood Outside				C 2.8	3.2
30		REF	REFINISH	Add For Hood Underside				C 1.6	1.6
31				Line Markup %25.00		62.50			
32	000706	BDY	REMOVE/REPLACE	R Hood Hinge	Qual Recycled Part	INC*	0.3	#r	0.3T
33		REF	REFINISH	R Hinge				C 0.5	0.5
34		BDY	REMOVE/INSTALL	Hood Assy				INC	0.5
35	000707	BDY	REMOVE/REPLACE	L Hood Hinge	Qual Recycled Part	INC*	INC	#r	0.3T
36		REF	REFINISH	L Hinge				C 0.5	0.5
37	000708	BDY	REMOVE/REPLACE	R Hood Assist Strut	6W7Z 16C826 AB	33.72	0.1	#	0.2T
38	000709	BDY	REMOVE/REPLACE	L Hood Assist Strut	6W7Z 16C826 AB	33.72	0.1	#	0.2T
<u>Cooling</u>									
39	002865	BDY	REMOVE/REPLACE	Cooling Radiator Support	Qual Recycled Part	115.00	*	4.6	#r 4.6T
40		MCH	REMOVE/REPLACE	Evacuate & Recharge A/C -M				1.4	1.4
41		REF	REFINISH	Radiator Support				1.5	1.5
42		MCH	REMOVE/REPLACE	Add To R&R Mechanical Components -M				0.6	# 0.6
43				Line Markup %25.00		28.75			
44	001687	BDY	REMOVE/REPLACE	Upr Cooling Shield	3W7Z 8C291 AA	80.83	INC		0.2T
45	001690	BDY	REMOVE/REPLACE	L Cooling Air Deflector	3W1Z 8311 BA	37.88			T
46	001682	BDY	REMOVE/REPLACE	Ctr Lwr Cooling Air Deflector	3W1Z 8327 AA	24.90	INC		0.2T
47	001684	BDY	REMOVE/REPLACE	L Lwr Cooling Air Deflector	6W7Z 8327 B	44.65	INC		0.1T
<u>Front Fender</u>									
48	000490	BDY	REPAIR	R Fender Panel	Existing			1.5*	# 3.3
49		REF	REFINISH	R Fender Outside				C 2.1	2.5
50	000491	BDY	REMOVE/REPLACE	L Fender Panel	Qual Recycled Part	190.00	*	3.5	#r 3.5T
51		REF	REFINISH	L Fender Outside				C 2.1	2.5
52		REF	REFINISH	L Add To Edge Fender				C 0.5	0.5
53				Line Markup %25.00		47.50			
<u>MANUAL ENTRIES</u>									
54	900500	REF *	REFINISH/REPAIR	Deduct For Spot Paint R Fender	Existing			-0.3*	
<u>Front Fender</u>									
55	000493	BDY	REMOVE/REPLACE	L Frt Fender Brace	3W7Z 16A023 AB	51.48	0.1		0.1T
56	000499	BDY	REMOVE/REPLACE	L Fender Liner	6W7Z 16055 B	74.93	0.2	#	1.0T
57	004718	MCH	REMOVE/REPLACE	Wiring Harness -M	ORDER FROM DEALER	784.00	*	2.0*	T
<u>Frame</u>									
58	000171	FRM	REMOVE/REPLACE	Frame Front Crossmember -F	3W1Z 5019 AA	75.48	2.5		2.5T
59	000183	FRM	REMOVE/REPLACE	L Frame Rail Replacement Kit -F	3W1Z 5D059 AA	758.03	7.5	#	7.5T
<u>MANUAL ENTRIES</u>									
60	900500	FRM *	REPAIR	Prepull L Frame Rail	Existing			2.0*	
<u>Additional Costs &amp; Materials</u>									
61	936012		ADD'L COST	Hazardous Waste Disposal		4.00	*		
62	936016		ADD'L COST	Weld Thru Primer		5.00	*		T
<u>Additional Operations</u>									
63	933006	FRM	ADD'L OPR	Frame/Rack Set Up				1.0*	
64		REF	ADD'L OPR	Clear Coat				3.6	
65	933003	REF	ADD'L OPR	Tint Color		5.00	*	0.5*	
66	933018	REF	ADD'L OPR	Mask For Overspray		10.00	*	0.2*	
<u>Additional Costs &amp; Materials</u>									
67			ADD'L COST	Paint/Materials		633.60	*		T

ESTIMATE RECALL NUMBER: 05/01/2015 15:37:53 30547

Mitchell Data Version: OEM: MAR\_15\_V

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Software Version: 7.1.177

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\* - Judgment Item  
# - Labor Note Applies  
C - Included in Clear Coat Calc  
r - CEG R&R Time Used For This Labor Operation

## Estimate Totals

I. Labor Subtotals		Units	Rate	Add'l Labor Amount	Sublet Amount	Totals	II. Part Replacement Summary								Amount
Body		15.9	60.00	0.00	0.00	954.00	Taxable Parts								3,536.15
Refinish		20.5	60.00	15.00	0.00	1,245.00	Parts Adjustments								379.25
Frame		13.0	65.00	0.00	0.00	845.00	Sales Tax		@	8.500%					332.81
Mechanical		4.0	70.00	0.00	0.00	280.00									
		Non-Taxable Labor				3,324.00									
Labor Summary		53.4				3,324.00									
III. Additional Costs						Amount	IV. Adjustments								Amount
Taxable Costs						638.60	Insurance Deductible								0.00
Sales Tax			@	8.500%		54.28									
Non-Taxable Costs						4.00									
Total Additional Costs						696.88									
Paint Material Method: Rates															
Init Rate = 32.00 , Init Max Hours = 99.9, Addl Rate = 0.00															
						I. Total Labor:								3,324.00	
						II. Total Replacement Parts:								4,248.21	
						III. Total Additional Costs:								696.88	
						Gross Total:								8,269.09	
						IV. Total Adjustments:								0.00	
						Net Total:								8,269.09	

This is a preliminary estimate.  
Additional changes to the estimate may be required for the actual repair.

### Point(s) of Impact

12 Front Center (P)

Inspection Site: PORTERVILLE COLLISION  
Inspection Date: 5/ 1/2015

Date: 5/ 1/2015 05:07 PM  
Estimate ID: 30547  
Estimate Version: 0  
Preliminary  
Profile ID: Mitchell

Cycle Time Information

Repair Dates:

Is Vehicle Driveable (Y/N)?: Y

ESTIMATE RECALL NUMBER: 05/01/2015 15:37:53 30547

Mitchell Data Version: OEM: MAR\_15\_V

Software Version: 7.1.177

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Page 4 of 4



## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** Cooperative Agreement with Porterville College for Use of the Police Firing Range

**SOURCE:** Police

**COMMENT:** The Porterville Police Department weapons range became operational in May of 2011 for live fire training. Currently, Porterville College is under an agreement to utilize the range for their Reserve Police Officer training program. This agreement expires June 30, 2015. The Porterville Police Department and Porterville College would like to renew the annual agreement.

Porterville College has agreed to pay the sum of \$600 to the City of Porterville in compensation for facility usage, upkeep, and maintenance over the next one (1) year. This amount is based on a monthly usage. The agreement will be re-evaluated every year for renewal.

**RECOMMENDATION:** That the City Council:

- 1) Approve the Agreement for the period of 07/01/15 through 06/30/16; and
- 2) Authorize the Chief of Police to execute the agreement on behalf of the City of Porterville.

**ATTACHMENTS:**

1. Porterville College Range Agreement
2. Police Firing Range Rules and Regulations

Appropriated/Funded: MB

Review By:

Department Director:

Eric Kroutil, Police Chief

Final Approver: John Lollis, City Manager



## POLICE FIRING RANGE COOPERATIVE AGREEMENT

This Agreement is entered into as of July 1, 2015, between the CITY OF PORTERVILLE ("CITY"), and PORTERVILLE COLLEGE ("PC"), (each a "Party," and collectively, the "Parties"), with reference to the following:

- A. The Parties desire to allow the use of the CITY Police Firing Range ("Range") by PC.
- B. The Parties are willing to enter into this Agreement on the terms and conditions set forth below.

### ACCORDINGLY, IT IS AGREED:

1. The term of this Agreement shall be for twelve (12) months, commencing on July 1, 2015, and ending on June 30, 2016.
2. PC use of the Range will vary depending on the range training necessary, as outlined by the Peace Officer Standards and Training (POST) guidelines, and as scheduled to accommodate the Police Reserve Academy dates.
3. The cost per this agreement term shall be equal to six hundred dollars (\$600).
4. The CITY shall furnish use of the Range to PC including restroom facilities, if available, and shall pay all taxes, insurance, maintenance fees, and all other costs required to provide use of the Range in accordance with this Agreement.
5. PC shall have the use of on-site firearms buildings located at the Range for training programs. Any available classroom facility may be used on a case-by-case basis, without additional charge, when arranged through the PPD Range Supervisor.
6. PPD and PC agree the Range shall be open and usable by members of the PC Police Academy at such times that are mutually agreeable to both parties. Exclusive use of the facilities by PC must be coordinated with, and scheduled by, the PPD Range Supervisor.



7. Prior to exclusive use of the Range, PC will submit their training agenda and course of fire to the PPD Range Supervisor as outlined in the Reserve Police Academy's POST learning domain.
8. PC agrees that its members/cadets using the Range under this Agreement shall be governed by the range safety rules established by PPD. (Firearms Range Rules and Regulations attached.)
9. On their scheduled training days, the PC Range Master shall contact PPD Watch Commander at (559) 782-7400 upon their arrival and departure from the Range.
10. After use of the facility, PC agrees to ensure the Range is cleaned properly of all debris resulting from their use, including brass. Brass will be left in containers (containing only brass) at the Range for disposal by PPD.
11. Both the PPD and PC reserve the right to cancel this Agreement with thirty (30) days advance written notice to the other party.
12. The amount to be paid by PC, if monetary amount is agreed upon by both Parties, will be due and payable as follows: PC shall pay the amount as invoiced by the CITY on an annual basis of the agreed upon cost within thirty days of receiving said invoice(s).
13. Each party agrees to defend, hold harmless and indemnify the other party (and its officers, employees, trustees, agents, successors and assigns) against all claims, suits, expenses (including reasonable attorney's fees), losses, penalties, fines, costs and liability whether in contract, tort or strict liability (including, but not limited to, personal injury, death at any time and property damage) arising out of, or made necessary by, the indemnifying party's performance of this Agreement or breach of its terms.
14. Each party shall obtain, pay for and maintain in effect during the life of this Agreement the following policies of insurance issued by an insurance company rated not less than "A-,VI" in Best Insurance Rating Guide and admitted to transact insurance business in California: (1) commercial general liability insurance (including contractual, products and completed operations coverages, bodily injury and property damage liability insurance) with single combined limits of not less than \$1,000,000 per occurrence; (2) workers' compensation insurance as required under state law. Each party's policy shall contain an endorsement naming the other party as an additional insured insofar as this Agreement is concerned, and provide that written notice shall be given to the other party at least 30 days prior to cancellation or material change in the form of the policy or reduction in coverage.
  - a. Each party shall furnish the other party with a certificate of insurance containing the endorsements required under this section, and each party shall have the right to inspect the

other party's original insurance policies upon request. Upon notification of receipt of a notice of cancellation, change or reduction in coverage, each party shall immediately file with the other party a certified copy of the required new or renewal policy and certificates for such policy.

- b. Nothing in this section concerning minimum insurance requirements shall reduce a party's liabilities or obligations under the indemnification provisions of this Agreement.

15. Except as otherwise required by law, any notice to be given shall be in writing and shall be either personally delivered, sent by facsimile transmission, or sent by first-class mail, postage prepaid, and addressed as follows:

CITY:

City Clerk of the City of Porterville  
291 N. Main Street  
Porterville, CA 93257  
Phone: 559-782-7447  
Fax: 559-782-7452

PORTERVILLE COLLEGE:

Porterville College  
100 E. College Avenue  
Porterville, CA 93257  
Phone: 559-791-2200  
Fax: 559-784-4779

Notice personally delivered is effective when delivered. Notice sent by facsimile transmission shall be deemed received upon successful transmission. Notice sent by first class mail shall be deemed received on the fifth day after mailing. Any Party may change the above address, phone number, or fax number by giving written notice pursuant to this paragraph.

16. No part of this Agreement may be assigned by any of the Parties without the prior written consent of the other Party.

17. Termination.

- a. The right to terminate this Agreement under this provision may be exercised without prejudice to any other right or remedy to which the terminating Party may be entitled to by law or under this Agreement.

1) This Agreement may be terminated by any Party should another Party:

- a) be adjudged bankrupt;
- b) become insolvent or have a receiver appointed;
- c) make a general assignment for the benefit of creditors;
- d) suffer any judgment which remains unsatisfied for 30 days and which would substantively impair the ability of the judgment debtor to perform under this Agreement; or
- e) materially breach this Agreement.

2) For any occurrences except item (e), termination may be effected upon written notice by the terminating Party specifying the date of termination.

3) Upon a material breach, the Agreement may be terminated following the failure of the defaulting Party to remedy the breach to the satisfaction of the non-defaulting Party(ies) within five (5) days of written notice specifying the breach. If the breach is not remedied within the five (5) day period, the non-defaulting Party may terminate the Agreement on further written notice specifying the date of termination.

4) If the nature of the breach is such that it cannot be cured within a five (5) day period, the defaulting Party may submit a written proposal within that period which sets forth a specific means to resolve the default. If the non-defaulting Party(ies) consents to that proposal in writing, which consent shall not be unreasonably withheld, the defaulting Party shall immediately embark on its plan to cure. If the default is not cured within the time agreed, the non-defaulting Party(ies) may terminate upon written notice specifying the date of termination.

b. Effects of Termination. Termination of this Agreement shall not terminate any obligations to indemnify, to maintain and make available any records pertaining to the Agreement, to cooperate with any audit, to be subject to offset, or to make any reports or pre-termination contract activities.

18. This Agreement represents the entire Agreement between the Parties as to its subject matter and no prior oral or written understanding shall be of any force or effect. No part of this Agreement may be modified without the written consent of all Parties.

19. This Agreement reflects the contributions of all Parties and accordingly the provisions of Civil Code Section 1654 shall not apply to address and interpret any uncertainty.

20. Unless specifically set forth, the Parties to this Agreement do not intend to provide any other party with any benefit or enforceable legal or equitable right or remedy.
21. The failure of any Party to insist on strict compliance with any provision of this Agreement shall not be considered a waiver of any right to do so, whether for the breach or any subsequent breach. The acceptance by any Party of either performance or payment shall not be considered to be a waiver of any preceding breach of the Agreement by any other Party.
22. This Agreement is subject to all applicable laws and regulations. If any provision of this Agreement is found by any court or other legal authority, or is agreed by the Parties, to be in conflict with any code or regulation governing its subject, the conflicting provision shall be considered null and void. If the effect of nullifying any conflicting provision is such that a material benefit of the Agreement to either Party is lost, the Agreement may be terminated at the option of the affected Party.
23. Each Party agrees to execute any additional documents and to perform any further acts that may be reasonably required to effect the purposes of this Agreement.
24. It is expected that this agreement will continue into coming years. At the end of this agreement, the Chief of Police and the Dean of Career & Technical Education, or their designees, shall convene a meeting to discuss the agreement. If the agreement is continued, the Chief of Police shall provide the new cost (if applicable), and the new agreement will indicate the amount of funding each party shall be responsible for.

THE PARTIES, having read and considered the above provisions, indicate their agreement by their authorized signatures below.

CITY OF PORTERVILLE:

\_\_\_\_\_  
Eric Kroutil, Chief of Police

\_\_\_\_\_  
Date

PORTERVILLE COLLEGE:

\_\_\_\_\_  
Tom Burke, Chief Financial Officer

\_\_\_\_\_  
Date

# **FIREARMS RANGE RULES AND REGULATIONS**

The following safety regulations are designed to ensure the safety of all personnel in this department, as well as any other department, using the firearms training facility. The rules will be posted in a conspicuous location and shall be strictly enforced. The Range Master is responsible for the safe operation of the facility and he/she may take appropriate and necessary action to safeguard all persons using the facility or to ensure public safety. Failure to obey any of these regulations may result in disciplinary action and/or being ordered to leave the firearms facility by the Range Master or designated firearms instructor. The Range Master will take immediate action to address rules violations and, at his/her discretion, depending on the seriousness of the violation, report the violation to the Training Unit Supervisor.

These rules apply to the Porterville Police Department personnel, as well as any other person or agency using the firearms range facility.

1. No personnel will enter the Range Master's office without prior approval of the Range Master or firearms instructor.
2. Only authorized personnel will enter the storage area (seatrain).
3. No alcoholic beverages are permitted at the firearms training facility.
4. All firearms at the firearms training facility are subject to a safety inspection by the Range Master or firearms instructor at any time.
5. Only approved ammunition will be used at the firearms training facility. All ammunition is subject to inspection by the Range Master or firearms instructor at any time.
6. The loading and unloading of firearms will take place only in designated areas of the firearms facility.
7. All range activities will be coordinated through the Training Unit Supervisor or, if designated by the Training Unit Supervisor, the Range Master.
8. All injuries will be promptly reported to the Range Master or firearms instructor.
9. Shooting will only be at targets approved by the Range Master or firearms instructor.

10. When on the firing line, unholstered firearms shall be pointed downrange at all times.
11. Ear and eye protection are required at all times by all persons while on the range when any person is actively engaged in discharging a firearm.
12. During range qualification or firearms training, firing will only commence on the command of the Range Master or firearms instructor.
13. All firing will stop immediately if the Range Master or firearms instructor determines there is a safety issue. This will be done by yelling, "Cease fire!"
14. Firearms will not be left unattended, except unloaded firearms in designated areas.
15. Horseplay or unsafe handling of firearms will not be tolerated.
16. Persons not abiding by all of the above rules will leave the firearms training facility upon the request of the Range Master or firearms instructor.



## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** Cooperative Agreement with California Highway Patrol for Use of the Police Firing Range

**SOURCE:** Police

**COMMENT:** The Porterville Police Department weapons range became operational in May of 2011 for live fire training. Currently, the California Highway Patrol is under an agreement to utilize the range for training and qualifications of their personnel. This agreement expires June 30, 2015. The Porterville Police Department and the California Highway Patrol would like to renew the agreement.

California Highway Patrol has agreed to pay a sum of \$3,600 to the City of Porterville in compensation for facility usage, upkeep, and maintenance over the next three (3) years. This amount is based on their estimated use per year. This agreement will be re-evaluated at the end of the agreement period.

**RECOMMENDATION:** That the City Council:

- 1) Approve the Agreement for the period of 07/01/15 thru 06/30/18; and
- 2) Authorize the Chief of Police to execute the agreement on behalf of the City of Porterville.

**ATTACHMENTS:** 1. CHP Range Agreement

**Appropriated/Funded:** MB

**Review By:**

Department Director:

Eric Kroutil, Police Chief

Final Approver: John Lollis, City Manager

**SHORT FORM CONTRACT**

(For agreements up to \$9,999.99)

STD. 210 (Revised 7/2009)

CONTRACT NUMBER	AM. NO.	FEDERAL TAXPAYER ID. NUMBER
15C481000		
REGISTRATION NUMBER		

Invoice must show contract number, itemized expenses, service dates, vendor name, address and phone number.

SUBMIT INVOICE IN TRIPLICATE TO:

CHP Porterville Area Office

Attn: Lt. Scott Goddard

861 W. Morton Avenue

Porterville, CA 93257

**FOR STATE USE ONLY**

STD. 204	<input checked="" type="checkbox"/> N/A	<input type="checkbox"/> ON FILE	<input type="checkbox"/> ATTACHED	<input type="checkbox"/> CERTIFIED SMALL BUSINESS
CCCs	<input checked="" type="checkbox"/> N/A	<input type="checkbox"/> ON FILE	<input type="checkbox"/> ATTACHED	CERTIFICATE NUMBER
<input type="checkbox"/> DVBE	% <input checked="" type="checkbox"/> N/A	<input type="checkbox"/> GFE		
<input type="checkbox"/> Late reason				
<input type="checkbox"/> Public Works Contractor's License				
<input checked="" type="checkbox"/> Exempt from bidding	SCM 5.90			

1. The parties to this agreement are:

STATE AGENCY'S NAME, hereafter called the State.

Department of California Highway Patrol

CONTRACTOR'S NAME, hereafter called the Contractor.

City of Porterville, Porterville Police Department

2. The agreement term is from July 1, 2015 or upon approval, whichever is later through June 30, 2018

3. The maximum amount payable is \$ 3,600.00 pursuant to the following charges:

Wages/Labor \$ \_\_\_\_\_ Parts/Supplies \$ \_\_\_\_\_ Taxes \$ \_\_\_\_\_ Other \$ \_\_\_\_\_ (Attach list if applicable.)

4. Payment Terms (Note: All payments are in arrears.) ☐ ONE TIME PAYMENT (Lump sum) ☐ MONTHLY ☐ QUARTERLY

☐ ITEMIZED INVOICE ☒ OTHER annually in arrears (\$1,200.00 per year)

5. The Contractor agrees to furnish all labor, equipment and materials necessary to perform the services described herein and agrees to comply with the terms and conditions identified below which are made a part hereof by this reference. (Outline in exact detail what is to be done, where it is to be done and include work specifications, if applicable.)

☒ ADDITIONAL PAGES ATTACHED

City of Porterville, Porterville Police Department shall provide the Department of California Highway Patrol (CHP) Porterville Area office use of the weapons firing range.

- CHP Contact: Lt. Goddard (559) 784-7444
- Contractor Contact: Chief ~~Chuck McMillan~~ (559) 782-7400  
ERIC KROUT 7402

EXHIBITS (Items checked in this box are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto.)

☒ GTC\* 610 ☐ GIA\* \_\_\_\_\_ \*If not attached, view at <http://www.ols.dqs.ca.gov/Standard%20Language/default.htm>.

☒ Other Exhibits (List) Exhibit A, D, E

In Witness Whereof, this agreement has been executed by the parties identified below:

STATE OF CALIFORNIA		CONTRACTOR			
AGENCY NAME		CONTRACTOR'S NAME (If other than an individual, state whether a corporation, partnership, etc.)			
Department of California Highway Patrol		City of Porterville, Porterville Police Department			
BY (Authorized Signature)	DATE SIGNED	BY (Authorized Signature)	DATE SIGNED		
PRINTED NAME AND TITLE OF PERSON SIGNING		PRINTED NAME AND TITLE OF PERSON SIGNING			
Jacquelyn Ngo, Procurement Manager, Business Services Section					
ADDRESS		ADDRESS			
PO Box 942898, Sacramento, CA 94298-0001		350 North D Street, Porterville, CA 93257			
FUND TITLE	ITEM	FISCAL YEAR	CHAPTER	STATUTE	OBJECT CODE
MV Account State Trans.	2720-001-0044	15/16	Pending	2015	2481-239.05-96501
I hereby certify upon my own personal knowledge that budgeted funds are available for the period and purpose of the expenditure stated above.					DATE SIGNED



## EXHIBIT A (Standard Agreement)

### SCOPE OF WORK

1. Contractor agrees to provide to the Department of California Highway Patrol (CHP) Porterville Area office, the services described herein:

Furnish use of Contractor's weapons firing range facilities including restroom facilities if available; pay all taxes, insurance, bonds, license and permit fees, maintenance fees and all other costs required to provide use of the weapons firing range facility in accordance with this Agreement.

2. The services shall be performed at: ☐ If checked see attached for additional service locations

Porterville Police Department  
350 North D Street  
Porterville, CA 93257  
[ckcontreras@ciporterville.ca.us](mailto:ckcontreras@ciporterville.ca.us)

3. The services shall be provided during:

Such times that are mutually agreeable to both parties.

4. The project representatives during the term of this agreement will be:

STATE AGENCY		CONTRACTOR	
Department of California Highway Patrol		City of Porterville, Porterville Police Department	
NAME		NAME	
Lt. Goddard, Porterville Area office		Chief Eric Kroutil	
TELEPHONE NUMBER	FAX NUMBER	TELEPHONE NUMBER	FAX NUMBER
(559) 784-7444	(559) 784-2146	(559) 782-7400	(559) 782-7402
Direct all inquiries to :			

STATE AGENCY		CONTRACTOR	
Department of California Highway Patrol		City of Porterville, Porterville Police Department	
SECTION/UNIT		SECTION/UNIT	
Business Services Section, Contract Services Unit			
ATTENTION		ATTENTION	
Jeanette Thomas, Contract Analyst		Chief Eric Kroutil	
ADDRESS		ADDRESS	
P.O. Box 942898, Sacramento, CA 94298-0001		350 North D Street, Porterville, CA 93257	
TELEPHONE NUMBER	FAX NUMBER	TELEPHONE NUMBER	FAX NUMBER
(916) 843-3608	(916) 322-3166	(559) 782-7400	(559) 782-7402

**EXHIBIT A**  
**(Standard Agreement)**

**SCOPE OF WORK**

5. Detailed description of work to be performed:

- A. The weapons firing range must be within thirty (30) miles of CHP Porterville Area office.
- B. The weapons firing range use shall be limited to CHP personnel assigned to the Porterville Area office.
- C. Contractor agrees that CHP shall have the use of the on-site firearms buildings located on the range for training programs. The classroom facility may be used on a case-by-case basis, without additional charge, when arranged through the Range Master.
- D. Contractor and CHP agree the weapons firing range shall be open and usable by members of CHP at such times that are mutually agreeable to both parties. Exclusive use of the facilities by CHP must be coordinated and mutually agreed to by both parties.
- E. The CHP agrees that its members using the weapons firing range facilities under this Agreement shall be governed by the range safety rules established by Contractor.
- F. Brass will be retained by Contractor.
- G. The weapons firing range must be able to accommodate the following:
  - 1) .40 caliber pistol (loaded with Department-issued ammunition currently 180G).
    - a. Twelve (12) shoots per year, one (1) each month or two (2) every other month.
    - b. Two (2) qualification shoots which must be performed at the following distances: 2 yards, 4 yards, 7 yards, 10 yards, 15 yards, and 25 yards.
    - c. Ten (10) practice shoots, of which two (2) night shoots are recommended.
    - d. Use for make-up shoots at times mutually agreeable to both parties.
  - 2) Tactical rifle (.223 caliber).
    - a. Four (4) shoots per year (quarterly).
    - b. One (1) night shoot is required.
    - c. Maximum distance of 50 yards.
  - 3) Shotgun (00 buckshot).
    - a. Eight (8) shoots per year (two (2) quarterly).
    - b. Two (2) night shoots required.
    - c. Distance 15 yards maximum.
- H. Inspection and test firing of weapons:
  - 1) All weapons are to be test fired after each required inspection by the Area Weapons Range Officer.
  - 2) Use of facility to test fire weapons will be coordinated between the Area Weapons Range Officer and the Contractor.

**EXHIBIT D**  
**(Standard Agreement)**

**SPECIAL TERMS AND CONDITIONS**

1. Both Contractor and CHP reserve the right to cancel this Agreement with thirty (30) days advance written notice to the other.
2. In the event of an unforeseen emergency, CHP may cancel this Agreement without prior notice and without compensation to Contractor.
3. Agreement may be amended by mutual written consent of the parties hereto.
4. If Contractor shall be temporarily unable to provide services, the CHP, during the period of Contractor's inability to provide services, reserves the rights to accomplish the work by other means and shall be reimbursed by Contractor for any costs above the Agreement rate.
5. The parties hereto agree to indemnify, defend and save harmless the other party, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by the other party in the performance of this Agreement.

**EXHIBIT E**  
**(Standard Agreement)**

**COMMERCIAL GENERAL LIABILITY INSURANCE REQUIREMENTS**

**A. Commercial General Liability**

Contractor shall furnish to CHP a valid certificate of commercial general liability insurance, at no expense to CHP or to the state, and shall maintain or cause to be maintained and in effect, at all times during the term of the agreement, a policy of no less than \$1,000,000 per occurrence for bodily injury and property damage liability combined.

**B. Any or all types of insurance coverage must meet the following State of California requirements:**

- 1) Evidence of insurance shall be of a form and content acceptable to the Department of General Services, Office of Risk and Insurance Management (ORIM).
- 2) The certificate of insurance shall be issued by an insurance company, or be provided through a partial or total self-insurance, acceptable to ORIM.
- 3) The certificate of insurance shall show that hazardous activities are protected through comprehensive general liability.
- 4) The certificate of insurance shall provide that the insurer shall not cancel the insured's coverage without **thirty (30)** days prior written notice to the CHP.
- 5) The certificate of insurance shall provide that the State of California, its officers, agents, employees, and servants are included as additional insured.
- 6) The certificate of insurance shall meet such additional standards as may be determined by the CHP, either independently or in consultation with ORIM, for protection of the CHP.

**C. In the event said insurance coverage lapses, expires, or is cancelled at any time or times during the term of the agreement, Contractor shall provide, at least thirty (30) days prior to said date, a new certificate of insurance coverage as provided for herein for not less than the remainder of the term of the agreement, or for a period of not less than one (1) year. New certificates of insurance are subject to the approval of ORIM. Contractor agrees that no work or services shall be performed prior to such approval. In the event Contractor fails to keep current and in effect at all times, insurance coverage as herein provided, the CHP may, in addition to any other remedies, terminate the agreement.**

**D. Contractor shall submit to the CHP before the start of the agreement, the certificate(s) of insurance, identifying the CHP Agreement number, at the following address:**

Department of California Highway Patrol  
Business Services Section  
Attention: Contract Services Unit  
P.O. Box 942898  
Sacramento, California 94298-0001

**To expedite processing, certificates may be emailed to: [jethomas@chp.ca.gov](mailto:jethomas@chp.ca.gov)**



## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** Joint Funding Agreement with Porterville Unified School District and Burton School District for School Resource Officers

**SOURCE:** Police

**COMMENT:** Currently, the Porterville Police Department has four officers assigned as School Resource Officers. During school hours, these four officers respond to reports of criminal activity at all school sites within the city of Porterville. In addition, these four officers provide requested security for after-school functions throughout the school year.

Through a Joint Funding Agreement, Porterville Unified School District and Burton School District have shared in the funding for two of the four School Resource Officers. Both school districts have agreed to renew the 2014/2015 Joint Funding Agreement in which they share in the costs of two School Resource Officers. The estimated salary and benefit cost for a School Resource Officer during the term of the 2015/2016 school year is \$96,758. Porterville Unified School District has agreed to pay 75% of the salary and benefits for one School Resource Officer and Burton School District has agreed to pay 75% of the salary and benefits for one School Resource Officer.

Based on the formula above, for this term, the City shall contribute an estimated \$24,189 for each of two School Resource Officer positions. This represents 25% of the estimated salary and benefits for each. Porterville Unified School District and Burton School District will each contribute up to \$72,569 for each of two School Resource Officer positions. This represents 75% of the estimated salary and benefits for each.

Three of the four School Resource Officers will generally be assigned to the Porterville Unified School District with one each generally responsible for one of the three major high schools and their respective feeder schools. The fourth School Resource Officer will generally be assigned to the Burton School District. These assignments will not preclude the ability of each officer to respond to other areas as needed.

**RECOMMENDATION:** That the City Council:

- 1) Approve the Agreement for Joint Funding for School Resource Officers for the period of July 1, 2015, through June 30, 2016; and

2) Authorize the Mayor to execute the agreement of behalf of the City of Porterville.

ATTACHMENTS: 1. SRO Joint Funding Agreement

Appropriated/Funded: MB

Review By:

Department Director:

Eric Kroutil, Police Chief

Final Approver: John Lollis, City Manager

## JOINT FUNDING COOPERATIVE AGREEMENT

This Agreement is entered into as of July 1, 2015, between the CITY OF PORTERVILLE ("CITY"), the PORTERVILLE UNIFIED SCHOOL DISTRICT ("PUSD"), and the BURTON SCHOOL DISTRICT ("BSD") (each a "Party," and collectively, the "Parties"), with reference to the following:

- A. The Parties wish to continue efforts to create and maintain a safe environment for children attending school campuses in the city of Porterville, and the Parties believe this is vital to the educational process.
- B. The Parties desire to share in the costs of supplying "School Resource Officers" ("SROs") to respond to reports from PUSD and BSD officials concerning criminal and other activities occurring on the PUSD and BSD campuses that jeopardize the safety and security of the children attending these schools.
- C. The Parties are willing to enter into this Agreement on the terms and conditions set forth below:

### ACCORDINGLY, IT IS AGREED:

- 1. The term of this Agreement shall be for one year, commencing on July 1, 2015, and ending on June 30, 2016.
- 2. The CITY shall provide four "School Resource Officers" effective at the beginning of the school year, August 2015. The SROs shall respond to school reports of criminal activity or other activity threatening the safety and security of children occurring on PUSD and BSD school campuses located within the CITY's geographical limits. The guidelines and expectations of the SRO program are attached as Exhibit A.
- 3. The maximum estimated salary and benefit cost for an SRO during the term of this Agreement is \$96,758. This does not include ancillary costs or overtime costs.
- 4. The salary and benefit costs of two (2) of the SROs that will be used for PUSD, will be assumed by the City in entirety.
- 5. The salary and benefit costs for the third SRO shall be divided as follows: The CITY shall pay 25% of the estimated salary and benefits cost, as well as all ancillary costs; PUSD shall pay the remaining 75% in salary and benefits costs. The 75% formula represents the nine (9) month school year.
- 6. The salary and benefit costs for the fourth SRO shall be divided as follows: The CITY shall pay 25% of the estimated salary and benefits cost, as well as all ancillary costs. BSD shall pay the remaining 75% in

salary and benefits costs. The 75% formula represents the nine (9) month school year

7. Based on the formula above, for this term, the CITY shall contribute an estimated amount of \$24,189 to each of the third and fourth SRO positions. This represents 25% of estimated costs of salary and benefits for each position, plus the City will additionally pay approximately \$10,000 each in ancillary costs.
8. Based on the formula above, for this term, PUSD shall contribute up to, but no more than, \$72,569 to the third SRO position. This represents 75% of the estimated salary and benefits costs (\$96,758).
9. Based on formula above, for this term, BSD shall contribute up to, but no more than, \$72,569 to the fourth SRO position. This represents 75% of the estimated salary and benefits costs (\$96,758).
10. The amounts to be contributed by PUSD and BSD shall be due and payable as follows: PUSD and BSD shall pay the amounts as invoiced by the CITY, on an annual basis, of the actual costs (excluding ancillary) but no more than the contribution amounts specified above, within thirty days of receiving said invoice(s). The full contribution amounts shall be paid by the end of the CITY's fiscal year (June 30, 2016).
11. The Parties shall hold harmless, defend and indemnify each other, their agents, officers, and employees from and against all liability, claims, actions, costs, damages or losses of any kind, including death or injury to any person and/or damage to property, arising out of their activities or those of their agents, officers, or employees under this Agreement. This indemnification obligation shall survive the expiration or termination of this Agreement.
12. It is understood and agreed that if the funding is either discontinued or reduced for specified positions, any Party shall have the right to terminate this Agreement. In such event, the affected Party shall provide the other Party(ies) with at least sixty (60) days prior written notice of such termination.
13. It is mutually understood and agreed that the SROs at all times while carrying out this Agreement shall be acting as CITY employees. The CITY shall retain the right to control and direct the services of the SROs pursuant to this Agreement, and shall retain the usual management rights, powers, and authority of an employer over such employees. The City will make every effort to ensure that scheduling of vacation leaves and training sessions for SROs are made with consideration of the needs of the two school districts.



14. Except as otherwise required by law, any notice to be given shall be in writing and shall be either personally delivered, sent by facsimile transmission, or sent by first-class mail, postage prepaid, and addressed as follows:

CITY:

City Clerk of the City of Porterville  
291 N. Main Street  
Porterville, CA 93257  
Phone: 559-782-7442  
Fax: 559-782-7452

PUSD:

Porterville Unified School District  
600 W. Grand Avenue  
Porterville, CA 93257  
Phone: 559-793-2455  
Fax: 559-793-1088

BSD:

Burton School District  
264 N. Westwood  
Porterville, CA 93257  
Phone: 559-781-8020  
Fax: 559-781-1403

Notice personally delivered is effective when delivered. Notice sent by facsimile transmission shall be deemed received upon successful transmission. Notice sent by first class mail shall be deemed received on the fifth day after mailing. Any Party may change the above address, phone number, or fax number by giving written notice pursuant to this paragraph.

15. No part of this Agreement may be assigned by any of the Parties without the prior written consent of the other Parties.

16. Termination.

- A. The right to terminate this Agreement under this provision may be exercised without prejudice to any other right or remedy to which the terminating Party may be entitled to by law or under this Agreement.

1. This Agreement may be terminated by any Party should another Party:
    - a) be adjudged bankrupt,
    - b) become insolvent or have a receiver appointed,
    - c) make a general assignment for the benefit of creditors,
    - d) suffer any judgment which remains unsatisfied for 30 days and which would substantively impair the ability of the judgment debtor to perform under this Agreement, or
    - e) materially breach this Agreement.
  2. For any occurrences except item (e), termination may be effected upon written notice by the terminating Party specifying the date of termination.
  3. Upon a material breach, the Agreement may be terminated following the failure of the defaulting Party to remedy the breach to the satisfaction of the non-defaulting Party(ies) within five (5) days of written notice specifying the breach. If the breach is not remedied within the five (5) day period, the non-defaulting Party may terminate the Agreement on further written notice specifying the date of termination.
  4. If the nature of the breach is such that it cannot be cured within a five (5) day period, the defaulting Party may submit a written proposal within that period which sets forth a specific means to resolve the default. If the non-defaulting Party(ies) consent to that proposal in writing, which consent shall not be unreasonable withheld, the defaulting Party shall immediately embark on its plan to cure. If the default is not cured within the time agreed upon, the non-defaulting Party(ies) may terminate upon written notice specifying the date of termination.
- B. Effects of Termination. Termination of this Agreement shall not terminate any obligations to indemnify, to maintain and make available any records pertaining to the Agreement, to cooperate with any audit, to be subject to offset, or to make any reports or pre-termination contract activities.
17. This Agreement represents the entire Agreement between the Parties as to its subject matter and no prior oral or written understanding shall be of any force or effect. No part of this Agreement may be modified without the written consent of all Parties.

18. This Agreement reflects the contributions of all Parties and accordingly the provisions of Civil Code Section 1654 shall not apply to address and interpret any uncertainty.
19. Unless specifically set forth, the Parties to this Agreement do not intend to provide any other party with any benefit or enforceable legal or equitable right or remedy.
20. The failure of any Party to insist on strict compliance with any provision of this Agreement shall not be considered a waiver of any right to do so, whether for the breach or any subsequent breach. The acceptance of any Party of either performance or payment shall not be considered to be a waiver of any preceding breach of the Agreement by any other Party.
21. This Agreement is subject to all applicable laws and regulations. If any provision of this Agreement is found by any court or other legal authority, or is agreed by the Parties, to be in conflict with any code or regulation governing its subject, the conflicting provision shall be considered null and void. If the effect of nullifying any conflicting provision is such that a material benefit of the Agreement to either Party is lost, the Agreement may be terminated at the option of the affected Party.
22. Each Party agrees to execute any additional documents and to perform any further acts that may be reasonably required to effect the purposes of this Agreement.
23. It is expected that this agreement will continue into coming years. In June of each year of the agreement, the Chief of Police, the Porterville Unified School District Superintendent, and the Burton School District Superintendent, or their designees, shall convene a meeting to discuss the activities of the SROs during the previous school year. If the agreement is continued, the Chief of Police shall provide the new salary and benefits costs for the position, and the new agreement will indicate the amount of funding each party shall be responsible for.

THE PARTIES, having read and considered the above provisions, indicate their agreement by their authorized signatures below.

CITY OF PORTERVILLE:

---

Milt Stowe, Mayor

PORTERVILLE UNIFIED SCHOOL DISTRICT:

---

John Snavelly, Superintendent

BURTON SCHOOL DISTRICT:

---

Sharon Kamberg, Superintendent

## **EXHIBIT A**

### **GUIDELINES AND EXPECTATION OF THE SCHOOL RESOURCE OFFICER PROGRAM**

The School Resource Officer Program is a collaborative effort by the Porterville Police Department, Porterville Unified School District, and Burton School District focused on preventing juvenile delinquency, maintaining a safe school environment, and providing a positive law enforcement presence in the school community. This effort will help bridge the gap between law enforcement officers and students in order to increase positive attitudes toward law enforcement, and reduce juvenile crime.

The exclusive focus on the physical and social territory of the school is an important aspect of the SRO program. Unlike law enforcement officers who respond to school problems as a result of calls for service or 911 calls by school personnel, the SRO knows the school's physical layout and is aware of who belongs on school property and who does not.

School Resource Officers have two main functions: law enforcement officer and advisor.

As a law enforcement officer, the SRO maintains a safe and secure school environment in which "teachers feel safe to teach and students feel safe to learn."

The SRO acts as an advisor to students, parents, teachers and staff on the law, delinquency, violence, substance abuse, child abuse and other law enforcement related issues.

The SRO may talk to students, parents, teachers, administrators and staff about problems and concerns they may have, and help them find possible solutions through referrals to counselors or appropriate social service or legal agencies for additional support and assistance.

The most effective way a SRO can accomplish these functions is to be a positive role model and mentor. Students learn from every interaction they may have with a SRO. It is essential for a SRO to be a positive role model who endorses high moral standards, exercises good judgment and discretion, is consistent and fair, respects students, and displays a sincere concern for the school community.

School Resource Officers must maintain a professional appearance, be visible, accessible and willing to talk to students. The SRO shall attend and participate in school activities, interact positively with students and the community, taking their concerns seriously while maintaining a supportive and positive relationship with faculty and school administrators.

The SRO is an extension of his/her agency as well as the school principal's office, as the officer's duties are comprised of both law enforcement and education. The SRO reports to both his/her agency commander and the school principal. Although the SRO will not serve as a disciplinarian, and disciplining students will remain the responsibility of the school faculty and administrators, the SRO will serve as a means for establishing cooperation, order and safety so that learning can take place, the business schools are about. This does not prevent the SRO from taking action in his/her official capacity.

Duties and expectations of the SRO shall include, but not be limited to the following:

- To protect lives and property for the citizens and public school students.
- To enforce Federal, State and Local criminal laws and ordinances, and to assist school officials with the enforcement of Board of Education Policies and Administrative Regulations regarding student conduct.
- To investigate criminal activity committed on or adjacent to school property.
- To counsel public school students in special situations, such as students suspected of engaging in criminal misconduct, when requested by the principal or the principal's designee or by the parents of the student.
- To assist other law enforcement officers with outside investigations concerning students attending the school(s) to which the SRO is assigned.
- To provide security for special school events or functions, such as PTA meetings, at the request of the principal or other school official.
- To prevent juvenile delinquency through close contact with students and school personnel.
- To establish liaison with school principals, faculty, and students.
- To inform the students of their rights and responsibilities as lawful citizens.
- To provide liaison between students and social agencies which provide needed services.
- To participate in campus activities when invited and feasible.
- To be aware at all times of the responsibility to improve the image of the uniformed law enforcement officer in the eyes of the students and the community.
- To confer with the principal to develop plans and strategies to prevent and/or minimize dangerous situations on or near the campus or involving students at school-related activities.



## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** Request for a Modification to Conditional Use Permit 2014-033-C to Allow for the Sale of Alcohol in Conjunction with the Outdoor Patio Area for Los Portales Restaurant Located at 377 E. Orange Avenue

**SOURCE:** Community Development

**BACKGROUND:**

On March 3, 2015, the City Council adopted Resolution 25-2015 approving Conditional Use Permit 2014-033-C to allow for the sale of beer and wine under a Type 41 On-Sale Beer & Wine License for Bona-Fide Public Eating Place for Los Portales located at 377 E. Orange Avenue.

**COMMENT:** In April, 2015, the applicant submitted an application for a modification that would allow for the sale of alcohol in conjunction with the outdoor patio area for the Los Portales restaurant.

In addition to City Council's conditions of approval in Resolution 25-2015, staff recommends that City Council require the parking lot be completed by installing a concrete curb, timber barrier or other barrier not less than six (6) inches high at the northern edge of the parking lot between the parking stalls and landscaped strip, and require the applicant to install the security lighting as addressed in the Project Review Committee (PRC) comment letter dated December 12, 2014, prior to permitting the sale of alcoholic beverages on the outdoor patio area.

As this conditional use permit would allow outdoor activities, including outdoor entertainment, all outdoor activities shall comply with the City of Porterville Noise Standards contained in Chapter 18, Article IX of the Porterville Municipal Code. Any outdoor entertainment would be limited to the hours of 7 a.m. to 9 p.m. Sunday through Thursday and 7 a.m. to 10 p.m. Friday and Saturday. The City Council may modify or revoke this conditional use permit in the event that any condition of approval is violated, as provided in Section 601.10 (Revocation of Approvals) of the Porterville Development Ordinance.

**ANALYSIS:** It is not anticipated that this use would have a negative impact on the surrounding properties. Conditions of approval are in place to protect the public's safety and interest. Due to the close proximity of Santa Fe Elementary School (276 feet from property line to property line), alcohol advertisement visible from the outside of the proposed building shall not be allowed. The maintenance of existing lighting and the installation of additional security lighting on the exterior of the building and in the associated parking lot shall be sufficient to allow reasonable

surveillance of the parking area to the satisfaction of the Porterville Police Department. The existing fencing shall be maintained in good condition at all times to prevent entry from the alley way and adjacent residential uses.

The applicant is conditioned to operate the establishment in such a manner as to preserve the public safety, health and welfare, to prevent the use from becoming a nuisance and to operate the business in compliance with all laws, ordinances and regulations regarding the sale of alcohol. Furthermore, at all times the facility shall be operated and maintained to comply with State Laws, the City of Porterville Development Ordinance, adopted Building Codes and all other applicable laws and ordinances.

The subject site is consistent with the General Plan Land Use Designation and Zoning Standards for Retail Centers (CR). The CR designation is intended to provide for retail and service uses that meet local and regional demand. The proposed restaurant with alcohol sales would suit the purpose of the zone designation. The restaurant is a permitted use in the CR zone, and alcohol sales may be permitted in that zone with an approved Conditional Use Permit.

**ENVIRONMENTAL REVIEW:**

On May 19, 2015, the Environmental Coordinator made a preliminary determination that the project is exempt from the California Environmental Quality Act pursuant to Section 15061(b), (3) of the California Code of Regulation (CEQA Guidelines), under the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment.

**RECOMMENDATION:** That the City Council adopt the draft resolution approving the Modification to Conditional Use Permit (PRC 2014-033-C) subject to conditions of approval.

**ATTACHMENTS:**

1. Locator Map
2. 300' Radius Map of noticed parties
3. Draft Resolution
4. Exhibit A - Resolution 25-2015

Appropriated/Funded: N/A

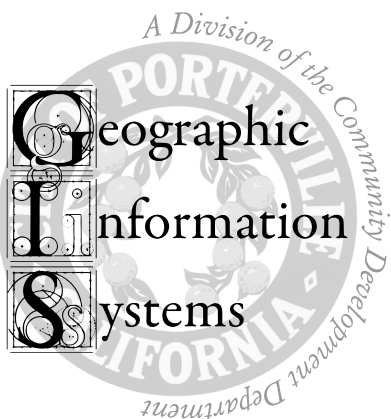
Review By:

Department Director:

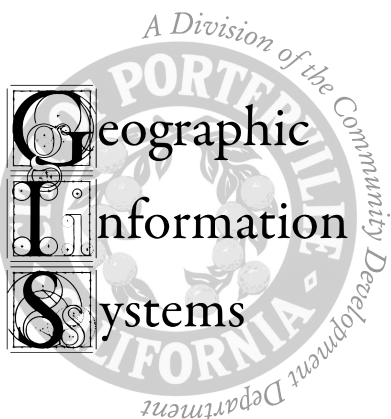
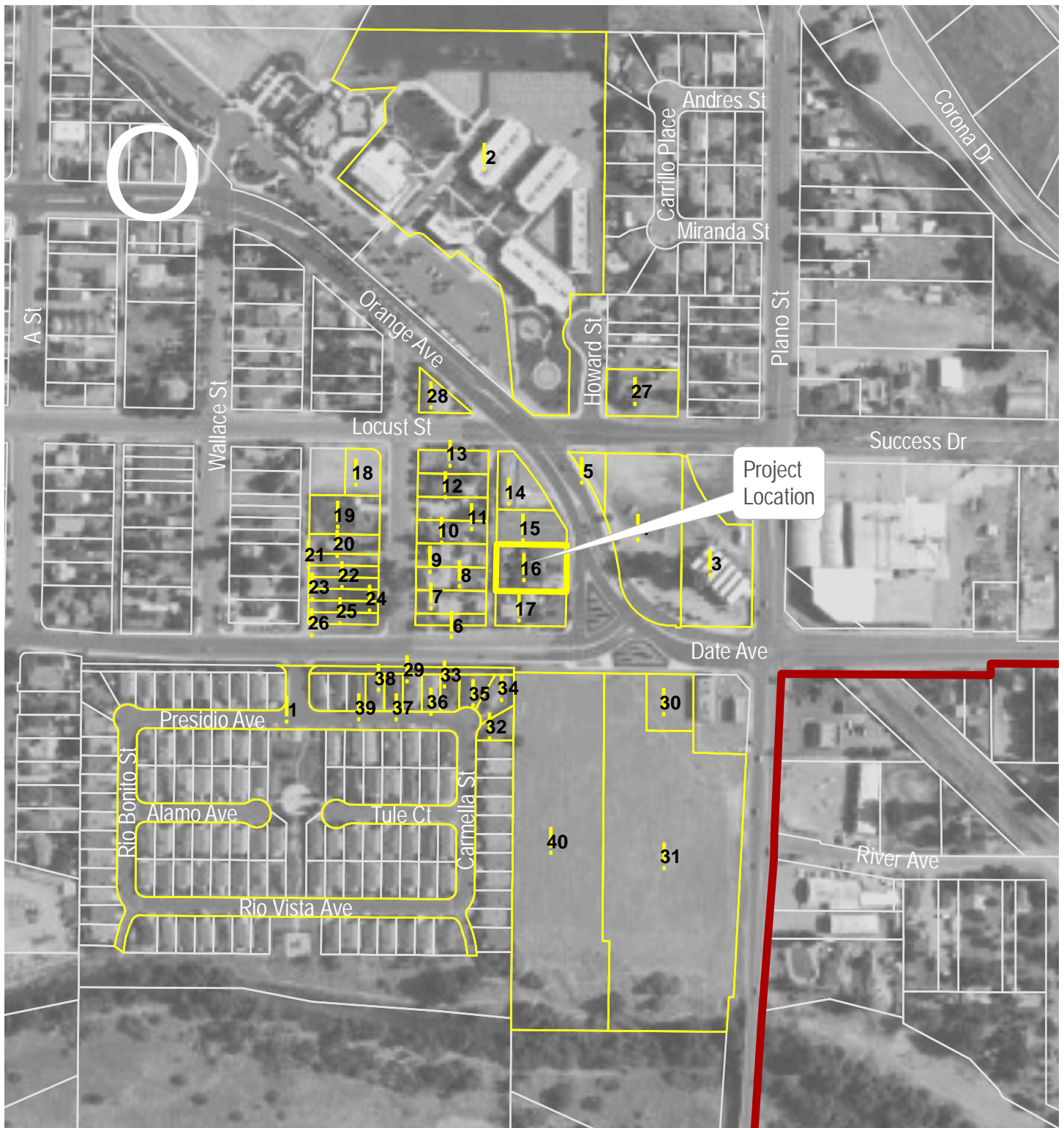
Jenni Byers, Community Development Director

Final Approver: John Lollis, City Manager





PRC 2014-033  
Los Portales CUP  
@ 377 E Orange Ave  
Project Vicinity Map  
1" = 300 ft.



PRC 2014-033  
 Los Portales CUP  
 @ 377 E Orange Ave  
 Project Vicinity Map  
 1" = 300 ft.

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE  
CONTAINING FINDINGS AND CONDITIONS IN SUPPORT OF THE MODIFICATION TO  
CONDITIONAL USE PERMIT (PRC 2014-033-C) RESOLUTION 25-2015 TO ALLOW FOR  
A TYPE 41 ON-SALE BEER AND WINE LICENSE FOR A BONA-FIDE PUBLIC EATING  
PLACE FOR LOS PORTALES LOCATED AT 377 E. ORANGE AVENUE

WHEREAS: On May 19, 2015, the Environmental Coordinator made a preliminary determination that the project is exempt from the California Environmental Quality Act pursuant to Section 15061(b), (3) of the California Code of Regulation (CEQA Guidelines); and

WHEREAS: The City Council of the City of Porterville, at its regularly scheduled meeting of March 3, 2015, adopted Resolution 25-2015 allowing for a Type 41 On-Sale Beer and Wine License for a Bona-Fide Public Eating Place for Los Portales Restaurant located at 377 E. Orange Avenue; and

WHEREAS: On June 2, 2015, the City Council of the City of Porterville, at its regularly scheduled meeting conducted a public hearing to consider a Modification to Conditional Use Permit (PRC 2014-033-C) to allow for the sale of alcohol in conjunction with the Outdoor Patio Area as Bona-Fide Public Eating Place for the Los Portales Restaurant; and

WHEREAS: The City Council of the City of Porterville received testimony from all interested parties related to said Modification to Conditional Use Permit PRC 2014-033-C; and

WHEREAS: The City Council made the following findings:

1. That the proposed project will advance the goals and objectives of, and is consistent with, the policies of the General Plan and any other applicable plan that the City has adopted.

The CR (Retail Centers) designation is intended to provide for retail and service uses that meet local and regional demand. The proposed restaurant with alcohol sales would suit the purpose of the zone designation. The restaurant is a permitted use in the CR Zone, and alcohol sales may be permitted in that zone with a Conditional Use Permit.

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

Conditions of approval are included herein to ensure adequate development standards are met. The project is located within an existing building that has been well maintained since its original development. Further, all landowners within the city of Porterville are held to performance standards identified in Chapter 306 of the Development Ordinance. Specifically, Section 306.03 (General Standards) of the Ordinance states: "Land or buildings shall not be used or occupied in a manner creating any dangerous, injurious, or noxious fire, explosive, or other hazard; noise,

vibration, smoke, dust, odor, or form of air pollution; heat, cold, dampness, electrical or other disturbance; glare, refuse, or wastes; or other substances, conditions, or elements which would substantially adversely affect the surrounding area.”

3. This project is Categorically Exempt pursuant to CEQA Guidelines §15061(b), (3) - General Rule: the approval of alcohol sales in a bona-fide eating establishment would have no physical effect on the environment.

NOW, THEREFORE, BE IT RESOLVED: That the City Council of the City of Porterville does hereby approve Conditional Use Permit (PRC 2014-033-C) subject to the following conditions:

1. The applicant shall install a concrete curb, timber barrier, or other barrier no less than six (6) inches high at the northern edge of the parking lot between the parking stalls and landscaped strip prior to being permitted to utilize the outdoor patio area.
2. The applicant shall install and maintain the security lighting on the exterior of the building and in the parking lot in a manner to allow reasonable surveillance of the area to the satisfaction of the Porterville Police Department and Section 306.07 (b) (Lighting and Glare) of the Porterville Development Ordinance prior to being permitted to utilize the outdoor patio area.
3. The establishment, including all outdoor activities, shall comply with the City of Porterville Noise Standards contained in Chapter 18, Article IX of the Porterville Municipal Code. Any outdoor entertainment would be limited to the hours of 7 a.m. to 9 p.m. Sunday through Thursday and 7 a.m. to 10 p.m. Friday and Saturday.
4. Although the applicant proposes 34 patrons to be served in the outdoor patio area, based on the number of existing parking spaces (31), and considering that the maximum capacity of the restaurant interior is 68 patrons, 56 additional patrons could be accommodated in the outdoor area, for a total of 124 customers. However, if the applicant wishes to have seating for more than 50 patrons outdoors, the Fire Department will have additional requirements as to exiting. For that reason, unless the applicant resubmits plans representing adequate exiting and additional requirements sufficient for Fire Department approval, the applicant is permitted up to 50 patrons outdoors, for a total of 118 customers.
5. All other language and conditions set forth in Resolution 25-2015 (Exhibit A) not inconsistent with this modification shall remain in full force and effect.

PASSED, APPROVED AND ADOPTED this 2<sup>nd</sup> day of June, 2015.

ATTEST:  
John D. Lollis, City Clerk

\_\_\_\_\_  
Milt Stowe, Mayor

By \_\_\_\_\_  
Patrice Hildreth, Chief Deputy City Clerk



## RESOLUTION NO. 25-2015

### A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE CONTAINING FINDINGS AND CONDITIONS IN SUPPORT OF THE CONDITIONAL USE PERMIT (PRC 2014-033-C) TO ALLOW FOR A TYPE 41 ON-SALE BEER AND WINE LICENSE FOR A BONA-FIDE PUBLIC EATING PLACE FOR LOS PORTALES LOCATED AT 377 E. ORANGE AVENUE

WHEREAS: On February 17, 2015, the Environmental Coordinator made a preliminary determination that the project is exempt from the California Environmental Quality Act pursuant to Section 15061(b), (3) of the California Code of Regulation (CEQA Guidelines); and

WHEREAS: The City Council of the City of Porterville, at its regularly scheduled meeting of March 3, 2015, conducted a public hearing to consider Conditional Use Permit (PRC 2014-033-C) to allow for a Type 41 On-Sale Beer and Wine license for a Bona-Fide Public Eating Place for Los Portales located at 377 E. Orange Avenue; and

WHEREAS: The City Council of the City of Porterville received testimony from all interested parties related to said Conditional Use Permit; and

WHEREAS: The City Council made the following findings:

1. That the proposed project will advance the goals and objectives of, and is consistent with, the policies of the General Plan and any other applicable plan that the City has adopted.

The CR (Retail Centers) designation is intended to provide for retail and service uses that meet local and regional demand. The proposed restaurant with alcohol sales would suit the purpose of the zone designation. The restaurant is a permitted use in the CR Zone, and alcohol sales may be permitted in that zone with a Conditional Use Permit.

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

Conditions of approval are included herein to ensure adequate development standards are met. The project is located within an existing building that has been well maintained since its original development. Further, all landowners within the city of Porterville are held to performance standards identified in Chapter 306 of the Development Ordinance. Specifically, Section 306.03 (General Standards) of the Ordinance states: "Land or buildings shall not be used or occupied in a manner creating any dangerous, injurious, or noxious fire, explosive, or other hazard; noise, vibration, smoke, dust, odor, or form of air pollution; heat, cold, dampness, electrical or other disturbance; glare, refuse, or wastes; or other substances, conditions, or elements which would substantially adversely affect the surrounding area."

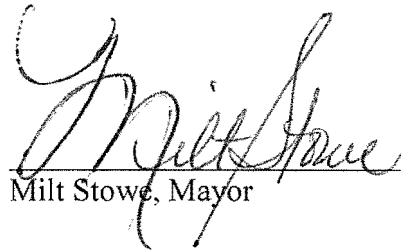
3. This project is Categorically Exempt pursuant to CEQA Guidelines §15061(b), (3) - General Rule: the approval of alcohol sales in a bona-fide eating establishment would have no physical effect on the environment.
4. The California Department of Alcoholic Beverage Control (ABC) allows for a specific number of licenses per census tract, based on population. Whenever the ratio of on-sale licenses to population in a census tract exceeds the average ratio for the county, an “undue concentration” of licenses is determined to exist. The subject site is located within Census Tract 41.01. This tract contains sixteen licenses for alcohol sales: five on-sale and eleven off-sale. In Census Tract 41.01, five on-sale and seven off-sale are allowed without being deemed over-concentrated. Approval of this on-sale license would be the sixth on-sale license. Due to the under concentration of on-sale licenses, a Letter of Public Convenience or Necessity will be not required.

NOW, THEREFORE, BE IT RESOLVED: That the City Council of the City of Porterville does hereby approve Conditional Use Permit (PRC 2014-033-C) subject to the following conditions:

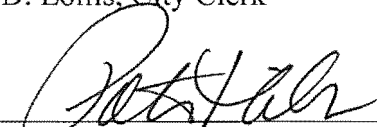
1. The applicant shall operate the establishment in such a manner as to preserve the public safety, health and welfare, to prevent the use from becoming a nuisance and operate the business in compliance with all laws, ordinances and regulations regarding the sale of alcohol. In the event that this or any other condition of approval is violated, the City Council may modify or revoke the conditional use permit as provided in Section 601.10 (Revocation of Approvals) of the Porterville Development Ordinance.
2. The applicant shall install and maintain the security lighting on the exterior of the building and in the parking lot in a manner to allow reasonable surveillance of the area to the satisfaction of the Porterville Police Department and Section 306.07 (b) (Lighting and Glare) of the Porterville Development Ordinance.
3. The elements of the conditional use permit approving on-site alcohol sales will be subject to modification or revocation if the State of California imposes sanctions on the on-sale license.
4. The entire site shall be permanently maintained free of accumulated dirt and litter and in an otherwise neat and attractive manner.
5. No alcohol advertising shall be displayed and/or viewed from the outside of the building.
6. Upon approval of the conditional use permit, any future violations of regulations of the codes relating to the sales or consumption of alcohol, and/or excessive service calls by the Police Department resulting from the sales of alcohol could result in revocation of the Conditional Use Permit.

7. Unless an extension of time is granted by the City Council, the conditional use permit shall expire two (2) years after the date of approval of the on-sale Type 41 Beer and Wine Alcohol License for a Bona-Fide Eating Place if it is not active or actively pursued. The alcohol license permits sale of beer and wine in conjunction with the serving of meals.
8. The applicant shall keep beer and wine in a secure place with access only available to the employees, shown herein as the bar in Exhibit A. Any future changes in operation which substantially alter the condition or nature of the subject business will require approval by the City Council if such modification involves expansion, relocation, or change in accessibility to the conditioned uses.
9. The facility shall be operated and maintained to comply with applicable State and Federal laws, and the City of Porterville Development Ordinance at all times.

PASSED, APPROVED AND ADOPTED this 3<sup>rd</sup> day of March, 2015.

  
Milt Stowe, Mayor

ATTEST:  
John D. Lollis, City Clerk

By:   
Patrice Hildreth, Chief Deputy City Clerk



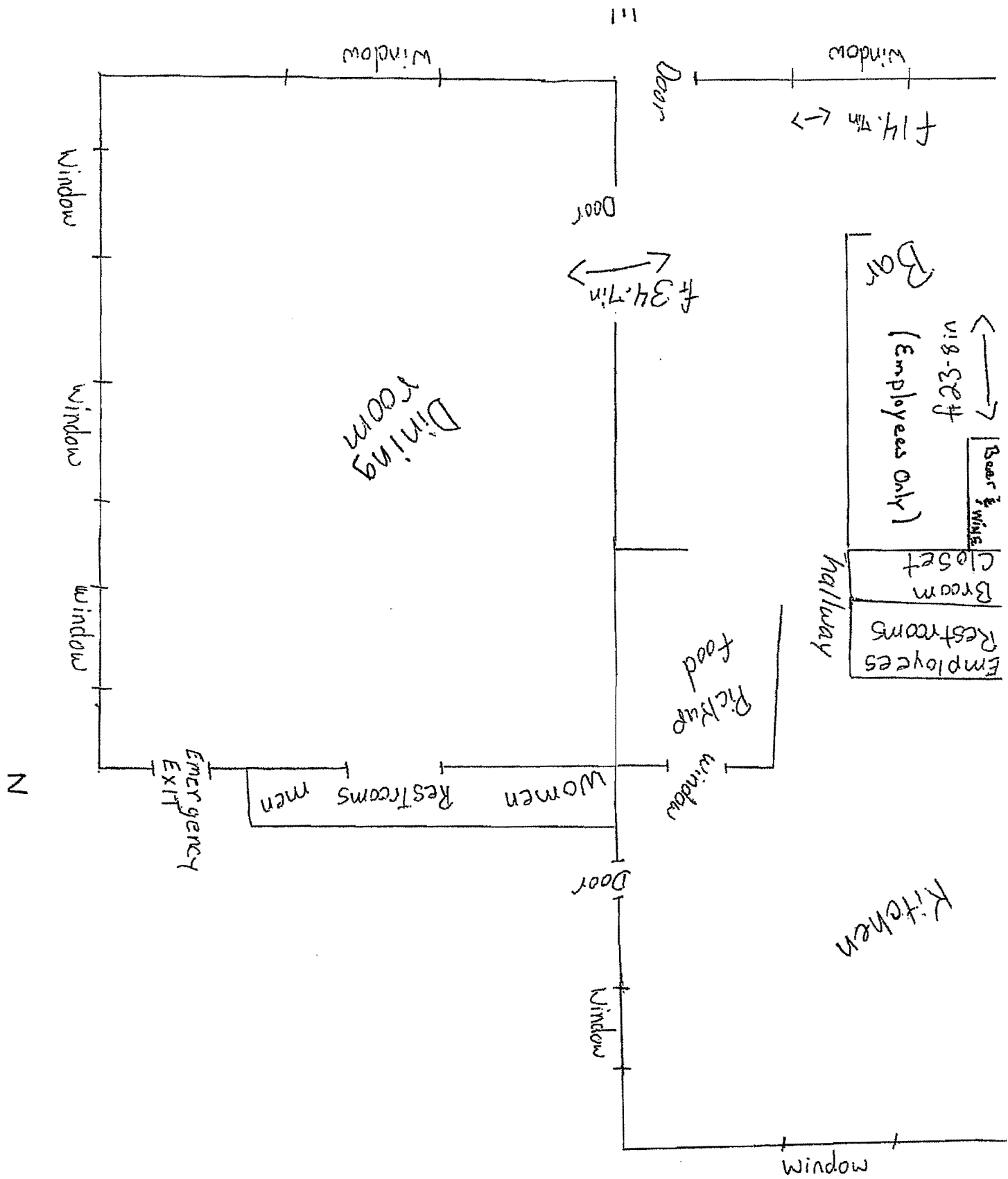


Exhibit A

STATE OF CALIFORNIA    )  
CITY OF PORTERVILLE    )       SS  
COUNTY OF TULARE     )

I, JOHN D. LOLLIS, the duly appointed City Clerk of the City of Porterville do hereby certify and declare that the foregoing is a full, true and correct copy of the resolution passed and adopted by the Council of the City of Porterville at regular meeting of the Porterville City Council duly called and held on the 3<sup>rd</sup> day of March, 2015.

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

Council:	REYES	WARD	STOWE	HAMILTON	GURROLA
AYES:	X		X	X	X
NOES:					
ABSTAIN:					
ABSENT:		X			

JOHN D. LOLLIS, City Clerk

  
By: Luisa M. Zavala, Deputy City Clerk



## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** Gibbons Avenue Reconstruction Project

**SOURCE:** Community Development

**BACKGROUND:**

The Gibbons Avenue improvements have been addressed in City master plans and Capital Improvement Strategies since at least 2002, but, due to fiscal constraints, the project was slow to move forward. With the recent completion of projects in the South Jaye Street corridor, the Gibbons Avenue project is now able to move forward. Approval of the environmental report will allow the City to proceed with the next step of the project: right-of-way acquisition.

**COMMENT:** The City proposes to improve approximately one mile of Gibbons Avenue in southern Porterville between Indiana Street and Main Street (Attachment 1). The project would reconstruct Gibbons Avenue including the installation of new paving, curb, gutter, storm drainage, street lights, and other related improvements consistent with City and County road improvement standards. When completed, Gibbons Avenue would be four lanes between Indiana and Jaye Streets, and two lanes between Jaye and Main Streets.

Gibbons Avenue between Indiana Street and Jaye Street is identified in the Porterville 2030 General Plan as a planned major street improvement (major arterial with 4 lanes). Similarly, Gibbons Avenue between Jaye Street and Main Street is designated in the General Plan as a collector, with roadway improvements - expanded right-of-way and installation of curb, gutter, curb entrances, and storm drains - necessary for efficient circulation between existing and planned major arterials. The design drawings are still underway, but the proposed right-of-way necessary to accommodate the project has been established, and is represented in Attachment 2.

**ANALYSIS:** The proposed project is located in an area of suburban residential, rural residential, agriculture, and commercial land uses. To the north of Gibbons Avenue, between Indiana Street and Jaye Street, the street is bounded by suburban residential development. The southern side of the road between Indiana Street and Jaye Street includes both agricultural land and a cemetery. The alignment of the proposed road would be designed to avoid the need for right-of-way acquisition that would impact the cemetery. Land north of Gibbons Avenue between Jaye Street and Main Street consists of commercial land uses. The southern side of Gibbons Avenue between Jaye Street and Main Street includes rural residential, agricultural, and commercial land uses.

The project site is located on Gibbons Avenue, primarily within the city of Porterville. The easternmost 900 feet of the proposed project are outside the city limits; however, a recent annexation proposal (Island Annexation #476) was approved by the City Council on April 7, 2015. The annexation of that area, which includes Gibbons Avenue east to Plano Street, is scheduled for consideration by Tulare Local Agency Formation Commission (LAFCo) on June 10, 2015. The annexation of that area, if approved, would not result in any modifications to the project as proposed.

**ENVIRONMENTAL REVIEW:**

An Initial Study was prepared by LSA, an on-call environmental consultant, and the report was circulated for public review and comment from May 7, 2015, to May 27, 2015. While there are no significant environmental impacts of the proposed project, thirteen mitigation measures were defined in the environmental document to avoid, minimize, or mitigate potential impacts to less than significant. Impacts to Air Quality will be avoided through implementation of Best Management Practices; Biological Resources will be protected through use of pre-construction surveys, specified avoidance measures, and Best Management Practices; Cultural Resources, if unearthed during construction, will be avoided and/or recorded following specified procedures, and surface water quality will be protected from degradation through establishment and compliance with a Storm Water Management Plan. All proposed mitigation measures are included within the Initial Study (Attachment 3), and are summarized in the Mitigation Monitoring Reporting Program (Attachment 4).

A public notice was published in the Porterville Recorder on May 7, 2015, and the notice was posted on the City's website. Further, public hearing notices were sent to property owners within 300 feet of the proposed project, as well as to public agencies and utility companies that may be affected by the proposed project. No comments were received regarding the project.

**RECOMMENDATION:** That the City Council adopt the resolution approving a Mitigated Negative Declaration for the Gibbons Avenue project, and authorize negotiation of right-of-way acquisitions.

**ATTACHMENTS:**

1. Vicinity Map
2. Project Map
3. Initial Study- Mitigated Negative Declaration
4. Mitigation Monitoring Reporting Program
5. Draft Resolution to Adopt a Mitigated Negative Declaration

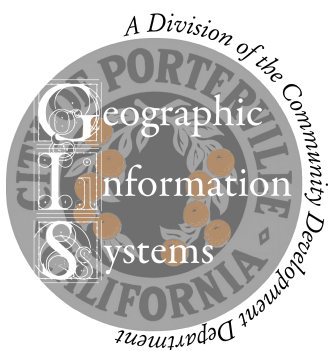
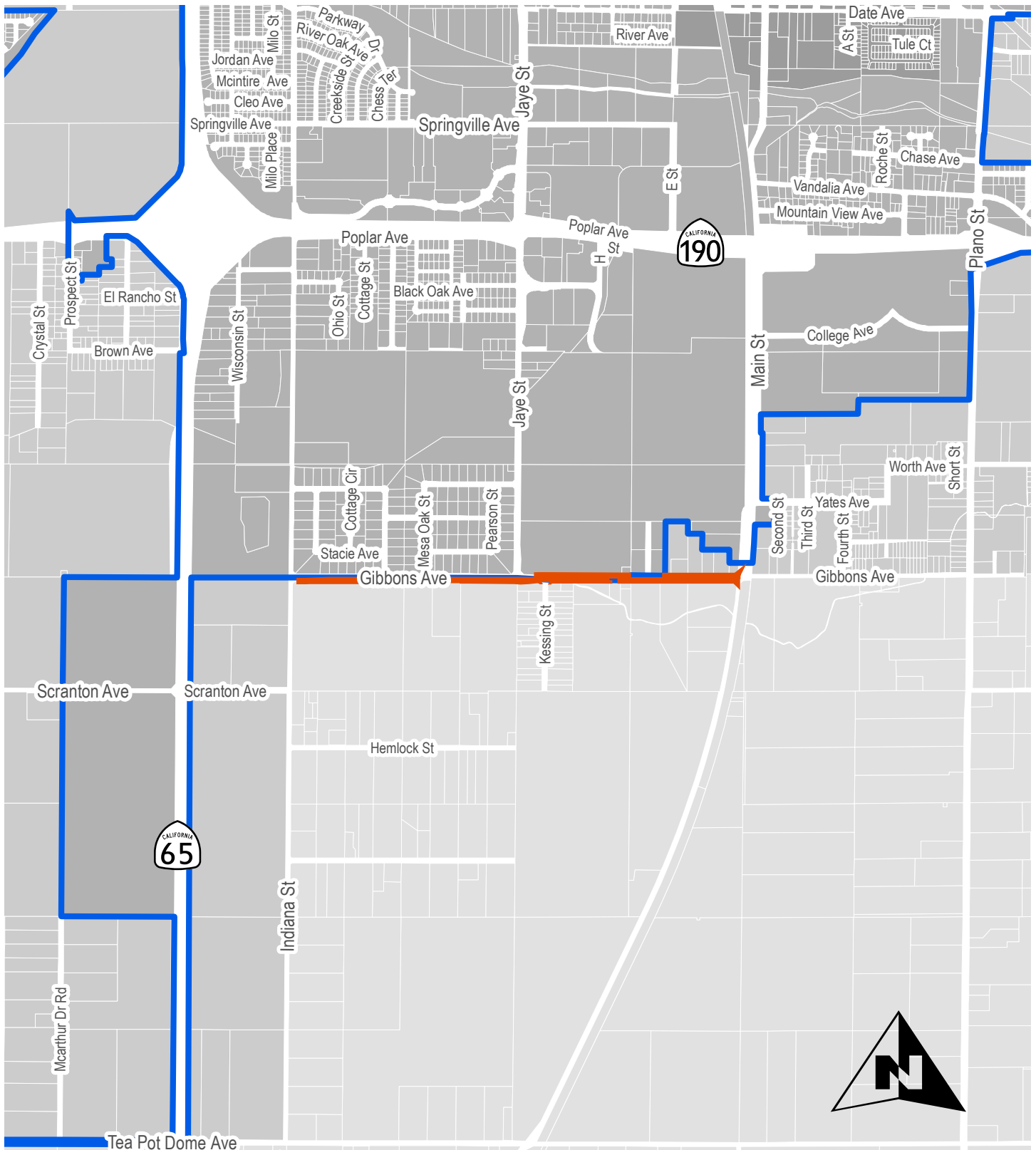
Appropriated/Funded: MB

Review By:

Department Director:

Jenni Byers, Community Development Director

Final Approver: John Lollis, City Manager



# Gibbons Avenue Reconstruction Project Locator Map 1" = 1,600 ft.

## Legend

- Project Area
- City Limits

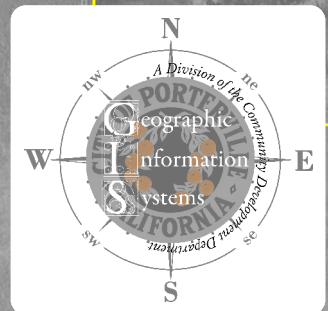
## Parcels

- DOWNTOWN
- CITY
- UDB (Urban Development Boundary)
- UAB (Urban Area Boundary)



## Legend

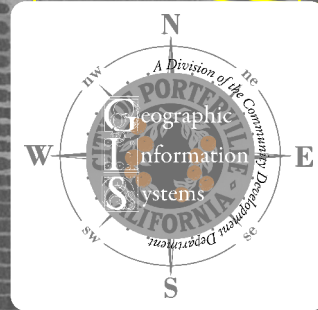
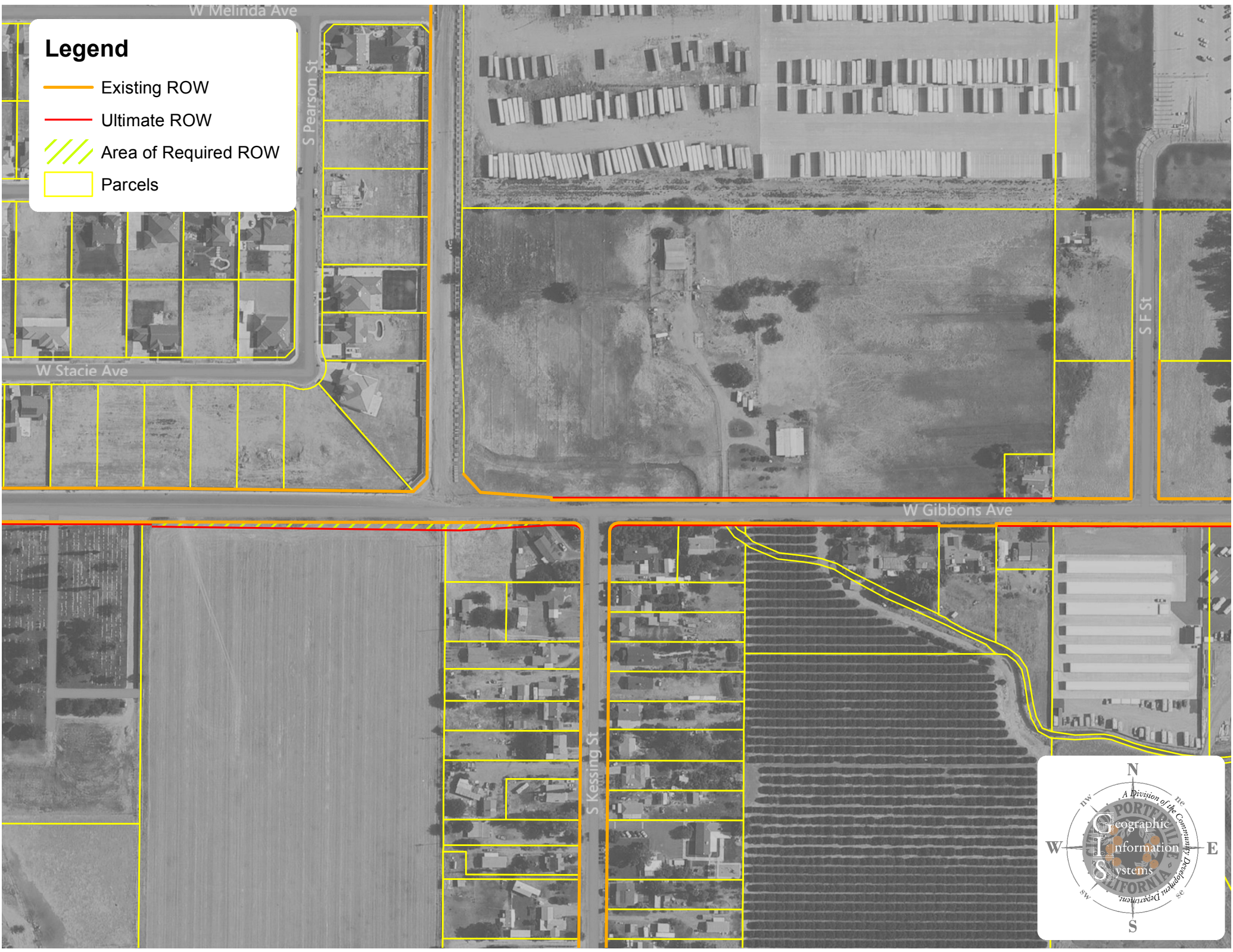
- Existing ROW
- Ultimate ROW
- Area of Required ROW
- Parcels





# Legend

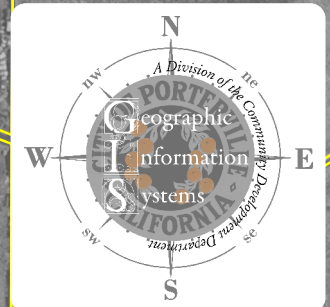
- Existing ROW
- Ultimate ROW
- Area of Required ROW
- Parcels





# Legend

- Existing ROW
- Ultimate ROW
- Area of Required ROW
- Parcels



**PUBLIC REVIEW DRAFT**

**GIBBONS AVENUE  
RECONSTRUCTION PROJECT**

**INITIAL STUDY/MITIGATED NEGATIVE DECLARATION**



**LSA**

April 2015

**PUBLIC REVIEW DRAFT**

**GIBBONS AVENUE  
RECONSTRUCTION PROJECT**

**INITIAL STUDY/MITIGATED NEGATIVE DECLARATION**

Submitted to:

City of Porterville  
Jennifer M. Byers, Interim Community Development Director  
219 N. Main Street  
Porterville, CA 93257

Prepared by:

LSA Associates, Inc.  
5084 N. Fruit Avenue, Suite 103  
Fresno, CA 93711  
559.490.1210

**LSA**

April 2015

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## **GIBBONS AVENUE RECONSTRUCTION PROJECT INITIAL STUDY**

The following is an Initial Study/Environmental Checklist for the Gibbons Avenue Reconstruction Project to address the proposed project's environmental effects. Copies of all materials referenced in this report are available for review in the project file during regular business hours at 291 N. Main Street, Porterville, CA 93257.

- 1. Project Title:** Gibbons Avenue Reconstruction Project
- 2. Lead Agency Name and Address:**  
City of Porterville  
Community Development Department  
291 N. Main Street  
Porterville, CA 93257
- 3. Contact Person and Phone Number:** Jennifer M. Byers | (559) 782-7460
- 4. Project Sponsor's Name and Address:**  
City of Porterville  
Public Works Department  
291 N. Main Street  
Porterville, CA 93257
- 5. General Plan Designation:** None (public street)
- 6. Zoning:** None (public street)
- 7. Project Location:**

The project site is located on Gibbons Avenue approximately .75 miles south of State Highway 190. The proposed project is primarily within the City of Porterville, with the easternmost 900 feet outside the City limits. The proposed project site extends approximately 1 mile from Indiana Street on the west to Main Street on the east. The project location and regional vicinity are shown in Figure 1.

**8. Description of Project:**

The proposed project would improve Gibbons Avenue between Indiana Street and Main Street primarily within the City of Porterville. The easternmost 900 feet of the proposed project is outside of

the Porterville city limits but within the *Porterville 2030 General Plan*<sup>1</sup> (*General Plan*) planning area and the City's Urban Development boundary. The project would reconstruct Gibbons Avenue including the installation of asphalt concrete paving, curb, gutter, curb returns, driveway approaches, storm drain piping, drop inlets, street lights, striping, and other appurtenant construction consistent with City and County road improvement standards. Construction of the project would require the acquisition of additional right-of-way to accommodate four lanes between Indiana Street and Jaye Street and two lanes between Jaye Street and Main Street. The project would include a 17-foot extension of the right-of-way (27 feet beyond the existing pavement) on the south side of Gibbons Avenue between Indiana Street and Jaye Street. The project would also include a 5- to 7-foot extension of the right-of-way on the south side of Gibbons Avenue between Jaye Street and Main Street.

The proposed Gibbons Avenue Improvement Project would run approximately 1 mile along Gibbons Avenue between Indiana Street and Main Street. For the majority of the proposed alignment, Gibbons Avenue consists of an existing two-lane, asphalt-paved road with compacted dirt shoulders with the exception of improved curb and gutters and concrete sidewalks north of Gibbons for the westernmost half-mile of the project alignment located adjacent to an existing residential development. A citrus grove, cemetery, private residences, ruderal and recently disked fields, and a storage facility are located along Gibbons Avenue within the study area. The final roadway alignment design would avoid disturbance of the cemetery property.

The project would impact the Campbell and Moreland ditch that is currently piped under Gibbons Avenue approximately 800 feet east of Jaye Street. Construction of the project would include extension of the piping under Gibbons to accommodate the widening. The project would include intersection improvements at Jaye Street and Main Street; however, no new intersection improvements are needed at Indiana Street.

The *General Plan* Circulation Element is intended to provide guidance and specific action to ensure the continued safe and efficient operation of Porterville's circulation system in light of future, sustainable growth. The *General Plan* planning area includes areas outside of the city limits, as required by State law, because the nearby area affects efficient city planning and services. To achieve a balance between existing and future land use and traffic carrying capacity, improvements to the roadway network must be planned for and implemented in a timely fashion. Major street improvements necessary for an efficient circulation system are identified in the *General Plan* as *major planned street improvements*. Such improvements include widening portions of SR65 and other major arterials and the construction (or reconstruction) of collector and residential streets in targeted growth areas.

Gibbons Avenue between Indiana Street and Jaye Street is identified in the *Porterville 2030 General Plan* (*General Plan*) as a planned major street improvement (major arterial with 4 lanes). While Gibbons Avenue between Jaye Street and Main Street is not listed as a planned major street improvement, it is designated in the *General Plan* as a collector, with roadway improvements—expanded right-of-way and installation of curb, gutter, curb entrances, and storm drains—necessary for efficient circulation between existing and planned major arterials.

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<sup>1</sup> Porterville, City of, 2008. *Porterville 2030 General Plan*. Website: [www.ci.porterville.ca.us/depts/communitydevelopment/generalplan.cfm](http://www.ci.porterville.ca.us/depts/communitydevelopment/generalplan.cfm) (accessed June 25, 2014). March.





LSA

FIGURE 1



0 1000 2000  
FEET

SOURCE: Esri World Imagery (2012).

I:\POR1402 Gibbons Ave\figures\Figure\_1.ai (8/1/14)

*Gibbons Avenue Reconstruction Project*  
Project Location and Regional Vicinity



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The *Regional Transportation Plan & Sustainable Communities Strategy for Tulare County, 18<sup>th</sup> Edition*<sup>2</sup> (RTP) also designates the portion of Gibbons Avenue between Indiana Street and Jaye Street as a specific widening improvement project to relieve congestion for anticipated increased capacity in Porterville.

## **9. Surrounding Land Uses and Setting:**

The proposed project is located in an area of suburban residential, rural residential, agriculture, and commercial land uses. To the north of Gibbons Avenue, between Indiana Street and Jaye Street, the street is bounded by suburban residential development. The southern side of the road between Indiana Street and Jaye Street includes both agricultural land and a cemetery. The alignment of the proposed road would be designed to avoid the need for right-of-way acquisition that would impact the cemetery. Land north of Gibbons Avenue between Jaye Street and Main Street consists of commercial land uses. The southern side of Gibbons Avenue between Jaye Street and Main Street includes rural residential, agricultural, and commercial land uses.

## **10. Other agencies whose approval is or may be required (e.g., permits, financing approval, or participation agreement):**

- Army Corps of Engineers
- California Department of Fish and Wildlife
- Regional Water Quality Control Board
- California Department of Transportation
- Federal Highway Administration
- San Joaquin Valley Air Pollution Control District
- City of Porterville
- Tulare County

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<sup>2</sup> Tulare County Association of Governments, 2014. *Draft 2014–2040 Regional Transportation Plan & Sustainable Communities Strategy for Tulare County, 18<sup>th</sup> Edition*. Website: [www.tularecog.org/index.aspx?NID=127](http://www.tularecog.org/index.aspx?NID=127) (accessed June 25, 2014).

### Environmental Factors Potentially Affected:

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> Aesthetics               | <input type="checkbox"/> Agricultural and Forestry Resources | <input type="checkbox"/> Air Quality                        |
| <input type="checkbox"/> Biological Resources     | <input type="checkbox"/> Cultural Resources                  | <input type="checkbox"/> Geology/Soils                      |
| <input type="checkbox"/> Greenhouse Gas Emissions | <input type="checkbox"/> Hazards & Hazardous Materials       | <input type="checkbox"/> Hydrology/Water Quality            |
| <input type="checkbox"/> Land Use/Planning        | <input type="checkbox"/> Mineral Resources                   | <input type="checkbox"/> Noise                              |
| <input type="checkbox"/> Population/Housing       | <input type="checkbox"/> Public Services                     | <input type="checkbox"/> Recreation                         |
| <input type="checkbox"/> Transportation/Traffic   | <input type="checkbox"/> Utilities/Service Systems           | <input type="checkbox"/> Mandatory Findings of Significance |

### Determination. (To be completed by the Lead Agency.)

On the basis of this initial evaluation:

- ☐ I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- ☒ I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
- ☐ I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
- ☐ I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
- ☐ I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

  
Jennifer M. Byers  
Interim Community Development Director

5/4/15  
Date

## ENVIRONMENTAL CHECKLIST

	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
<b>I. AESTHETICS.</b> Would the project:				
a) Have a substantial adverse effect on a scenic vista?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a State scenic highway?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Substantially degrade the existing visual character or quality of the site and its surroundings?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

### Environmental Setting

The project site is located on Gibbons Avenue, primarily within the City of Porterville. The easternmost 900 feet of the proposed project are outside the City limits. The proposed project begins at the western boundary of Indiana Street and extends approximately 1 mile east to Main Street.

The existing visual setting consists of both manmade and natural conditions. Manmade conditions consist of suburban residential, rural residential, agriculture, and commercial land uses as well as the existing roadway, and associated road improvements. The northern side of the road, between Indiana Street and Jaye Street, is improved with curb, sidewalks, and landscaping. The south side of Gibbons Avenue is not improved beyond asphalt paving and striping.

a) *Have a substantial adverse effect on a scenic vista? (Less-Than-Significant Impact)*

The proposed project site is located in an area that does not include a scenic vista. The roadway improvements would be at-grade and are not expected to impair surrounding views.

b) *Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a State scenic highway? (No Impact)*

The proposed project is not located within a State Scenic Highway and would not damage scenic resources within such a highway.

- c) *Substantially degrade the existing visual character or quality of the site and its surroundings?*  
***(Less-Than-Significant Impact)***

Currently, Gibbons Avenue exists as a two-lane asphalt roadway. The north side of Gibbons Avenue is improved with curb, sidewalks, and landscaping. The south side of Gibbons Avenue contains no improvements. Implementation of the proposed project would result in the installation of curb, gutter, and street lighting along the roadway as well as intersection improvements at Jaye and Main Streets. All proposed roadway improvements would be consistent with City and County road improvement standards. Therefore, the proposed project would not substantially degrade the existing visual character or quality of the site and its surrounding. Proposed roadway improvements would benefit the visual character of the proposed project site.

- d) *Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?* ***(Less-Than-Significant Impact)***

Several streetlights are located along the north side of Gibbons Avenue, and no streetlights exist on the south side of the road. The proposed project would include the installation of streetlights on both sides of Gibbons Avenue intended to improve safety for travelers along the roadway. The lighting would be consistent with City and County standards, which require measures to reduce light and glare. Therefore, the proposed project would not adversely affect views or create substantial light or glare.

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Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
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## II. AGRICULTURAL AND FORESTRY RESOURCES.

In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment Project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board. Would the project:

- |  |                          |                          |                                     |                                     |
|--|--------------------------|--------------------------|-------------------------------------|-------------------------------------|
| a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to a non-agricultural use?   | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?   | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| d) Result in the loss of forest land or conversion of forest land to non-forest use?   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland to non-agricultural use or conversion of forest land to non-forest use?  | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |

- a) *Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to a non-agricultural use? (Less-Than-Significant Impact)*

According to the Farmland Mapping and Monitoring Program of the California Resources Agency<sup>3</sup>, the majority of the proposed project vicinity is considered to be Urban and Built-Up Land. However, the land on the south side of Gibbons Avenue between Indiana Street and Jaye Street includes both Unique Farmland and Farmland of Local Importance. The proposed project site is not located on land that is designated as Prime Farmland or Farmland of State Importance. The proposed project would not convert any farmland to a non-agricultural use. Therefore, this impact would be considered less than significant.

- b) *Conflict with existing zoning for agricultural use, or a Williamson Act contract? (Less-Than-Significant Impact)*

The Land Use Element of the City of Porterville's General Plan<sup>4</sup> designates the proposed project area as low density residential, rural residential, public/semi-public, and industrial land uses. While the majority of the proposed project is categorized as Urban and Built-Up Land, the land south of Gibbons Avenue between Indiana Street and Jaye Street includes both Non-Renewal and Prime Agriculture under the Williamson Act. The proposed project would require acquisition of 27 feet of right-of-way on agricultural land. As a result, approximately 1 acre of agricultural land would be converted to roadway right-of-way. This loss is considered minor in relationship to the remaining agricultural land in the project area. Therefore, this impact is considered less than significant.

- c) *Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))? (No Impact)*

The proposed project would not conflict with existing zoning nor would it require the rezoning of any existing parcels or land use designations.

- d) *Result in the loss of forest land or conversion of forest land to non-forest use? (No Impact)*

No forest land is located in the vicinity of the proposed project site. The proposed project would not convert forest land to non-forest use.

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<sup>3</sup> California Division of Land Resource Protection, 2010. *Tulare County Important Farmland*. Available at: [ftp.consrv.ca.gov/pub/dlrp/FMMP/pdf/2010/tul10\\_so.pdf](http://consrv.ca.gov/pub/dlrp/FMMP/pdf/2010/tul10_so.pdf) (accessed July 30, 2014).

<sup>4</sup> California Division of Land Resource Protection, 2013. *Tulare County Williamson Act*. Available at: [ftp.consrv.ca.gov/pub/dlrp/wa/tulare\\_12\\_13\\_sw\\_WA.pdf](http://consrv.ca.gov/pub/dlrp/wa/tulare_12_13_sw_WA.pdf) (accessed July 20, 2014).

- e) *Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland to non-agricultural use or conversion of forest land to non-forest use? (Less-Than-Significant Impact)*

The project would include a 17-foot extension of the right-of-way (27 feet beyond the existing pavement) on the south side of Gibbons Avenue between Indiana Street and Jaye Street. The project would also include a 5- to 7-foot extension of the right-of-way on the south side of Gibbons Avenue between Jaye Street and Main Street. As a result, approximately 1 acre of agricultural land would be converted to roadway right-of-way. This loss is considered minor in relationship to the remaining agricultural land in the project area. Therefore, this impact is considered less than significant.

	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
<b>III. AIR QUALITY.</b> Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project:				
a) Conflict with or obstruct implementation of the applicable air quality plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or State ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Expose sensitive receptors to substantial pollutant concentrations?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Create objectionable odors affecting a substantial number of people?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

### Environmental Setting

The proposed project is located primarily within the City of Porterville. Porterville is part of the San Joaquin Valley Air Basin, which is managed by the San Joaquin Valley Air Pollution Control District (SJVAPCD). Both the State of California and the federal government have established health-based Ambient Air Quality Standards for six criteria air pollutants: carbon monoxide (CO), ozone (O<sub>3</sub>),



nitrogen dioxide (NO<sub>2</sub>), sulfur dioxide (SO<sub>2</sub>), lead (Pb), and suspended particulate matter (PM<sub>10</sub> and PM<sub>2.5</sub>). The San Joaquin Valley Air Basin (SJVAB) is designated as non-attainment status for O<sub>3</sub>, PM<sub>10</sub>, and PM<sub>2.5</sub>.

a) *Conflict with or obstruct implementation of the applicable air quality plan? (No Impact)*

An air quality plan describes air pollution control strategies to be implemented by a city, county, or region classified as a non-attainment area. The main purpose of the air quality plan is to bring the area into compliance with the requirements of the federal and State air quality standards. To bring the San Joaquin Valley into attainment, the SJVAPCD has developed the 2013 Plan for the Revoked 1-Hour Ozone Standard (Ozone Plan) which was adopted on September 19, 2013.<sup>5</sup>

Implementation of the proposed project would not result in an increase in traffic on area roadways. Vehicle emissions would be similar to what occurs under existing conditions. Vehicle emissions assigned to existing conditions and future roadway conditions, including the Gibbons Avenue widening project were included in the emissions calculations for the Ozone Plan. Therefore, implementation of the proposed road widening would not conflict with or obstruct implementation of the Ozone Plan.

b) *Violate any air quality standard or contribute substantially to an existing or projected air quality violation? (Potentially Significant Unless Mitigation Incorporated)*

Air pollutant emissions associated with the proposed project would only occur short term due to construction activities such as grading and vehicle/equipment use. No long-term emissions would result from the proposed project.

**Long Term (Operational) Emissions.** Long-term air emissions impacts are associated with any change in permanent use for the project site by on-site stationary and off-site mobile sources that substantially increase vehicle trip emissions. There are no stationary sources associated with the proposed project. As outlined in III.a. above, the potential pollutant emissions associated with the widened roadway would be similar to what occurs under existing conditions. Therefore, no additional long-term emissions would result from implementation of the proposed project.

**Short-Term (Construction) Emissions.** During construction, short-term degradation of air quality may occur due to the release of particulate emissions generated by excavation, grading, hauling, and other activities. Emissions from construction equipment are anticipated and would include carbon monoxide (CO), nitrogen oxides (NO<sub>x</sub>), reactive organic gases (ROG), directly-emitted particulate matter (PM<sub>10</sub> and PM<sub>2.5</sub>), and toxic air contaminants (TACs) such as diesel exhaust particulate matter.

Construction activities could generate combustion emissions from utility engines, on-site heavy duty vehicles, equipment hauling materials to and from the site, and motor vehicles transporting construction crews. Emissions during construction would vary daily, depending on level of activity, the specific operations, and weather conditions. The effects of construction activities would be increased

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<sup>5</sup> San Joaquin Valley Air Pollution Control District, 2013. *2013 Plan for the Revoked 1-Hour Ozone Standard*. September 19.

dustfall and locally elevated levels of PM<sub>10</sub> downwind of construction activity. Construction dust would be generated at levels that could create an annoyance to occupants of nearby properties.

The proposed project construction schedule would begin in 2017 and would be approximately four months. The Sacramento Metropolitan Air Quality Management District developed the Road Construction Emissions Model (RoadMod) to provide a methodology specifically for quantifying the emission impacts of road construction projects. The model estimates emissions for four activities of road construction: 1) grubbing/land clearing; 2) grading/excavation; 3) drainage/utilities/sub-grade; and 4) paving. The model was used to estimate vehicle exhaust and fugitive dust (PM<sub>10</sub>) emissions from the proposed project construction. Construction-related emissions are presented in Table 1. Results indicate project construction would result in total emissions of 0.3 tons of ROG, 2.8 tons of NO<sub>x</sub>, 0.8 tons PM<sub>10</sub>, and 0.3 tons of PM<sub>2.5</sub>. All emissions would be lower than the total annual threshold criteria established by the SJVAPCD.

The SJVAPCD has implemented Regulation VIII measures for dust control related to construction projects. These mitigation measures are intended to reduce the amount of PM<sub>10</sub> emissions during the construction period. Implementation of Mitigation Measure AIR-1, described below, would reduce this short-term construction period air quality impact to a less-than-significant level.

Mitigation Measure AIR-1: Consistent with the Regulation VIII Control Measures for Construction Emissions of PM<sub>10</sub> required by the SJVAPCD, the following actions shall be incorporated into construction contracts and specifications for the project:

- All disturbed areas, including storage piles, which are not being actively utilized for construction purposes, shall be effectively stabilized of dust emissions using water, chemical stabilizer/suppressant, covered with a tarp or other suitable cover or vegetative ground cover.
- All on-site unpaved roads and off-site unpaved access roads shall be effectively stabilized of dust emissions using water or chemical stabilizer/suppressant.
- All land clearing, grubbing, scraping, excavation, land leveling, grading, cut and fill, and demolition activities shall be effectively controlled of fugitive dust emissions utilizing application of water or by presoaking. With the demolition of buildings up to six stories in height, all exterior surfaces of the building shall be wetted during demolition.
- When materials are transported off-site, all material shall be covered, or effectively wetted to limit visible dust emissions, and at least six inches of freeboard space from the top of the container shall be maintained.
- All operations shall be limited or expeditiously remove the accumulation of mud or dirt from adjacent public streets at the end of each workday. (The use of dry rotary brushes is expressly prohibited except where preceded or accompanied by sufficient wetting to limit the visible dust emissions.) (Use of blower devices is expressly forbidden.)
- Following the addition of materials to, or the removal of materials from, the surface of outdoor storage piles, said piles shall be effectively stabilized of fugitive dust emissions utilizing sufficient water or chemical stabilizer/suppressant.
- Within urban areas, trackout shall be immediately removed when it extends 50 or more feet from the site and at the end of each workday.

- Any site with 150 or more vehicle trips per day shall prevent carryout and trackout.
- Heavy duty equipment shall limit the amount of hours in operation and minimize idling time (e.g., 5-minute maximum).

**Table 1: Gibbons Avenue Project Construction Emissions**

Project Phases	CO	ROG	NO <sub>x</sub>	PM <sub>10</sub>	PM <sub>2.5</sub>
Grubbing/Land Clearing <sup>a</sup>	13.7	2.2	20.5	16.0	4.0
Grading/Excavation <sup>a</sup>	52.7	10.0	100.9	20.2	7.8
Drainage/Utilities/Sub-Grade <sup>a</sup>	31.5	6.0	52.1	18.1	5.9
Paving <sup>a</sup>	17.6	3.1	24.9	1.7	1.5
Maximum Daily Emissions <sup>a</sup>	52.7	10.0	100.9	20.2	7.8
<b>Total Emissions (tons/construction project)</b>	<b>1.6</b>	<b>0.3</b>	<b>2.8</b>	<b>0.8</b>	<b>0.3</b>
SJVAPCD Thresholds	100	10	10	15	15
<b>Exceed Threshold?</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>

<sup>a</sup> Emissions reported in pounds per day. PM<sub>10</sub> estimates assume 50 percent control of fugitive dust from watering and associated dust control measures.

Source: LSA Associates, Inc., 2014.

- c) *Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or State ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)? (Potentially Significant Unless Mitigation Incorporated)*

As discussed in III.a. above, the proposed project could result in the temporary generation of criteria pollutants as a result of project construction. Implementation of Mitigation Measure AIR-1 will ensure that the proposed project's contribution to cumulative emissions of criteria pollutants is considered less than significant.

- d) *Expose sensitive receptors to substantial pollutant concentrations? (Potentially Significant Unless Mitigation Incorporated)*

As described in III.a. and III.b., implementation of the proposed project is not expected to result in increased traffic on area roadways. Vehicle emissions associated with use of the widened roadway would be similar to what occurs today. Air pollutant emissions are anticipated to remain similar to current operations and potential exposure of sensitive receptors to substantial pollutant concentrations is considered less than significant.

Construction of the proposed project may expose surrounding sensitive receptors to airborne particulates and fugitive dust as well as a small quantity of construction equipment pollutants, such as diesel-fueled vehicles and equipment. As discussed in III.b., impacts would be of short duration. In addition, implementation of Mitigation Measure AIR-1 will ensure that the temporary impacts remain less than significant.

e) *Create objectionable odors affecting a substantial number of people? (No Impact)*

During project construction, some odors may be present due to diesel exhaust. However these odors would be short term and limited to the construction period. The proposed project does not include any activities or operations that would generate objectionable odors. Once the project is operational, it would not be a source of odors. Therefore, the proposed project would not create objectionable odors affecting a substantial number of people.

	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
<b>IV. BIOLOGICAL RESOURCES.</b> Would the project:				
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) Through direct removal, filling, hydrological interruption, or other means?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan or other approved local, regional, or State habitat conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

## Environmental Setting

LSA conducted a biological resources study for the proposed Gibbons Avenue Improvement Project to assess the site for compliance with the California Environmental Quality Act (CEQA) review process.

## Methodology

Wendy Davis, LSA Associate and Senior Biologist, conducted a reconnaissance-level field assessment on July 17, 2014. A literature review was conducted to determine the existence or potential occurrence of sensitive plant and animal species on or in the vicinity of the project site. Database records for the *Sausalito School, Woodville, Cairns Corner, Ducor, Porterville, Lindsay, Fountain Springs, Success Dam, and Frazier Valley, California* U.S. Geological Survey (USGS) 7.5-minute quadrangles were searched on July 16, 2014, using the 2013 California Department of Fish and Wildlife (CDFW) Natural Diversity Data Base application *Rarefind 3* and the California Native Plant Society's 2014 *Electronic Inventory of Rare and Endangered Vascular Plants of California*.

A recent aerial photograph (2014) was reviewed and maps of U.S. Fish and Wildlife Service (USFWS) designated critical habitats were used to determine the locations of critical habitats relative to the project site. A soils map (California Soil Resource Lab 2014) was consulted to assess site soil characteristics.

## Results

Vegetation within and adjacent to the right-of-way is primarily ruderal consisting of weedy non-native herbaceous annuals, agricultural areas with citrus groves and recently disked fields, and ornamental vegetation. The ruderal vegetation typical of the entire site includes non-native grasses and annual herbs such as cultivated oat (*Avena sativa*), slender oat (*Avena fatua*), foxtail chess (*Bromus madritnesis*), puncture vine (*Tribulus terrestris*), cheeseweed mallow (*Malva parviflora*), pigweed (*Amaranthus* sp.) and Johnsongrass (*Sorghum halepense*); as well as ornamental or cultivated trees including eucalyptus (*Eucalyptus* sp.), fan palm (*Washingtonia* sp.) almond (*Prunus dulcis*), black walnut (*Juglans* cf. *nigra*), white mulberry (*Morus alba*), and tree of heaven (*Ailanthus altissima*). Native vegetation within the project site consists of telegraph weed (*Heterotheca grandiflora*), common sunflower (*Helianthus annuus*), narrow-leaved milkweed (*Asclepias fascicularis*), and blue elderberry (*Sambucus nigra* ssp. *cerulea*).

This site is topographically flat, with an elevation of approximately 450 feet above mean sea level (amsl). Soils within the project area include San Joaquin loam, San Emigdio loam, Tujunga sand, and Exeter loam. No native habitats or clay soils exist on site that would provide high quality habitat for special-status species. The earthen road shoulders are highly compacted and contain no burrows. Much of the adjacent vacant land shows signs of repeated disking, and no burrows for larger mammals or burrowing owls were observed adjacent to the right-of-way. No raptor nests were observed in the vicinity of the right-of-way.

The Campbell and Moreland Ditch is the only drainage feature within the project site. It is shown on the USGS map as a blue line stream and conveys diverted flows from the Tule River, downstream from Lake Success spillway, located approximately 6 miles to the northeast. The Campbell and Moreland Ditch is underground south of Gibbons Avenue within the vicinity of the project and does

not have any biological value. North of Gibbons Avenue, the Campbell and Moreland Ditch exits a culvert and flows aboveground in a ruderal field northeast of Kessington Street. At the culvert outlet, at this location, the width of the ordinary high water mark (OHWM) is four feet and the width between the top stream banks is approximately 14 feet. Vegetation associated with the drainage is non-native upland species such as pigweed and foxtail chess.

No critical habitat is designated within the project site. The closest critical habitats, which are listed for the California condor (*Gymnogyps californianus*) and Keck's checker-mallow (*Sidalcea keckii*), are designated approximately 5 miles northeast and southeast of the project site, respectively. Table 2 lists the status of each of the 30 special-status wildlife and plant species that has the potential to occupy the project site based on the literature search described above.

**Table 2: Species Occurrence Potential**

Species	Status	Habitat and Distribution	Activity Period	Occurrence Probability
<b>Plants</b>				
<i>Atriplex cordulata</i> <i>var. erecticaulis</i> Earlimart orache	US: – CA: 1B	Saline or alkaline soils in vernal pools or valley and foothill grassland at 40 to 100 meters (130 to 330 feet) elevation. Known only from Kings, Kern, and Tulare Counties.	Blooms August through November (annual herb)	Absent. Site outside species' elevational range or lack alkaline soils.
<i>Atriplex coronata</i> <i>var. vallicola</i> Lost Hills crownscale	US: – CA: 1B	Vernally wet areas in fine alkaline soils in vernal pools, chenopod scrub, and grassland, with Frankenia, Atriplex, or Distichlis, at 50 to 635 meters (160 to 2,080 feet) elevation. Known only from Fresno, Kings, Kern, Merced, San Luis Obispo, and Tulare Counties, California.	Blooms April through August (annual herb)	Absent. Site outside species' expected range and have poor habitat.
<i>Atriplex depressa</i> Brittlescale	US: – CA: 1B	Clay and alkaline soils below 320 meters (1,100 feet) elevation. Known only from Alameda, Butte, Contra Costa, Colusa, Fresno, Glenn, Kern, Madera, Merced, Solano, Stanislaus, Tulare, and Yolo Counties.	Blooms May through October (annual herb)	Absent. No clay or alkaline soils.
<i>Atriplex minuscula</i> Lesser saltscale	US: – CA: 1B	Alkaline sinks or sandy alkaline soils in grasslands at 15 to 200 meters (50 to 700 feet) elevation. Known only from Butte, Fresno, Madera, Merced, and Tulare Counties.	Blooms May through October (annual herb)	Absent. No alkaline sinks or sandy alkaline soils.
<i>Atriplex persistens</i> Vernal pool smallscale	US: – CA: 1B	Alkaline vernal pools at 10 to 115 meters (30 to 400 feet) elevation. Known only from Glenn, Merced, Solano, Stanislaus, and Tulare Counties.	Blooms July through October (annual herb)	Absent. No suitable ponding areas.
<i>Atriplex subtilis</i> Subtle orache	US: – CA: 1B	Saline depressions in valley and foothill grassland at 40 to 100 meters (130 to 330 feet) elevation. Known only from Butte, Fresno, Kings, Kern, Madera, Merced, Stanislaus, and Tulare Counties, California.	Blooms August through October (annual herb)	Absent. No saline soils or native grasslands present on site.

**Table 2: Species Occurrence Potential**

Species	Status	Habitat and Distribution	Activity Period	Occurrence Probability
<i>Caulanthus californicus</i> California jewel-flower	US: FE CA: SE/1B	Sandy soils in valley and foothill grassland, chenopod scrub, and pinyon and juniper woodland at 60 to 1,000 meters (200 to 3,300 feet) elevation. Known only from Fresno, Kern, Santa Barbara, and San Luis Obispo Counties. Believed extirpated from Kings and Tulare Counties. Additional populations of California jewel-flower may persist in the foothills of Fresno, Kern, and Kings counties, where potential habitat remains in private rangeland.	Blooms February through May (annual herb)	Absent. Believed extirpated from Tulare County. No suitable habitat and soils.
<i>Clarkia springvillensis</i> Springville clarkia	US: FT CA: SE/1B	Granitic substrates in blue oak woodland and chaparral at 245 to 1,220 meters (800 to 4,000 feet) elevation. Known only from Tulare County, California.	Blooms May through July (annual herb)	Absent. Site not within species' elevational range.
<i>Delphinium recurvatum</i> Recurved larkspur	US: – CA: 1B	Alkaline soils in chenopod scrub, valley and foothill grassland, and cismontane woodland below 900 meters (3,000 feet) elevation. Known only from Alameda, Contra Costa, Colusa, Fresno, King, Kern, Merced, Monterey, San Luis Obispo, Solano, and Tulare Counties.	Blooms March through May (perennial herb)	Absent. Suitable alkaline soils not present and high level of disturbance on site.
<i>Eryngium spinosepalum</i> Spiney-sepaled button-celery	US: – CA: 1B	Vernal pools or similar habitats or granite-derived clay within grassland at 80 to 420 meters (260 to 1,400 feet) elevation. Known only from Contra Costa, Fresno, Kern, Madera, Merced, San Luis Obispo, Stanislaus, Tulare and Tuolumne Counties, California.	Blooms April through May (annual or perennial herb)	Absent. Suitable ponded areas and clay soils not present on site.
<i>Fritillaria striata</i> Striped adobe-lily	US: – CA: ST/1B	Clay in cismontane woodland and valley and foothill grassland at 135 to 1,455 meters (440 to 4,775 feet) elevation. Known only from the southern Sierra Nevada in Kern and Tulare Counties, California.	Blooms February through April (perennial bulbiferous herb)	Absent. Suitable clay soils not present on site.
<i>Leptosiphon serrulatus</i> Madera leptosiphon	US: – CA: 1B	Cismontane woodland and lower montane coniferous forest at 300 to 1,300 meters (1,000 to 4,200 feet) elevation. Known only from Fresno, Kern, Madera, Mariposa, and Tulare Counties, California.	Blooms April through May (annual herb)	Absent. Site outside species' elevational range.
<i>Mimulus pictus</i> Calico monkeyflower	US: – CA: 1B	Bare ground around granite outcrops or gooseberry bushes on granite substrates in broad-leaved upland forest and cismontane woodland at 100 to 1,430 meters (330 to 4,700 feet) elevation. Known only from Kern and Tulare Counties, California.	Blooms March through May	Absent. No granitic areas.
<i>Pseudobahia peirsonii</i> San Joaquin adobe sunburst	US: FT CA: SE/1B	Adobe clay soils in valley and foothill grassland and cismontane woodland at 90 to 800 meters (300 to 2,600 feet) elevation. Known only from Fresno, Kern, and Tulare Counties, California.	Blooms March through April (annual herb)	Absent. Suitable clay soils not present on site.

**Table 2: Species Occurrence Potential**

Species	Status	Habitat and Distribution	Activity Period	Occurrence Probability
<i>Sidalcea keckii</i>  Keck's checkerbloom	US: FE CA: 1B	Serpentine or clay in grassy openings in blue oak woodland at 75 to 650 meters (250 to 2,100 feet) elevation. Known from Fresno, Merced, Tulare, and Yolo Counties, California, and may also occur in Colusa, Napa, and Solano Counties.	Blooms April through June (annual herb)	Absent. Suitable clay soils not present on site.
<b>Invertebrates</b>				
<i>Branchinecta lynchi</i>  Vernal pool fairy shrimp	US: FT CA: SA	Vernal pools and swales in grassland areas. Known from the Central Valley, the central coast and south coast mountains as far south as Ventura County, and from the Santa Rosa Plateau, Skunk Hollow, and the Stowe Road vernal pool near Salt Creek just west of Hemet in Riverside County.	Seasonally following rains; typically January through April	Absent. Suitable depressions for ponding not present on site. Site is within highly disturbed right-of-way.
<i>Desmocerus californicus dimorphus</i>  Valley elderberry longhorn beetle	US: FT CA: SA	Elderberry plants with base greater than 1-inch diameter in chaparral and riparian habitats. Below about 880 meters (2,900 feet) elevation. Presumed historical range represents a patchy distribution from Tehama County to Fresno County.		Absent. Site outside species' range, as reevaluated by the USFWS in September 2014. CNDDDB records in Tulare County likely represent the California elderberry longhorn beetle.
<i>Lytta hoppingi</i>  Hopping's blister beetle	US: – CA: –	Inhabits foothills at the southern end of the Central Valley.		Absent. Site is not within foothills. Single record from literature search is from 1934.
<i>Lytta molesta</i>  Molestan blister beetle	US: – CA: –	Inhabits the Central Valley, from Contra Costa to Kern and Tulare Counties. Flowers and foliage of various plants in grasslands.		Low. Native grasslands not present on-site.
<i>Lytta morrisoni</i>  Morrison's blister beetle	US: – CA: –	Inhabits southern Central Valley.		Low. Although single record from literature search is within eastern portion of project boundary, there is a 1/5-mile level of accuracy and no records in literature search since this 1939 record.
<b>Amphibians</b>				
<i>Rana boylei</i>  Foothill yellow-legged frog	US: – CA: SSC	Partly-shaded, shallow streams and riffles with a rocky (at least some cobble-sized) substrate for egg-laying, and with water for at least 15 weeks until metamorphosis.		Absent. Site outside species' range. No rocky streams.



**Table 2: Species Occurrence Potential**

Species	Status	Habitat and Distribution	Activity Period	Occurrence Probability
<i>Spea hammondi</i> Western spadefoot	US: – CA: SSC	Grasslands and occasionally hardwood woodlands; largely terrestrial but requires rain pools or other ponded water persisting at least three weeks for breeding; burrows in loose soils during dry season. Occurs in the Central Valley and adjacent foothills, the non-desert areas of southern California, and Baja California.	October through April (following onset of winter rains)	Absent. Suitable depressions for ponding not present on site.
<b>Birds</b>				
<i>Athene cunicularia</i> (burrow sites) Burrowing owl	US: – CA: SSC (breeding)	Open country in much of North and South America. Usually occupies ground squirrel burrows in open, dry grasslands, agricultural and range lands, railroad rights-of-way, and margins of highways, golf courses, and airports. Often utilizes man-made structures, such as earthen berms, cement culverts, cement, asphalt, rock, or wood debris piles. They avoid thick, tall vegetation, brush, and trees, but may occur in areas where brush or tree cover is less than 30 percent.	Year-round	Low. No potential burrows observed however, may nest in ground squirrel burrows which may subsequently occur within fields adjacent to the road right-of-way.
<i>Buteo swainsoni</i> (nesting) Swainson's hawk	US: – CA: ST	Open desert, grassland, or cropland containing scattered, large trees or small groves. Breeds generally in stands with few trees in juniper-sage flats, riparian areas, and in oak savannah in the Central Valley. May also breed in roadside eucalyptus. Forages in adjacent grasslands or suitable grain or alfalfa fields, or livestock pastures. Breeds and nests in western North America; winters in South America.	Nests in Central Valley typically late March-July.	Low. No nests observed however, may nest in moderate to large trees adjacent to site. Less likely in urbanized areas. Forages throughout region in fields and grasslands.
<i>Gymnogyps californianus</i> California condor	US: FE CA: SE	Mountain and foothill rangeland and forest habitats below 8,000 feet elevation. Nests on cliffs and in large trees.		Absent. Species occurs in foothill and mountain areas, not on valley floor.
<b>Mammals</b>				
<i>Antrozous pallidus</i> Pallid bat	US: – CA: SSC	Most common in open, dry habitats with rocky areas for roosting. Day roosts in caves, crevices, rocky outcrops, tree hollows or crevices, mines and occasionally buildings, culverts, and bridges. Night roosts may be more open sites, such as porches and open buildings.	Year-round; nocturnal	Absent. Rocky areas for roosting are not present on site.
<i>Eumops perotis californicus</i> Western mastiff bat	US: – CA: SSC	Occurs in many open, semi-arid to arid habitats, including conifer and deciduous woodlands, coastal scrub, grasslands, chaparral, etc.; roosts in crevices in vertical cliff faces, high buildings, and tunnels, and travels widely when foraging.	Year-round; nocturnal	Absent. Suitable areas for roosting are not present on site.

**Table 2: Species Occurrence Potential**

Species	Status	Habitat and Distribution	Activity Period	Occurrence Probability
<i>Dipodomys nitratooides nitratooides</i>  Tipton kangaroo rat	US: FE CA: SE	Inhabits friable soils that escape seasonal flooding in saltbush scrub and sink scrub. Preferred dominant plant species include woody shrubs such as saltbush, iodine bush, goldenbush, and honey mesquite. Digs burrows in elevated soil mounds at the bases of shrubs. Limited to the Tulare Basin of southern San Joaquin Valley. Below 300 meters (1,000 feet) elevation.	Year-round; nocturnal	Absent. No scrub habitat. No records in vicinity of project site.
<i>Taxidea taxus</i>  American badger	US: – CA: SSC	Primary habitat requirements seem to be sufficient food and friable soils in relatively open uncultivated ground in grasslands, woodlands, and desert. Preys on burrowing rodents. Widely distributed in North America.	Year-round	Absent. Uncultivated areas with friable soils not present on project site.
<i>Vulpes macrotis mutica</i>  San Joaquin kit fox	US: FE CA: ST	Occurs in grasslands, scrublands, and oak woodlands in the San Joaquin Valley and adjacent foothills. Below 300 meters (1,000 feet) elevation.	Year-round	Low to Moderate. No potential burrows observed. Site may be used for foraging. Habitat is marginal due to intensive agriculture and other disturbance.

US: Federal Classifications:

- No applicable classification
- FE Taxa listed as Endangered
- FT Taxa listed as Threatened

CA: State Classifications:

- No applicable classification
- SE Taxa State-listed as Endangered
- ST Taxa State-listed as Threatened
- SSC California Species of Special Concern. Refers to animals with vulnerable or seriously declining populations
- SA Special Animal. Refers to any other animal monitored by the Natural Diversity Data Base, regardless of its legal or protection status
- 1B California Rare Plant Rank 1B: Rare, threatened, or endangered in California and elsewhere

Source: LSA Associates, Inc., 2014.

The following provides further analysis of potential impacts to biological resources as addressed in the CEQA checklist associated with the development of the project and includes required mitigation measures, where appropriate.

- a) *Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service? (Potentially Significant Unless Mitigation Incorporated)*

The CDFW, USFWS, and the California Native Plant Society (CNPS) maintain lists of special-status species. These lists were researched for the potential for such species to occur within the project vicinity. Fifteen special-status wildlife species and fifteen special-status plant species have been reported as occurring in the region. Of the 27 special-status species, the project site provides marginal

habitat for 6 special status species, all having a low to moderate potential to occur, and discussed below for those species requiring mitigation. The closest critical habitats, which are listed for the California condor (*Gymnogyps californianus*) and Keck's checker-mallow (*Sidalcea keckii*), are designated approximately 5 miles northeast and southeast of the project site, respectively.

**Swainson's Hawk.** Swainson's hawks nest in a variety of trees and forage widely over forests, grasslands, and shrublands, particularly in areas next to agricultural fields. There is a low potential for this species to occur on site, however, some large trees adjacent to the right-of-way may provide suitable nesting habitat.

The following measure has been identified to reduce potential impacts to Swainson's hawk to less than significant levels:

**Mitigation Measure BIO-1:** If the project cannot avoid construction during nesting season (generally defined as February 1 to August 31), a protocol-level Swainson's hawk survey shall be conducted if construction occurs during the raptor breeding season. All potential nesting trees within .5 miles of the project site shall be inspected in accordance with recommendations of CDFW and the Swainson's Hawk Technical Advisory Committee<sup>6</sup> to the extent possible within access and rights of entry constraints. To meet the minimum level of protection for the species, surveys shall be completed for at least the two survey periods immediately prior to project initiation. See table below for details of surveys to be conducted by a qualified avian biologist prior to project initiation. Survey dates may need to be adjusted in consideration of early and late nesting seasons, as identified by the qualified avian biologist.

Survey Period	Number of Surveys	Timing
January 1 to March 20	1	All day
March 20 to April 5	3	Sunrise to 1000 and 1600 to sunset
April 5 to April 20	3	Sunrise to 1200 and 1630 to sunset
April 21 to June 10	None	Initiating surveys not recommended. Monitoring known sites only.
June 10 to July 30	3	Sunrise to 1200 and 1600 to sunset

**Mitigation Measure BIO-2:** If Swainson's hawk nests are detected within 500 feet of the project site, a qualified biologist shall monitor the Swainson's hawk nest during construction activities and if it is determined that nest abandonment or other interruption to normal breeding, feeding or nesting behavior is likely, the CDFW shall be consulted to determine appropriate additional regulatory requirements.

**Western Burrowing Owl.** The western burrowing owl is known to occur in agricultural areas and other disturbed areas, which are located within and adjacent to the project site. Based on the literature search, no known records of burrowing owls have been identified within at least 10 miles of the site; however, because this species is highly mobile and potential suitable habitat exists on-site, the following measures have been identified to reduce potential impacts to western burrowing owl to less than significant levels:

<sup>6</sup> Swainson's Hawk Technical Advisory Committee. 2000. *Recommended Timing and Methodology for Swainson's Hawk Nesting Surveys in California's Central Valley*. May 31.

**Mitigation Measure BIO-3:** A qualified biologist shall conduct pre-construction surveys for burrowing owls. Preconstruction surveys within the right-of-way and up to a 500-foot buffer with authorized access shall be conducted no more than 14 days prior to ground disturbing activities. A final preconstruction survey will be conducted within three days prior to ground disturbing activities.

**Mitigation Measure BIO-4:** If the results of the preconstruction surveys indicate that burrowing owls are nesting within the construction site (or within 500 feet of the construction site) during the breeding season (February 1 through August 31), an ESA fence shall be installed around the active nest at a buffer determined adequate by a qualified biologist and in coordination with CDFW. The ESA fencing and no-work buffer may only be removed after the young have fledged or the nest is determined to no longer active by a qualified biologist.

If burrowing owls are present in the non-breeding season and must be passively relocated from the project site, passive relocation shall be conducted by a qualified biologist or ornithologist only with approval by CDFW.

**Nesting Migratory Birds.** The Migratory Bird Treaty Act (MBTA) 16 USC §§ 703–712, as amended, governs take, possession, import, export, transport, selling, purchasing, or bartering of migratory birds, their eggs, parts and nests, except as authorized under a valid permit (50 CFR 21.11). The take of all migratory birds is governed by the Act's regulation of taking migratory birds for educational, scientific, and recreational purposes, and requiring harvests to be limited to levels that prevent over-utilization. Section 704 of the MBTA states that the Secretary of the Interior is authorized and directed to determine if, and by what means, the take of migratory birds should be allowed and to adopt suitable regulations permitting and governing take but ensuring that take is compatible with the protection of the species. Most native bird species are protected under the MBTA. The California Fish and Game Code also regulates the take of most birds or their nests. It is unlawful to take, possess, or needlessly destroy any bird or the nests or eggs of any bird species except as otherwise provided in California Fish and Game Codes and regulations. Disturbances at the active nesting territories should be avoided during the nesting season, typically February 1 through August 31.

The following measure has been identified to reduce potential impacts to migratory bird species to less than significant levels:

**Mitigation Measure BIO-5:** Vegetation clearing shall be restricted to outside the active breeding season (February 1 through August 31) for birds whenever possible. If vegetation clearing must occur during the breeding season, a qualified biologist shall conduct clearance surveys for active bird nests within three days prior to any clearing of vegetation in order to ascertain whether any birds are actively nesting in the project area. During the clearance surveys, the location of any active bird nests shall be mapped by the biologist, and an appropriate buffer where work shall not take place will be established and monitored. The buffer shall be delineated by flagging, to remain in place until the nest is either abandoned or the young have fledged. Buffer areas shall be determined on a case-by-case basis, depending on nesting species, subject to discussion with the resource agencies when nesting is discovered. ESA fencing shall be placed around all active nests (i.e., active nests with eggs or chicks) at the appropriate buffer until the nest becomes inactive.

**San Joaquin Kit Fox.** The San Joaquin kit fox is known to inhabit the surrounding areas. Although no burrows were observed, the site may be utilized by this species for foraging.

The following measure has been identified to reduce potential impacts to San Joaquin kit fox to less than significant levels:

**Mitigation Measure BIO-6:** The USFWS Standardized Recommendations for Protection of the San Joaquin Kit Fox Prior to or During Ground Disturbance<sup>7</sup> shall be implemented because there is the potential for San Joaquin kit foxes to occur on the project site. The following measures from those guidelines will protect San Joaquin kit foxes from direct mortality and from destruction of active dens and natal or pupping dens.

- Pre-construction surveys shall be conducted no fewer than 14 days and no more than 30 days prior to the beginning of ground disturbance and/or construction activities, or any project activity likely to affect the San Joaquin kit fox. Exclusion zones shall be placed in accordance with USFWS Recommendations as follows:

Potential Den	50-foot radius
Known Den	100-foot radius
Natal/Pupping Den (Occupied and Unoccupied)	Contact U.S. Fish and Wildlife Service for guidance
Atypical Den	50-foot radius

- If dens must be removed, they shall be appropriately monitored and excavated by a trained wildlife biologist. Replacement dens will be required. Destruction of natal dens and other “known” kit fox dens must not occur unless authorized by USFWS.
- Project-related vehicles shall observe a daytime speed limit of 20 mph in all project areas. Nighttime construction shall be minimized to the extent possible as kit foxes are most active at night. However, if nighttime construction does occur, then the speed limit shall be reduced to 10 mph. Off-road traffic outside of designated project areas shall be prohibited.
- To prevent inadvertent entrapment of kit foxes or other animals during the construction phase of a project, all excavated, steep-walled holes or trenches more than 2 feet deep shall be covered at the close of each working day by plywood or similar materials. If the trenches cannot be closed, one or more escape ramps constructed of earthen-fill or wooden planks shall be installed. Before such holes or trenches are filled, they shall be thoroughly inspected for trapped animals. If at any time a trapped or injured kit fox is discovered, the USFWS and the CDFW shall be contacted at the Endangered Species Division contact address, as referenced below.
- Kit foxes are attracted to den-like structures such as pipes and may enter stored pipes and become trapped or injured. All construction pipes, culverts, or similar structures with a diameter of 4 inches or greater that are stored at a construction site for one or more overnight periods shall be thoroughly inspected for kit foxes before the pipe is subsequently buried, capped, or otherwise used or moved in any way. If a kit fox is discovered inside a pipe, that

<sup>7</sup> United States Fish and Wildlife Service, 2011. *Standardized Recommendations for Protection of the Endangered San Joaquin Kit Fox Prior to or During Ground Disturbance*. Available at [www.fws.gov/sacramento/es/Survey-Protocols-Guidelines/Documents/kitfox\\_standard\\_rec\\_2011.pdf](http://www.fws.gov/sacramento/es/Survey-Protocols-Guidelines/Documents/kitfox_standard_rec_2011.pdf) (accessed August 14, 2014). January.

section of pipe shall not be moved until the USFWS has been consulted. If necessary, and under the direct supervision of the biologist, the pipe may be moved only once to remove it from the path of construction activity, until the fox has escaped.

- All food-related trash items such as wrappers, cans, bottles, and food scraps shall be disposed of in securely closed containers and removed at least once a week from a construction or project site.
- No firearms shall be allowed on the project site.
- No pets, such as dogs or cats, shall be permitted on the project site to prevent harassment or mortality of kit foxes, or destruction of dens.
- Use of rodenticides and herbicides in project areas shall be restricted to prevent primary or secondary poisoning of kit foxes and the depletion of the prey populations on which they depend. All uses of such compounds should observe label and other restrictions mandated by the U.S. Environmental Protection Agency, California Department of Food and Agriculture, and other State and federal legislation, as well as additional project-related restrictions deemed necessary by the USFWS. If rodent control must be conducted, zinc phosphide shall be used because of a proven lower risk to kit fox.
- A representative shall be appointed by the project proponent who will be the contact for any employee or contractor who might inadvertently kill or injure a kit fox or who finds a dead, injured or entrapped kit fox. The representative shall be identified during the employee education program and their name and telephone number shall be provided to the USFWS.
- An employee education program shall be conducted prior to initiation of construction activities. The program should consist of a brief presentation by persons knowledgeable in kit fox biology and legislative protection to explain endangered species concerns to contractors, their employees, and agency personnel involved in the project. The program should include the following: A description of the San Joaquin kit fox and its habitat needs; a report of the occurrence of kit fox in the project area (if any); an explanation of the status of the species and its protection under the Endangered Species Act; and a list of measures being taken to reduce impacts to the species during project construction and implementation. A fact sheet conveying this information should be prepared for distribution to the previously referenced people and anyone else who may enter the project site.
- Upon completion of the project, all areas subject to temporary ground disturbances, including storage and staging areas, temporary roads, pipeline corridors, etc. shall be re-contoured if necessary, and revegetated to promote restoration of the area to pre-project conditions. An area subject to “temporary” disturbance means any area that is disturbed during the project, but will not be subject to further disturbance upon project completion and has the potential to be revegetated. Appropriate methods and plant species used to revegetate such areas shall be determined on a site-specific basis in consultation with the USFWS, CDFW, and revegetation experts.
- In the case of trapped animals, escape ramps or structures should be installed immediately to allow the animal(s) to escape, or the USFWS should be contacted for guidance.

- b) *Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or U.S. Fish and Wildlife Service? (No Impact)*

No riparian habitat is present on site. The project site consists solely of developed, ruderal, and agricultural areas; therefore, no communities considered sensitive or of special concern to the CDFW or USFWS are present. The results of the literature search show that northern claypan vernal pool, a sensitive community designated by CDFW, is present within 5 miles of the project site; however, this habitat is not present on the project site. Because no riparian habitat or other sensitive natural communities are present on the proposed project site, no impacts would occur. No mitigation is required.

- c) *Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) Through direct removal, filling, hydrological interruption, or other means? (Potentially Significant Unless Mitigation Incorporated)*

Wetlands as defined by the United States Army Corps of Engineers (USACE) must possess hydrophytic vegetation, hydric soils, and wetland hydrology. The field survey did not identify any wetlands on the project site, nor were any potential vernal pools identified on the project site. However, although the Campbell and Moreland Ditch is not a wetland, this feature has an Ordinary High Water Mark (OHWM) and impacts to the ditch could be regulated by the USACE, Regional Water Quality Control Board (RWQCB), and CDFW. As previously described, the Campbell and Moreland Ditch is located in a ruderal field north of the proposed project and a culvert outlet is located immediately outside of the right-of-way fence. The drainage feature associated with the culvert has a 4-foot-wide OHWM and the width between the top stream banks is approximately 14 feet.

The Campbell and Moreland Ditch is located outside the Gibbons Avenue right-of-way fence and the proposed project may be designed to avoid impacts to the ditch. Adherence to Mitigation Measure BIO-7 would ensure that no impacts would be associated with this drainage and no regulatory permitting would be required. In the case that avoidance is not feasible, implementation of Mitigation Measure BIO-8 would be required.

The following measures have been identified to reduce potential impacts to non-wetlands waters to less than significant levels:

Mitigation Measure BIO-7: Prior to the initiation of ground disturbance, an ESA fence shall be installed at the culvert opening north of Gibbons Avenue and extend 20 feet in each direction, in order to ensure that impacts to Campbell and Moreland Ditch do not occur without the authorization of regulatory permits. If compliance with this measure is not feasible, then Mitigation Measure BIO-8 would be implemented.

Mitigation Measure BIO-8: If the project cannot be designed to avoid all impacts to Campbell and Moreland Ditch, a Jurisdictional Delineation report shall be prepared. If any impacts to jurisdictional areas are not avoided, the project shall obtain applicable regulatory permits from the USACE, CDFW, and RWQCB. Impacts shall be mitigated off-site at a minimum ratio determined by the USACE through implementation of its Standard Operating Procedure for

Determination of Mitigation Ratios (QMS Procedure No. 1250). Mitigation through an approved mitigation bank or in lieu fee program is preferred by the USACE. If these options are not available, the permittee shall develop a permittee-responsible mitigation program, with a Habitat Mitigation and Monitoring Plan to be approved by the USACE.

- d) *Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites? (Less-Than-Significant Impact)*

Habitat fragmentation occurs when a proposed action results in a single, unified habitat area being divided into two or more areas, such that the division isolates the two new areas from each other. Isolation of habitat occurs when wildlife cannot move freely from one portion of the habitat to another or from one habitat type to another. An example is the fragmentation of habitats within and around clustered residential development. Habitat fragmentation may occur when a portion of one or more habitats is converted into another habitat, as when scrub habitats are converted into annual grassland habitat because of frequent burning.

The project site is not in proximity to any previously identified wildlife corridors. Due to the disturbed condition of the project area, the nature of adjacent development, and the intervening presence of roadways and other infrastructure, development of the proposed project would not result in significant habitat fragmentation or substantially affect established wildlife corridors or wildlife movement. Therefore, impacts to local wildlife movement are minor and insignificant, and no mitigation would be required.

- e) *Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance? (No Impact)*

The City has not adopted any local policies or ordinances protecting biological resources. Impacts related to adopted Habitat Conservation Plans are discussed in IV.f., below. No other local ordinances applicable to biological resources would apply to the project site. No impact related to this issue would occur and no mitigation would be required.

- f) *Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan or other approved local, regional, or State habitat conservation plan? (No Impact)*

The project site is not subject to any adopted habitat conservation plan and is therefore subject to regulation by local, State, and federal laws on a case-by-case basis. As there is no adopted habitat conservation plan, natural community conservation plan, or other approved local, regional, or State habitat conservation plan applicable to the project, no impact would occur and no mitigation would be required.



	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
<b>V. CULTURAL RESOURCES.</b> Would the project:				
a) Cause a substantial adverse change in the significance of a historical resource as defined in §15064.5?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Disturb any human remains, including those interred outside of formal cemeteries?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

### Environmental Setting

A cultural resources study was conducted by LSA Associates for the proposed project area.<sup>8</sup> The study consisted of background research and a field survey. The purpose of this study is to identify cultural resources that (1) may meet the CEQA definition of a historical resource (California Public Resources Code [PRC] §21084.1) or unique archaeological resource (PRC §21083.2) and that may be impacted by the proposed project; and (2) recommend procedures for the mitigation of impacts to such resources. The results of the study comprise the baseline conditions for cultural resources in the project area.

In September 2014 Governor Edmund Brown, Jr., signed Assembly Bill 52 (AB 52), which expands CEQA to account for “tribal cultural resources.” The law will apply to any project that has a notice of preparation, a notice of negative declaration, or a mitigated negative declaration filed on or after July 1, 2015. On or after that date, the CEQA lead agency will be required to consult with local tribes to identify projects that may have a substantial adverse change in the significance of a tribal cultural resource, which can include sites, features, places, cultural landscapes, sacred places, and objects with cultural value to a tribe that are eligible for inclusion in the California Register of Historical resources or included in a local register of historical resources. The mitigated negative declaration for this project will be filed before July 1, 2015; therefore, the City has not consulted with local Native American tribes pursuant to AB 52.

<sup>8</sup> LSA Associates, Inc., 2014. *Cultural Resources Study for the Gibbons Avenue Reconstruction Project*. August.

CEQA defines a “historical resource” as a resource which meets one or more of the following criteria:

- Listed in, or eligible for listing in, the California Register;
- Listed in a local register of historical resources;
- Identified as significant in a historical resource survey meeting the requirements of Section 5024.1(g) of the Public Resources Code; or
- Determined to be a historical resource by a project’s lead agency.

A historical resource consists of “Any object, building, structure, site, area, place, record, or manuscript which a lead agency determines to be historically significant or significant in the architectural, engineering, scientific, economic, agricultural, educational, social, political, military, or cultural annals of California. Generally, a resource shall be considered by the lead agency to be ‘historically significant’ if the resource meets the criteria for listing on the California Register of Historical Resources” (CCR Title 14(3) § 15064.5(a) (3)). Archaeological deposits may also be considered historical resources.

### **Background Research Methods**

Background research was done to identify cultural resources and studies in and adjacent to the project area. The background research consisted of records searches at the Southern San Joaquin Valley Information Center (SSJVIC) and the Native American Heritage Commission (NAHC) Sacred Lands File (SLF), and a literature review.

LSA requested a records search (#14-161) at the SSJVIC of the project area and a 1/4-mile radius on April 17, 2014. The SSJVIC, located at California State University, Bakersfield, California, is an affiliate of the State of California Office of Historic Preservation and the official state repository of cultural resource records and reports for Tulare County. As part of the records search, LSA requested review of the following State of California and local inventories for cultural resources in and adjacent to the project area:

- *California Inventory of Historic Resources* (California Department of Parks and Recreation 1976);
- *Five Views: An Ethnic Site Survey for California* (California Office of Historic Preservation 1988);
- *California Historical Landmarks* (California Office of Historic Preservation 1996);
- *California Points of Historical Interest* (California Office of Historic Preservation 1992); and
- *Directory of Properties in the Historic Property Data File* (California Office of Historic Preservation, 2012). The directory includes the listings of the National Register of Historic Places, National Historic Landmarks, the California Register of Historical Resources, California Historical Landmarks, and California Points of Historical Interest.

LSA requested a search of the NAHC SLF on April 17, 2014, to determine if any Native American cultural resources are present within or near the vicinity of the proposed project area.

## Results

The response from the SSJVIC to the LSA request was received on May 6, 2014. The results of the records search indicated that three cultural resource reports are on file with the SSJVIC within the ¼-mile search radius. None of the studies are located within the project area boundaries. In addition, no cultural resources have been recorded in or within the one-quarter-mile search radius.

The NAHC response to the LSA request was received on April 22, 2014. The results indicated that no SLF-listed resources have been recorded in or adjacent to the project area.

LSA reviewed publications and maps for archaeological, ethnographic, historical, and environmental information about the project area and its vicinity. The publications and maps reviewed do not mention or depict any cultural resources within or immediately adjacent to the project area.

## Field Survey Methods

LSA conducted a pedestrian survey of the project area on July 15, 2014. The project area was surveyed with a linear east-to-west transect on the southern side of Gibbons Avenue and a west-to-east transect on the northern roadside. Surface visibility along the roadside was good throughout most of the project area, with the exception of the northwest portion between Indiana and Jaye Street where the ground surface was obscured by sidewalk and landscaping. The survey was documented with field notes and photographs.

## Field Survey Results

The pedestrian survey did not identify cultural resources within the project area. The exposed soils appear to be disturbed from previous road construction. St. Anne's Catholic Cemetery, a historic-period cemetery, was observed on the south side of Gibbons Avenue adjacent to, but outside of, the project footprint. The land for the cemetery was acquired for St. Anne's Parish, located in the City of Porterville, sometime between 1896 and 1909. While early 20<sup>th</sup> century plots are present throughout the cemetery, more modern gravesites were observed along the perimeter of the cemetery. Based upon the age and distribution of plots, the historic-period boundary of the cemetery appears to be coterminous with the present-day boundary; therefore, it is unlikely that unmarked burials are located outside the cemetery boundary.

The proposed project area does not contain cultural resources, as documented by the technical report.<sup>9</sup> Due to previous subsurface disturbance related to road construction, the likelihood of project construction encountering cultural resources is low.

- a) *Cause a substantial adverse change in the significance of a historical resource as defined in §15064.5? (Potentially Significant Unless Mitigation Incorporated)*

No cultural resources were identified in the project area. However, there is always the potential to encounter previously unidentified prehistoric and/or historic-period archaeological deposits. Such

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<sup>9</sup> Ibid.

deposits, should they qualify as historical resources, could be disturbed by project construction, which could result in a significant impact under *CEQA Guidelines* §15064.5.

Implementation of the following mitigation measures would reduce impacts to previously unidentified resources to a less-than-significant level.

Mitigation Measure CULT-1: The City of Porterville shall notify its construction contractor(s) of the following appropriate procedures to be incorporated into the project in the event that archaeological deposits are identified:

If deposits of prehistoric or historical archaeological materials are encountered during project activities, all work within 25 feet of the discovery shall be redirected and a qualified archaeologist contacted to assess the situation, consult with the City, and make recommendations for the treatment of the discovery. Project personnel shall not collect or move any archaeological materials. If such deposits cannot be avoided, the deposits shall be evaluated to determine if they meet the CEQA definition of historical or unique archaeological resources. If the deposits do not so qualify, avoidance is not necessary. If the deposits do so qualify, impacts to the deposits shall be avoided or such impacts shall be mitigated in accordance with the recommendations of the consulting archaeologist and, should the deposits be prehistoric in nature, any tribal organizations that express concern over the treatment of the deposit. Such mitigation may include, but is not limited to, archaeological excavation and further documentation. Upon completion of the assessment, the archeologist shall prepare a report documenting the methods and results, and provide recommendations for the treatment of the archaeological materials discovered. The report shall be submitted to the City and the SSJVIC.

Archaeological materials can include flaked-stone tools (e.g., projectile points, knives, and choppers) or obsidian, chert, basalt, or quartzite tool making debris; bone tools; culturally darkened soil (i.e., midden soil often containing heat-affected rock, ash and charcoal, shellfish remains, bones, and other cultural materials); and stone-milling equipment (e.g., mortars, pestles, and handstones). Prehistoric archaeological sites often contain human remains. Historical materials can include wood, stone, concrete, or adobe footings, walls, and other structural remains; debris-filled wells or privies; and deposits of wood, glass, ceramics, metal, and other refuse.

Mitigation Measure CULT-1 will mitigate this potential impact to a less-than-significant level by incorporating impact avoidance in the project work program. In the event that avoidance is not possible, the project will treat the potential loss of a sensitive resource by recovering, through documentation or excavation, the scientifically consequential data contained in the deposit that would otherwise be lost due to construction-related disturbance. In this way, the damage to the resource would be offset by the realization of its data potential.

b) *Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5? (Potentially Significant Unless Mitigation Incorporated)*

As discussed above, there is the potential, although low, that archaeological deposits that may qualify as archaeological resources under CEQA could be encountered during project construction. Such deposits, should they qualify as archaeological resources, could be disturbed by project construction, which could result in a significant impact under *CEQA Guidelines* §15064.5.

Implementation of Mitigation Measure CULT-1, described above, would reduce impacts to previously undiscovered resources to a less-than-significant level.

Mitigation Measure CULT-1 will mitigate this potential impact to a less-than-significant level by incorporating impact avoidance in the project work program. In the event that avoidance is not possible, the project will treat the potential loss of a sensitive resource by recovering, through documentation or excavation, the scientifically consequential data contained in the deposit that would otherwise be lost due to construction-related disturbance. In this way, the damage to the resource would be offset by the realization of its data potential.

- c) *Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature? (Potentially Significant Unless Mitigation Incorporated)*

No paleontological resources have been identified in the project area. The project site is situated, at depth, on Pleistocene to Recent alluvial deposits (Qal, QC). The surface soils are too recent to contain significant paleontological resources (fossils) and ground disturbance associated with the proposed project would be shallow (2 feet). There is, therefore, a low potential for encountering fossils within surface soils. In the event that significant paleontological resources are encountered, their disturbance could result in a significant impact under *CEQA Guidelines*.

Implementation of the following mitigation measure would reduce impacts to a less-than-significant level.

Mitigation Measure CULT-2: The City of Porterville shall notify its construction contractor(s) of the following appropriate procedures to be incorporated into the project in the event that paleontological deposits are identified:

If paleontological resources are encountered during project subsurface construction, all ground-disturbing activities within 25 feet shall be redirected and a qualified paleontologist contacted to assess the situation, consult with the City, and make recommendations for the treatment of the discovery. Project personnel shall not collect or move any paleontological materials. Paleontological resources include fossil plants and animals, and trace fossil evidence of past life such as tracks. Ancient marine sediments may contain invertebrate fossils such as snails, clam, and oyster shells; sponges; and protozoa; and vertebrate fossils such as fish, whale, and sea lion bones. Vertebrate land mammals may include bones of mammoth, camel, saber tooth cat, horse, and bison. Paleontological resources also include plant imprints, petrified wood, and animal tracks.

Significant impacts to paleontological deposits shall be avoided by project activities. If avoidance is not feasible, the paleontological resources shall be evaluated for their significance. If the resources are not significant, avoidance is not necessary. If the resources are significant, project activities shall avoid disturbing the deposits, or the adverse effects of disturbance shall be mitigated. Mitigation may include monitoring, recording the fossil locality, data recovery and analysis, a technical data recovery report, and accessioning the fossil material and technical report to a paleontological repository. Public educational outreach may also be appropriate.

Upon completion of the paleontological assessment, a report shall be prepared documenting the methods, results, and recommendations of the assessment. The report shall be submitted to the City and, if paleontological materials are recovered, a paleontological repository, such as the University of California Museum of Paleontology.

Mitigation Measure CULT-2 will mitigate this potential impact to a less-than-significant level by incorporating impact avoidance in the project work program. In the event that avoidance is not possible, the project will treat the potential loss of a sensitive resource by recovering, through documentation or excavation, the scientifically consequential data contained in the deposit that would otherwise be lost due to construction-related disturbance. In this way, the damage to the resource would be offset by the realization of its data potential.

d) *Disturb any human remains, including those interred outside of formal cemeteries? (Potentially Significant Unless Mitigation Incorporated)*

No human remains were identified in the project area. Although unlikely, should unidentified human remains be encountered during ground disturbance, their disturbance could result in a significant impact under *CEQA Guidelines*.

Implementation of the following mitigation measure would reduce impacts to a less-than-significant level.

Mitigation Measure CULT-3: The City of Porterville shall notify its construction contractor(s) of the appropriate procedures to follow in the event that human remains are identified:

If human remains are encountered, work within 25 feet of the discovery shall be redirected and the County Coroner notified immediately. At the same time, an archaeologist shall be contacted to assess the situation and consult with agencies as appropriate. The project proponent shall also be notified. Project personnel shall not collect or move any human remains and associated materials. If the human remains are of Native American origin, the Coroner shall notify the Native American Heritage Commission within 24 hours of this identification. The Native American Heritage Commission will identify a Most Likely Descendant (MLD) to inspect the site and provide recommendations for the proper treatment of the remains and associated grave goods. Upon completion of the assessment, the archaeologist shall prepare a report documenting the methods and results, and provide recommendations for the treatment of the human remains and any associated cultural materials, as appropriate and in coordination with the recommendations of the MLD. The report shall be submitted to the City and the SSJVIC.

Mitigation Measure CULT-3 will mitigate this potential impact to a less-than-significant level by incorporating impact avoidance in the project work program. In the event that avoidance is not possible, the project will treat the potential disturbance of human remains in accordance with the regulatory requirements of the procedures described above, which parallel the core requirements of California Health and Safety §7050.5. This treatment will address the disposition of the remains in a way that respectfully incorporates the wishes of the descendant community representatives.

	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
<b>VI. GEOLOGY AND SOILS.</b> Would the project:				
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:				
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
ii) Strong seismic ground shaking?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
iii) Seismic-related ground failure, including liquefaction?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
iv) Landslides?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Result in substantial soil erosion or the loss of topsoil?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

## Environmental Setting

California is geologically active and has the potential to expose people and structures to hazards. The City of Porterville is located within Seismic Zone 3 wherein the hazards associated with ground shaking are considered to be minimal.<sup>10</sup> Proper design and construction would reduce the potential for adverse effects to people and structures.

A Geotechnical Report was prepared for the Sierra Meadows Subdivision by Central Valley Testing Inc., which included seven exploratory borings.<sup>11</sup> The Sierra Meadows Subdivision is located approximately 1,000 feet from Gibbons Avenue, and is therefore representative of soil conditions on the project site. Several of the following responses are based on the results of that report. Soils within the project area include San Joaquin loam, San Emigdio loam, Tujunga sand, and Exeter loam.

- a) *Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving: i) Rupture of a known earthquake fault; ii) Strong seismic groundshaking; iii) Seismic-related ground failure, including liquefaction; iv) Landslides?*

**Rupture of a Known Earthquake Fault. (No Impact)** According to the Alquist-Priolo Earthquake Fault Zoning Map,<sup>12</sup> the proposed project is not located within a fault-rupture hazard zone. The proposed project does not include new structures. Therefore, the proposed project would not expose people or structures to potential risk of loss, injury, or death involving rupture of a known earthquake zone.

**Strong Seismic Ground Shaking. (Less-Than-Significant Impact)** The closest known active fault is the Owens Valley Fault, located approximately 50 miles east of the proposed project. According to the City of Porterville General Plan, the most likely hazard associated with earthquakes for the Porterville area is ground shaking, rather than surface rupture or ground failure. However, due to the distance to the known faults, hazards due to ground shaking would be minimal. Therefore, impacts related to strong seismic ground shaking would be less than significant.

**Seismic-Related Ground Failure, Including Liquefaction. (Less-Than-Significant Impact)** Soil liquefaction is primarily caused by saturated soil layers located close to the ground surface, losing strength during ground shaking. Due to the loss of strength, the soil acquires “mobility” allowing both horizontal and vertical movements to occur. Soils that are most susceptible to liquefaction are loose, uniformly graded, saturated, fine-grained sands that lie relatively close to the ground surface. Soils encountered within 20 feet of the surface of the proposed project site are predominately fine- to medium-grained and are composed of silty and clayey materials with a consistency that ranges from soft to hard. Soils of this type are considered to be at low risk for liquefaction.

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<sup>10</sup> California Seismic Safety Commission, 2005. *Homeowner's Guide to Earthquake Safety*. Available at: [www.seismic.ca.gov/pub/CSSC\\_2005-01\\_HOG.pdf](http://www.seismic.ca.gov/pub/CSSC_2005-01_HOG.pdf) (accessed July 22, 2014). July 1.

<sup>11</sup> Central Valley Testing, Inc., 2006. *Geotechnical Investigation on Sierra Meadows Subdivision*. February 21.

<sup>12</sup> California Geologic Survey, 2010. *Cities and Counties Affected by Alquist-Priolo Earthquake Fault Zones*. Website: [www.conservation.ca.gov/cgs](http://www.conservation.ca.gov/cgs) (accessed July 16, 2014). January.



**Landslides. (No Impact)** The proposed project site is level and is not subject to landslides. Therefore, the proposed project would not expose people or structures to potential substantial adverse effects associated with landslides.

*b) Result in substantial soil erosion or the loss of topsoil? (Less-Than-Significant Impact)*

Implementation of the proposed road widening project would include grading activities that could result in short-term soil erosion during the construction period. Exposed soils are considered erodible when subjected to concentrated surface flow or wind. Soil erosion and loss of topsoil would be minimized through implementation of Mitigation Measure AIR-1 (SVJAPCD fugitive dust control measures) and compliance with the National Pollutant Discharge Elimination System (NPDES) permit requirements (Mitigation Measure HYDRO-1) See Responses III.b. and VIII.a. for further discussion of soil erosion and loss of topsoil.

*c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslides, lateral spreading, subsidence, liquefaction or collapse? (No Impact)*

See VI.a.iii. and VI.a.iv. above. The proposed project would not require a substantial grade change or change in topography. The project would not result in on- or off-site landslides, lateral spreading, subsidence, liquefaction or collapse. Therefore, no impact would occur.

*d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property? (Less-Than-Significant Impact)*

Expansive soils can swell or shrink in response to changes in moisture, which can significantly damage infrastructure located on expansive soils. The type and amount of silt and clay in a soil will determine the expansion potential. Soils at the proposed project site generally consist of soft to firm, moist, yellow to brown, silty clay and are considered to have low soil expansion potential. Therefore, the project would not create substantial risks to life or property due to expansive soils.

*e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water? (No Impact)*

The proposed project would not require the use of septic tanks or other alternative waste water disposal systems. Therefore, no impact would occur.

	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
<b>VII. GREENHOUSE GAS EMISSIONS.</b> Would the project:				
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

### Environmental Setting

The proposed project is located primarily in the City of Porterville. The area is part of the San Joaquin Valley Air Basin, which is managed by the San Joaquin Valley Air Pollution Control District (SJVAPCD).

Greenhouse gases (GHGs) are present in the atmosphere naturally, are released by natural sources, or are formed from secondary reactions taking place in the atmosphere. The gases that are widely seen as the principal contributors to human-induced global climate change are:

- Carbon dioxide (CO<sub>2</sub>);
- Methane (CH<sub>4</sub>);
- Nitrous oxide (N<sub>2</sub>O);
- Hydrofluorocarbons (HFCs);
- Perfluorocarbons (PFCs); and
- Sulfur Hexafluoride (SF<sub>6</sub>).

Over the last 200 years, humans have caused substantial quantities of GHGs to be released into the atmosphere. These extra emissions are increasing GHG concentrations in the atmosphere and enhancing the natural greenhouse effect, which is believed to be causing global warming. While manmade GHGs include naturally-occurring GHGs such as CO<sub>2</sub>, CH<sub>4</sub>, and N<sub>2</sub>O, some gases, like HFCs, PFCs, and SF<sub>6</sub> are completely new to the atmosphere.

Certain gases, such as water vapor, are short-lived in the atmosphere. Others remain in the atmosphere for significant periods of time, contributing to climate change in the long term. Water vapor is excluded from the list of GHGs above because it is short-lived in the atmosphere and its atmospheric concentrations are largely determined by natural processes, such as oceanic evaporation.

These gases vary considerably in terms of Global Warming Potential (GWP), which is a concept developed to compare the ability of each GHG to trap heat in the atmosphere relative to another gas. The GWP is based on several factors, including the relative effectiveness of a gas to absorb infrared radiation and length of time that the gas remains in the atmosphere (“atmospheric lifetime”). The

GWP of each gas is measured relative to CO<sub>2</sub>, the most abundant GHG; the definition of GWP for a particular GHG is the ratio of heat trapped by one unit mass of the GHG to the ratio of heat trapped by one unit mass of CO<sub>2</sub> over a specified time period. GHG emissions are typically measured in terms of pounds or tons of “CO<sub>2</sub> equivalents” (CO<sub>2</sub>e).

- a) *Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment? (Less-Than-Significant Impact)*

**Short-Term (Construction) Emissions.** Construction activities, such as site preparation, site grading, on-site heavy-duty construction vehicles, equipment hauling materials to and from the site, and motor vehicles transporting the construction crew would produce combustion emissions from various sources. During construction of the proposed project, GHGs would be emitted through the operation of construction equipment and from worker and builder supply vendor vehicles, each of which typically uses fossil-based fuels to operate. The combustion of fossil-based fuels creates GHGs such as CO<sub>2</sub>, CH<sub>4</sub>, and N<sub>2</sub>O. Furthermore, CH<sub>4</sub> is emitted during the fueling of heavy equipment. Exhaust emissions from on-site construction activities would vary daily as construction activity levels change. According to the results of the RoadMod analysis, the project would generate 290 metric tons CO<sub>2</sub>e construction emissions. Implementation of Mitigation Measure AIR-1 would further reduce construction GHG emissions by limiting construction idling emissions. Therefore, construction emissions would not be considered significant.

**Long Term (Operational) Emissions.** Long-term air emissions impacts are associated with any change in permanent use for the project site by on-site stationary and off-site mobile sources that substantially increase vehicle trip emissions. There are no stationary sources associated with the proposed project. The proposed project would not result in a significant increase in traffic on area roadways. Vehicle emissions associated with the widened roadway would be similar to what occurs under existing conditions as the project would accommodate existing and projected demand. Therefore, the proposed would not result in an increase in any long-term GHG emissions. As such, the proposed project would not generate GHG emissions that would have a significant impact on the environment.

- b) *Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases? (Less-Than-Significant Impact)*

In 2005, Governor Schwarzenegger established California’s GHG emissions reduction targets in Executive Order S-3-05. The Executive Order established the following goals for the State of California GHG emissions: reduce to 2000 levels by 2010; reduce to 1990 levels by 2020; and reduce to 80 percent below 1990 levels by 2025.

In 2006, the California State legislature passed the major initiative for reducing GHG emissions, AB 32, the “Global Warming Solutions Act.” This aims at reducing GHG emissions to 1990 levels at 427 million metric tons (MMT) of CO<sub>2</sub>e by 2020. AB 32 requires the California Air Resources Board (ARB) to prepare a Scoping Plan that outlines the main State strategies for meeting the 2020 deadline and to reduce GHGs that contribute to global climate change. The Scoping Plan was approved by ARB in 2008, and includes measures to address GHG emissions reduction strategies related to energy efficiency, water use, and recycling and solid waste, among other measures. The Scoping Plan includes a range of GHG reduction actions that may include direct regulations, alternative compliance

mechanisms, monetary and non-monetary incentives, voluntary actions, and market-based mechanisms such as a cap-and-trade system.

In addition to reducing GHG emissions to 1990 levels by 2020, AB 32 directed ARB to identify a list of “discrete early action GHG reduction measures” that can be adopted and made enforceable by January 1, 2010. In 2007 ARB approved a list of 37 early action measures, including three discrete early action measures (Low Carbon Fuel Standard, Restrictions on High Global Warming Potential Refrigerants, and Landfill Methane Capture). Discrete early action measures are measures that are required to be adopted as regulations and made effective by January 1, 2010, the date established by Health and Safety Code Section 38560.5. The ARB adopted additional early action measures in October 2007 that tripled the number of discrete early action measures.

ARB’s focus in identifying the early action items was to recommend measures that ARB staff concluded were “expected to yield significant GHG emission reductions, are likely to be cost-effective and technologically feasible.” The combination of early action measures is estimated to reduce State-wide GHG emissions by approximately 16 MMT. The early action items focus on industrial production processes, agriculture, and transportation sectors. Early action items associated with industrial production and agriculture do not apply to the proposed project. The transportation sector early action items such as truck efficiency, low carbon fuel standard, proper tire inflation, truck stop electrification and strengthening light duty vehicle standards are either not specifically applicable to the proposed project or would not result in a reduction of GHG emissions associated with the project, because the items would apply to vehicles that use the reconstructed roadway.

While the City of Porterville General Plan does not include policies that specifically address GHG emissions, the following policies from the Open Space and Conservation Element of the General Plan<sup>13</sup> would be expected to reduce GHG emissions.

- Policy OSC-G-9: Improve and protect Porterville’s air quality by making air quality a priority in land use and transportation planning and in development review.
- Policy OSC-I-60: Require dust control measures as a condition of approval for subdivision maps, site plans, and all grading permits.
- Policy OSC-I-61: Coordinate air quality planning efforts with other local, regional and State agencies.
- Policy OSC-I-63: Notify local and regional jurisdictions of proposed projects that may affect regional air quality.

The proposed project would not conflict with any of these measures. Additionally, the proposed project would not conflict with the State goal of reducing GHG emissions and would not conflict with the AB 32 Scoping Plan or the early action measures. The proposed project would be subject to all applicable permit and planning requirements in place or adopted by the City of Porterville and Tulare County. Therefore, the proposed project would not conflict with any applicable plan, policy or regulation of an agency adopted for the purpose of reducing the emissions of greenhouse gases.

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<sup>13</sup> Porterville, City of, 2008. *Porterville 2030 General Plan*, op. cit.

	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
<b>VIII. HAZARDS AND HAZARDOUS MATERIALS.</b> Would the project:				
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) For a project located within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

## Environmental Setting

The area immediately surrounding the proposed project consists of suburban residential, rural residential, agriculture, and commercial land uses. No gas stations, industrial facilities, or dry cleaners are located in the immediate area.

- a) *Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials? (**Less-Than-Significant Impact**)*

Construction of the proposed project would require the use of heavy equipment and the installation of new pavement. Hazardous materials such as fuel, asphalt, and solvents would be used during construction. These materials would be used in accordance with all applicable laws and regulations and, if used properly, would not pose an environmental hazard. The use of hazardous materials would be confined to the project construction period. The proposed project would not include a permanent use or source of hazardous materials.

- b) *Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment? (**Less-Than-Significant Impact**)*

See VIII.a. above.

- c) *Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school? (**No Impact**)*

The project site is not located within .25 miles of an existing school. Porterville College, Pioneer Middle School and Vandalia Elementary School are located approximately .75 miles from the project site. The proposed project would not result in the use or emission of substantial quantities of hazardous materials that would pose a human or environmental health risk. Use of commercially-available hazardous materials during the construction period would be confined to the project site. Therefore, implementation of the proposed project would not result in the use or emission of hazardous materials that would adversely affect an existing school.

- d) *Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment? (**No Impact**)*

The project site is not included on the list of hazardous materials sites compiled pursuant to Government Code Section 65962.5.<sup>14</sup> There would be no impact.

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<sup>14</sup> California Environmental Protection Agency, 2011. *Government Code Section 65962.5(a)* October 6. Website: [www.calepa.ca.gov/sitecleanup/corteselist/SectionA.htm](http://www.calepa.ca.gov/sitecleanup/corteselist/SectionA.htm) (accessed July 14, 2014).

- e) *For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area? (No Impact)*

Porterville Municipal Airport is located approximately 2 miles southwest of the project area. Therefore, implementation of the proposed project would not expose persons to airport-related hazards.

- f) *For a project located within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area? (No Impact)*

See VIII.e. above.

- g) *Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan? (No Impact)*

The proposed project would not change or impair any emergency response plan or evacuation. The City of Porterville lists California State Routes 65 and 190 as evacuation routes. Gibbons Avenue, which is less than 1 mile from Routes 65 and 190, would operate more efficiently as a result of the widening and related improvements. The proposed project would improve circulation of traffic in the vicinity of the project site, thereby potentially improving access for emergency response or emergency evacuation.

- h) *Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands? (No Impact)*

The Public Health and Safety Element of the City of Porterville's General Plan describes areas of the City that would pose a wildland fire risk to people, including wooded, undeveloped areas that have trees and unkempt vegetation as a greater source of fuel. The proposed project is located in a suburban area not considered to be of high wildland fire risk.<sup>15</sup> Therefore, the proposed would not expose people to significant risk of loss, injury, or death due to wildland fires.

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<sup>15</sup> Porterville, City of, 2008. *Porterville 2030 General Plan*, op. cit.

	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
<b>IX. HYDROLOGY AND WATER QUALITY.</b> Would the project:				
a) Violate any water quality standards or waste discharge requirements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f) Otherwise substantially degrade water quality?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h) Place within a 100-year flood hazard area structures which would impede or redirect flood flows?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding of as a result of the failure of a levee or dam?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
j) Inundation by seiche, tsunami, or mudflow?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>



## Environmental Setting

The proposed project is located in the City of Porterville and Tulare County. The project site is within the jurisdiction of the Central Valley Regional Water Quality Control Board (RWQCB).

- a) *Violate any water quality standards or waste discharge requirements? (Potentially Significant Unless Mitigation Incorporated)*

Construction activities for the widening of Gibbons Avenue would expose soils to wind and water erosion, which could result in temporary minimal increases in sediment load in nearby water bodies. Any potential short-term water quality effects from project related construction activities can be minimized and reduced through implementation of Best Management Practices (BMPs) and compliance with existing regulatory requirements, including the Water Pollution Control Preparation (WPCP) Manual. In addition, implementation of a Storm Water Pollution Prevention Plan (SWPPP) would be required under the National Pollutant Discharge Elimination System (NPDES) to regulate water quality associated with construction activities.

The proposed project is located approximately 1 mile south of the nearest water body – the Poplar Ditch. As discussed in the project description, new drop inlets would be constructed along the roadway to collect stormwater. Stormwater runoff would be handled by the existing storm drain system. Operation of the proposed roadway could result in surface water pollution associated with leaking oil and other automotive fluids. These pollutants could enter creeks through the storm drain system during periods of heavy precipitation. Implementation of Mitigation Measure HYDRO-1, described below, would ensure that stormwater runoff from the widened roadway would be appropriately managed to prevent pollutants from being discharged into creeks.

Mitigation Measure HYDRO-1: To reduce the potential for degradation of surface water quality during project operation, a Storm Water Management Plan (SWMP) shall be prepared for the proposed project. The SWMP shall describe specific programs to minimize stormwater pollution resulting from the proposed project. Specifically, the SWMP shall identify and describe source control measures, treatment controls, and BMP maintenance requirements to ensure that the project complies with post-construction stormwater management requirements of the RWQCB.

- b) *Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)? (No Impact)*

The proposed project would not affect an aquifer or the local water table. The proposed project would not require the use of groundwater supplies or interfere substantially with groundwater recharge. There would be no impact.

- c) *Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site? (**Less-Than-Significant Impact**)*

The proposed project would widen an existing roadway which would impact the Campbell and Moreland ditch that is currently piped under Gibbons Avenue. Construction of the proposed project would include extension of the piping under Gibbons to accommodate the widening. All improvements would be consistent with City and County standards and would not substantially alter the drainage patterns in upstream or downstream areas. Therefore, implementation of the proposed project would not alter the existing drainage patterns of the site or result in substantial erosion or siltation on- or off-site.

- d) *Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site? (**Less-Than-Significant**)*

The proposed project would not substantially alter the existing drainage pattern of the site. As stated in the project description and in IX.a. above, new drop inlets would be constructed for stormwater management purposes. Based on the project design, construction of the proposed project would result in a minimal increase in impervious surface and is not expected to generate substantially more stormwater runoff than occurs under existing conditions. Therefore, potential impacts related to stormwater runoff are considered less than significant.

- e) *Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff? (**Less-Than-Significant Impact**)*

The proposed project would require the construction of a new roadway surface and rehabilitation of the existing Gibbons Avenue pavement. Runoff resulting from rainfall on the proposed impervious surface would be collected via the existing drainage system as well as proposed drop inlets. As described in IX.e. above, the project would not contribute significantly more runoff or polluted water than produced by the existing roadway. Therefore, potential impacts related to stormwater runoff are considered less than significant.

- f) *Otherwise substantially degrade water quality? (**Potentially Significant Unless Mitigation Incorporated**)*

See IX.a. above.

- g) *Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map? (**No Impact**)*

The proposed project is not within a 100-year flood hazard area. Furthermore, no housing units are proposed as part of the project; therefore the proposed project would not place housing within a 100-year flood hazard area.

- h) *Place within a 100-year flood hazard area structures which would impede or redirect flood flows? (No Impact)*

See IX.g. above.

- i) *Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding of as a result of the failure of a levee or dam? (No Impact)*

No new buildings are proposed as part of the proposed project. The proposed project would not expose people to a new significant risk of loss, injury, or death involving flooding.

- j) *Inundation by seiche, tsunami, or mudflow? (No Impact)*

The location of the proposed project is not at risk of inundation by seiche, tsunami, or mudflow.

	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
<b>X. LAND USE AND PLANNING.</b> Would the project:				
a) Physically divide an established community?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Conflict with any applicable habitat conservation plan or natural community conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

### Environmental Setting

The project site is located in an area of residential and agricultural land uses. The project site is bounded to the north by suburban residential and rural uses; on the south by rural residential and agricultural land. The proposed project is located on a public street and therefore does not have a zoning designation. The land surrounding the proposed project includes: RS-1 (Very Low Density Residential), RS-2 (Low Density Residential), RM-2 (Medium Density Residential), RR (Rural Residential), PD (Planned Development), PS (Public and Semi-Public), and IG (General Industrial).<sup>16</sup>

<sup>16</sup> Porterville, City of, 2008. *Porterville 2030 General Plan*, op. cit.

a) *Physically divide an established community? (No Impact)*

The proposed project consists of the widening of an existing street. The proposed project would not bisect any existing development or physically divide an established community.

b) *Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect? (No Impact)*

The General Plan designation and zoning for the project site would remain the same as part of the proposed project. The proposed project would not conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect.

c) *Conflict with any applicable habitat conservation plan or natural community conservation plan? (No Impact)*

The proposed project site is not covered by a habitat conservation plan or natural community conservation plan.

	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
<b>XI. MINERAL RESOURCES.</b> Would the project:				
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the State?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

### Environmental Setting

According to the Porterville General Plan, there are no known mineral resource areas within the project area.<sup>17</sup>

<sup>17</sup> Porterville, City of, 2008. *Porterville 2030 General Plan*, op. cit.

- a) *Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the State? (No Impact)*

No known mineral resources exist at the project site. Implementation of the project as proposed would not result in the loss of known mineral resources or recovery sites.

- b) *Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan? (No Impact)*

See XI.a. above.

	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
<b>XII.NOISE.</b> Would the project result in:				
a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Exposure of persons to or generation of excessive ground borne vibration or ground borne noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

## Environmental Setting

Primary noise sources within the project area include traffic along Gibbons Avenue, Indiana Street, and Main Street. Sensitive receptors along the roadway alignment include single-family residences.

- a) *Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies? (Less-Than-Significant Impact)*

The proposed project would not result in increased traffic volumes on Gibbons Avenue. However, the proposed project would include widening the roadway and would move some vehicular traffic closer to noise sensitive receptors located immediately adjacent to the project alignment. The closest residences along Gibbons Avenue are within 30 feet of the roadway. Construction of the proposed project would result in a 5- to 7-foot extension of the right-of-way between Jaye and Main Streets.

Traffic noise levels along the roadway were calculated using the Federal Highway Administration (FHWA) Highway Traffic Noise Prediction Model (FHWA RD-77-108). This model requires parameters, including traffic volumes, vehicle mix, vehicle speed, and roadway geometry to compute typical equivalent noise levels during daytime, evening, and nighttime hours. Traffic data used in the noise prediction model were obtained from the City of Porterville and the Regional Transportation Plan (RTP) for Tulare County (see XVI.a., Transportation/Traffic). Under existing conditions, Gibbons Avenue has an average daily traffic (ADT) rate of 1,250 trips per day. Based on future year traffic forecasts from the RTP, 2030 ADT would be approximately 3,649 trips.

The analysis using the FHWA model calculates the noise levels at the closest residences to be approximately 65 dBA CNEL under future year conditions. Widening Gibbons Avenue and moving the vehicular traffic closer to the residences would result in an increase of approximately 2 dBA. Noise increases less than 5 dBA are not perceptible to the human ear in outdoor environments. Long term operation of the roadway would not result in the exposure of persons to or generation of noise levels in excess of established noise standards. This impact would be considered less than significant.

- b) *Exposure of persons to or generation of excessive ground borne vibration or ground borne noise levels? (Less-Than-Significant Impact)*

Construction of the roadway widening would not require construction activities that would generate excessive ground borne vibration, such as pile driving. The level of construction would be limited to minor grading to prepare areas for roadway widening, repairing of the existing roadway, and paving of the new roadway. Therefore, impacts related to ground borne vibration and noise would be considered less than significant.

- c) *A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project? (Less-Than-Significant Impact)*

See XII.a. above. The project is not expected to result in a substantial permanent increase in ambient noise levels.

- d) *A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project? (**Less-Than-Significant Impact**)*

Construction of the proposed project would include the use of construction equipment, resulting in temporary periodic increases in ambient noise levels in the vicinity of the project site. Chapter 18, Article IX of the Porterville Municipal Code, also known as the City's "Noise Ordinance", limits construction to between the hours of 6:00 a.m. and 9:00 p.m. Monday through Friday, and between the hours of 7:00 a.m. and 5:00 p.m. on Saturday or Sunday.<sup>18</sup> Construction activities would be limited to this time period and therefore, construction noise resulting from the proposed project would be considered less than significant.

- e) *For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels? (**No Impact**)*

The proposed project is not located within 2 miles of a public or public use airport and would not expose future site users to excessive noise levels.

- f) *For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels? (**No Impact**)*

See XII.e. above.

	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
<b>XIII. POPULATION AND HOUSING.</b> Would the project:				
a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

<sup>18</sup> Porterville, City of, 2012. *Porterville Municipal Code*. Website: [www.sterlingcodifiers.com/codebook/index.php?book\\_id=679](http://www.sterlingcodifiers.com/codebook/index.php?book_id=679) (accessed July 15, 2014). October.

## Environmental Setting

The project site is located in an area that includes suburban and rural residential developments. The proposed project would consist of the widening of an existing roadway and associated roadway improvements.

- a) *Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)? (No Impact)*

The proposed project would result in the widening and improvement of Gibbons Avenue. No new housing, commercial, or industrial uses would be developed as part of the proposed project. New infrastructure would not be extended to an undeveloped site that would allow for new development. Therefore, the proposed project would not induce substantial population growth.

- b) *Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere? (No Impact)*

No housing or people would be displaced as a result of the proposed project.

- c) *Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere? (No Impact)*

See XIII.b. above.

Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
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## XIV. PUBLIC SERVICES.

- a) Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:

- |                             |                          |                          |                          |                                     |
|-----------------------------|--------------------------|--------------------------|--------------------------|-------------------------------------|
| i. Fire protection?         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| ii. Police protection?      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| iii. Schools?               | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| iv. Parks?                  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| v. Other public facilities? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |



## Environmental Setting

The project site is located in an area that is already served by public service systems. Police protection services are provided by both the Porterville Police Department located at 350 D Street and the Tulare County Sheriff's Department located at 379 3<sup>rd</sup> Street. Fire protection and emergency response services for the project site are provided by the City of Porterville Fire Department located at 40 Cleveland Avenue and the Tulare County Fire Department located at 1551 Success Drive.

- a) *Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services: Fire protection, police protection, schools, parks, other public facilities?*  
(No Impact)

The proposed project would not result in an increase in population or facilities that would require the provision of new or additional fire or police services, schools, parks, or other public facilities, or result in the need for physically altered facilities. Therefore, the project would not result in adverse impacts associated with public services.

	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
<b>XV. RECREATION.</b>				
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

## Environmental Setting

The project site does not include any recreation facilities.

- a) *Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated? (No Impact)*

The proposed project includes the widening of Gibbons Avenue and improvements such as curb and streetlights. Implementation of the proposed project would not result in a population increase or a corresponding increase in the use of recreational facilities.

- b) *Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment? (No Impact)*

See XV.a. above.

	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
<b>XVI. TRANSPORTATION/TRAFFIC.</b> Would the project:				
a) Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
<b>XVI. TRANSPORTATION/TRAFFIC.</b> Would the project:				
e) Result in inadequate emergency access?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

### Environmental Setting

The City of Porterville is served by State Routes 65 and 190 as well as a network of arterial collector and local streets. The proposed project entails the widening of Gibbons Avenue between Indiana Street and Jaye Street. Gibbons Avenue currently exists as a two-lane arterial collector. The major streets that provide access to the project site include: Indiana, Jaye, and Main Streets. Indiana Street is considered an arterial collector that runs north-south providing two travel lanes. The posted speed limit on this section is 45 mph. Jaye Street exists as a north-south major arterial, which is two lanes wide with a speed limit of 45 mph. Main Street is a north-south major arterial that provides two travel lanes with a posted speed limit of 40 mph.

Traffic data was collected from the City of Porterville and the Regional Transportation Plan (RTP) for Gibbons Avenue. Gibbons Avenue currently has an ADT of approximately 1,250 vehicle trips per day, while the 2030 projected ADT is expected to increase to approximately 3,649 vehicle trips.

With implementation of the proposed project, Gibbons Avenue from Indiana Street to Jaye Street would be reconstructed as an 84 foot curb-to-curb arterial. Gibbons Avenue from Jaye Street to Main Street would be reconstructed as a 60 foot curb-to-curb collector. Curb and gutter are proposed along the entire roadway, and sidewalk is proposed for the south side of Gibbons Avenue.

- a) *Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit? (**Less-Than-Significant Impact**)*

The proposed widening would benefit roadway traffic levels by relieving existing roadway safety hazards. Roadway improvements are necessary to achieve and maintain Level of Service (LOS) D or better on all roadways within the City of Porterville. Gibbons Avenue between Indiana and Jaye Street is designated in the General Plan Circulation Element and the RTP<sup>19</sup> to relieve congestion and increase level of service. The proposed project would not directly cause an increase in traffic by

<sup>19</sup> Tulare County Association of Governments, 2014. Op. Cit.

widening the roadway. The proposed project would be consistent with the General Plan and RTP, therefore this impact would be less-than-significant.

- b) *Conflict with an applicable congestion management program, including but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways? (No Impact)*

As of 2010, the Tulare County population surpassed the 200,000 mark, prompting a federal requirement to develop a Congestion Management Plan<sup>20</sup> (CMP) to monitor congestion on the regional transportation network and to plan for ways to alleviate identified issues. The CMP will be approved by the Tulare County Association of Governments (TCAG) Board and integrated into the TCAG planning process, expected to be completed in 2017. The proposed project would improve an existing roadway, benefiting the roadway's LOS. Therefore, the proposed project would not conflict with an applicable congestion management program.

- c) *Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks? (No Impact)*

The Porterville Municipal Airport is located approximately two miles southeast of the proposed project. The proposed project would not cause a change in air traffic location or an increase in traffic levels. Therefore, there would be no impact.

- d) *Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)? (No Impact)*

The proposed project would improve safety conditions along Gibbons Avenue by widening the roadway and implementing other improvements. The roadway improvements would be consistent with the City of Porterville and Tulare County Standards. Therefore, there would be no impact related to hazardous design features.

- e) *Result in inadequate emergency access? (No Impact)*

Implementation of the proposed project would relieve existing roadway safety hazards and would not adversely affect emergency access. Furthermore, the proposed project would improve emergency access by providing additional traffic lanes.

- f) *Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities? (No Impact)*

Currently, Porterville is predominately auto-oriented with wide roadways and often discontinuous sidewalks. The General Plan Circulation Element states that the City aims to become friendlier to alternative modes of transportation. The Circulation Element describes the City's existing modes of transportation, including public transit, bicyclists, and pedestrians. Public transit, provided by

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<sup>20</sup> Ibid.

Porterville Transit, consists of seven fixed-routes that run Monday through Saturday. Additionally, the General Plan outlines new bikeways as part of proposed street standards. However, neither transit routes nor bike lanes are proposed within the project segment of Gibbons Avenue. Sidewalks would be included as part of the project as designated along the south side of Gibbons Avenue. Therefore, implementation of the proposed project would not conflict with policies, plans, or programs regarding transit, bicycle, or pedestrian facilities or decrease the performance or safety of alternative transportation modes.

	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
<b>XVII. UTILITIES AND SERVICE SYSTEMS.</b> Would the project:				
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Comply with federal, State, and local statutes and regulations related to solid waste?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

## Environmental Setting

The proposed project would include the reconstruct Gibbons Avenue and would not result in additional demand on sanitary sewer collection and/or treatment facilities, storm water drainage facilities or expansion of existing facilities.

- a) *Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board? (No Impact)*

The proposed project includes the widening of an existing roadway and associated improvements. No wastewater would be generated by the proposed project. Therefore, the proposed project would not exceed any wastewater treatment requirements of the Regional Water Quality Control Board.

- b) *Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects? (No Impact)*

The proposed project would not require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities. The proposed project entails the widening of an existing roadway and associated improvements. Operation of the roadway would not require additional water supply and no wastewater would be generated. Therefore, no new water or wastewater facilities or expansion of facilities would be required.

- c) *Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects? (Less-Than-Significant Impact)*

As outlined in the project description, new drop inlets would be constructed to collect stormwater runoff from the roadway. The proposed project is not expected to generate substantial amounts of additional stormwater than occurs under existing conditions. Therefore, potential impacts related to stormwater runoff are considered less than significant.

- d) *Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed? (No Impact)*

See XVII.b. above.

- e) *Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments? (No Impact)*

See XVII.a. above.

- f) *Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs? (No Impact)*

The proposed project would not generate solid waste. Construction of the proposed project would generate minimal construction waste and asphalt due to removal of the existing roadway. The proposed project would generate a minimum amount of construction waste and would not result in a substantial reduction in the capacity of a landfill.

- g) *Comply with federal, State, and local statutes and regulations related to solid waste? (No Impact)*

See XVII.f. above.

	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
<b>XVIII. MANDATORY FINDINGS OF SIGNIFICANCE.</b>				
a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California history or prehistory?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

- a) *Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California history or prehistory? (**Potentially Significant Unless Mitigation Incorporated**)*

Implementation of the mitigation measures recommended in this Initial Study would ensure that construction and operation of the proposed project would not substantially degrade the quality of the environment; reduce the habitat, population, or range of a plant or animal species; or eliminate important examples of California history or prehistory.

- b) *Does the project have impacts that are individually limited, but cumulatively considerable? (“Cumulatively considerable” means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.) (**Less-Than-Significant Impact**)*

The potential impacts of the project are individually limited and are not cumulatively considerable. Implementation of mitigation measures recommended in this report would reduce potentially significant impacts that could become cumulatively considerable.

- c) *Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly? (**Less-Than-Significant Impact**)*

The proposed project would be constructed and operated in accordance with all applicable regulations governing hazardous materials, noise, and geotechnical considerations. Therefore, implementation of the proposed project would not result in significant human health risks.



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## REPORT PREPARATION

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### B. REFERENCES

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# MITIGATION MONITORING AND REPORTING PROGRAM

This Mitigation Monitoring and Reporting Program (MMRP) has been formulated based upon the findings of the Initial Study/Mitigated Negative Declaration (IS/MND) for the Gibbons Avenue Project in the City of Porterville. The MMRP lists mitigation measures recommended in the IS/MND for the proposed Project and identifies monitoring and reporting requirements.

The table presents the mitigation measures identified for the proposed Project. Each mitigation measure is numbered with a symbol indicating the topical section to which it pertains, a hyphen, and the impact number. For example, AIR-2 would be the second mitigation measure identified in the Air Quality analysis of the IS/MND.

The first column of the table identifies the mitigation measure. The second column, entitled “When Monitoring is to Occur,” identifies the time the mitigation measure should be initiated. The third column, “Frequency of Monitoring,” identifies the frequency of the monitoring of the mitigation measure. The fourth column, “Agency Responsible for Monitoring,” names the party ultimately responsible for ensuring that the mitigation measure is implemented. The last columns will be used by the City to ensure that individual mitigation measures have been complied with and monitored.

**Mitigation Monitoring Plan**

Mitigation Measure/Condition of Approval	When Monitoring is to Occur	Frequency of Monitoring	Agency Responsible for Monitoring	Method to Verify Compliance	Verification of Compliance		
Air Quality:							
<p><b>AIR-1</b> Consistent with the Regulation VIII Control Measures for Construction Emissions of PM<sub>10</sub> required by the SJVAPCD, the following actions shall be incorporated into construction contracts and specifications for the project:</p> <ul style="list-style-type: none"><li>• All disturbed areas, including storage piles, which are not being actively utilized for construction purposes, shall be effectively stabilized of dust emissions using water, chemical stabilizer/suppressant, covered with a tarp or other suitable cover or vegetative ground cover.</li><li>• All on-site unpaved roads and off-site unpaved access roads shall be effectively stabilized of dust emissions using water or chemical stabilizer/suppressant.</li><li>• All land clearing, grubbing, scraping, excavation, land leveling, grading, cut and fill, and demolition activities shall be effectively controlled of fugitive dust emissions utilizing application of water or by presoaking. With the demolition of buildings up to six stories in height, all exterior surfaces of the building shall be wetted during demolition.</li><li>• When materials are transported off-site, all material shall be covered, or effectively wetted to limit visible dust emissions, and at least six inches of freeboard space from the top of the container shall be maintained.</li><li>• All operations shall be limited or expeditiously remove the accumulation of mud or dirt from adjacent public streets at the end of each workday. The use of dry rotary brushes is expressly prohibited except where preceded or accompanied by sufficient wetting to limit the visible dust emissions.</li></ul>	Prior to construction	Monthly monitoring during construction	City of Porterville	Field inspection			

Mitigation Measure/Condition of Approval	When Monitoring is to Occur	Frequency of Monitoring	Agency Responsible for Monitoring	Method to Verify Compliance	Verification of Compliance		
Air Quality Continued:							
<ul style="list-style-type: none"><li>• Use of blower devices is expressly forbidden.</li><li>• Following the addition of materials to, or the removal of materials from, the surface of outdoor storage piles, said piles shall be effectively stabilized of fugitive dust emissions utilizing sufficient water or chemical stabilizer/suppressant.</li><li>• Within urban areas, trackout shall be immediately removed when it extends 50 or more feet from the site and at the end of each workday.</li><li>• Any site with 150 or more vehicle trips per day shall prevent carryout and trackout.</li><li>• Heavy duty equipment shall limit the amount of hours in operation and minimize idling time (e.g., 5-minute maximum).</li></ul>							

GIBBONS AVENUE PROJECT  
*Mitigation Monitoring and Reporting Program*

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Mitigation Measure/Condition of Approval	When Monitoring is to Occur	Frequency of Monitoring	Agency Responsible for Monitoring	Method to Verify Compliance	Verification of Compliance		
<b>Biological Resources:</b>							
<b>BIO-1</b> If the project cannot avoid construction during nesting season (generally defined as February 1 to August 31), a protocol-level Swainson’s hawk survey shall be conducted if construction occurs during the raptor breeding season. All potential nesting trees within .5 miles of the project site shall be inspected in accordance with recommendations of CDFW and the Swainson’s Hawk Technical Advisory Committee <sup>1</sup> to the extent possible within access and rights of entry constraints. To meet the minimum level of protection for the species, surveys shall be completed for at least the two survey periods immediately prior to project initiation. See table below for details of surveys to be conducted by a qualified avian biologist prior to project initiation. Survey dates may need to be adjusted in consideration of early and late nesting seasons, as identified by the qualified avian biologist.	Prior to construction	Monthly monitoring during construction	City of Porterville	Field inspection			
<b>BIO-2</b> If Swainson’s hawk nests are detected within 500 feet of the project site, a qualified biologist shall monitor the Swainson’s hawk nest during construction activities and if it is determined that nest abandonment or other interruption to normal breeding, feeding or nesting behavior is likely, the CDFW shall be consulted to determine appropriate additional regulatory requirements.	Prior to and during construction	Monthly monitoring during construction	City of Porterville	Field Inspection			

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<sup>1</sup> Swainson's Hawk Technical Advisory Committee. 2000. *Recommended Timing and Methodology for Swainson's Hawk Nesting Surveys in California's Central Valley*. May 31.

Mitigation Measure/Condition of Approval	When Monitoring is to Occur	Frequency of Monitoring	Agency Responsible for Monitoring	Method to Verify Compliance	Verification of Compliance		
<b>BIO-3</b> A qualified biologist shall conduct pre-construction surveys for burrowing owls. Preconstruction surveys within the right-of-way and up to a 500-foot buffer with authorized access shall be conducted no more than 14 days prior to ground disturbing activities. A final preconstruction survey will be conducted within three days prior to ground disturbing activities.	Prior to construction	Monthly monitoring during construction	City of Porterville	Field Inspection			
<b>BIO-4</b> If the results of the preconstruction surveys indicate that burrowing owls are nesting within the construction site (or within 500 feet of the construction site) during the breeding season (February 1 through August 31), an ESA fence shall be installed around the active nest at a buffer determined adequate by a qualified biologist and in coordination with CDFW. The ESA fencing and no-work buffer may only be removed after the young have fledged or the nest is determined to no longer active by a qualified biologist.	Prior to and during construction	Monthly monitoring during construction	City of Porterville	Field Inspection			



Mitigation Measure/Condition of Approval	When Monitoring is to Occur	Frequency of Monitoring	Agency Responsible for Monitoring	Method to Verify Compliance	Verification of Compliance		
<b>BIO-5</b> Vegetation clearing shall be restricted to outside the active breeding season (February 1 through August 31) for birds whenever possible. If vegetation clearing must occur during the breeding season, a qualified biologist shall conduct clearance surveys for active bird nests within three days prior to any clearing of vegetation in order to ascertain whether any birds are actively nesting in the project area. During the clearance surveys, the location of any active bird nests shall be mapped by the biologist, and an appropriate buffer where work shall not take place will be established and monitored. The buffer shall be delineated by flagging, to remain in place until the nest is either abandoned or the young have fledged. Buffer areas shall be determined on a case-by-case basis, depending on nesting species, subject to discussion with the resource agencies when nesting is discovered. ESA fencing shall be placed around all active nests (i.e., active nests with eggs or chicks) at the appropriate buffer until the nest becomes inactive.	Prior to and during construction	Monthly monitoring during construction	City of Porterville	Field Inspection			
<b>BIO-6</b> The USFWS Standardized Recommendations for Protection of the San Joaquin Kit Fox Prior to or During Ground Disturbance <sup>2</sup> shall be implemented because there is the potential for San Joaquin kit foxes to occur on the project site. The measures from those guidelines will protect San Joaquin kit foxes from direct mortality and from destruction of active dens and natal or pupping dens.	Prior to and during construction	Monthly monitoring during construction	City of Porterville	Field Inspection			

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<sup>2</sup> United States Fish and Wildlife Service, 2011. *Standardized Recommendations for Protection of the Endangered San Joaquin Kit Fox Prior to or During Ground Disturbance*. Available at [www.fws.gov/sacramento/es/Survey-Protocols-Guidelines/Documents/kitfox\\_standard\\_rec\\_2011.pdf](http://www.fws.gov/sacramento/es/Survey-Protocols-Guidelines/Documents/kitfox_standard_rec_2011.pdf) (accessed August 14, 2014). January.

Mitigation Measure/Condition of Approval	When Monitoring is to Occur	Frequency of Monitoring	Agency Responsible for Monitoring	Method to Verify Compliance	Verification of Compliance		
<b>BIO-7</b> Prior to the initiation of ground disturbance, an ESA fence shall be installed at the culvert opening north of Gibbons Avenue and extend 20 feet in each direction, in order to ensure that impacts to Campbell and Moreland Ditch do not occur without the authorization of regulatory permits. If compliance with this measure is not feasible, then Mitigation Measure BIO-8 would be implemented.	Prior to and during construction	Monthly monitoring during construction	City of Porterville	Field Inspection			
<b>BIO-8</b> If the project cannot be designed to avoid all impacts to Campbell and Moreland Ditch, a Jurisdictional Delineation report shall be prepared. If any impacts to jurisdictional areas are not avoided, the project shall obtain applicable regulatory permits from the USACE, CDFW, and RWQCB. Impacts shall be mitigated off-site at a minimum ratio determined by the USACE through implementation of its Standard Operating Procedure for Determination of Mitigation Ratios (QMS Procedure No. 1250). Mitigation through an approved mitigation bank or in lieu fee program is preferred by the USACE. If these options are not available, the permittee shall develop a permittee-responsible mitigation program, with a Habitat Mitigation and Monitoring Plan to be approved by the USACE.	Prior to construction	Monthly monitoring during construction	City of Porterville	Field Inspection			

GIBBONS AVENUE PROJECT  
*Mitigation Monitoring and Reporting Program*

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Mitigation Measure/Condition of Approval	When Monitoring is to Occur	Frequency of Monitoring	Agency Responsible for Monitoring	Method to Verify Compliance	Verification of Compliance		
Cultural Resources:							
<b>CUL-1</b> If deposits of prehistoric or historical archaeological materials are encountered during project activities, all work within 25 feet of the discovery shall be redirected and a qualified archaeologist contacted to assess the situation, consult with the City, and make recommendations for the treatment of the discovery. Project personnel shall not collect or move any archaeological materials. If such deposits cannot be avoided, the deposits shall be evaluated to determine if they meet the CEQA definition of historical or unique archaeological resources. If the deposits do not so qualify, avoidance is not necessary. If the deposits do so qualify, impacts to the deposits shall be avoided or such impacts shall be mitigated in accordance with the recommendations of the consulting archaeologist and, should the deposits be prehistoric in nature, any tribal organizations that express concern over the treatment of the deposit. Such mitigation may include, but is not limited to, archaeological excavation and further documentation. Upon completion of the assessment, the archeologist shall prepare a report documenting the methods and results, and provide recommendations for the treatment of the archaeological materials discovered. The report shall be submitted to the City and the SSJVIC. Archaeological materials can include flaked-stone tools (e.g., projectile points, knives, and choppers) or obsidian, chert, basalt, or quartzite tool making debris; bone tools; culturally darkened soil (i.e., midden soil often containing heat-affected rock, ash and charcoal, shellfish remains, bones, and other cultural materials); and stone-milling equipment (e.g., mortars, pestles, and handstones). Prehistoric archaeological sites often contain human remains. Historical materials can include wood, stone, concrete, or adobe footings, walls, and other structural remains; debris-filled wells or privies; and deposits of wood, glass, ceramics, metal, and other refuse.	During construction	Monthly monitoring during construction	City of Porterville	Field inspection			

Mitigation Measure/Condition of Approval	When Monitoring is to Occur	Frequency of Monitoring	Agency Responsible for Monitoring	Method to Verify Compliance	Verification of Compliance		
<p><b>CUL-2</b> No paleontological resources have been identified in the project area. The project site is situated, at depth, on Pleistocene to Recent alluvial deposits (Qal, QC). The surface soils are too recent to contain significant paleontological resources (fossils) and ground disturbance associated with the proposed project would be shallow (2 feet). There is, therefore, a low potential for encountering fossils within surface soils. In the event that significant paleontological resources are encountered, their disturbance could result in a significant impact under <i>CEQA Guidelines</i>. Nevertheless, the City of Porterville shall notify its construction contractor(s) of the following appropriate procedures to be incorporated into the project in the event that paleontological deposits are identified: If paleontological resources are encountered during project subsurface construction, all ground-disturbing activities within 25 feet shall be redirected and a qualified paleontologist contacted to assess the situation, consult with the City, and make recommendations for the treatment of the discovery. Project personnel shall not collect or move any paleontological materials. Paleontological resources include fossil plants and animals, and trace fossil evidence of past life such as tracks. Ancient marine sediments may contain invertebrate fossils such as snails, clam, and oyster shells; sponges; and protozoa; and vertebrate fossils such as fish, whale, and sea lion bones. Vertebrate land mammals may include bones of mammoth, camel, saber tooth cat, horse, and bison. Paleontological resources also include plant imprints, petrified wood, and animal tracks.</p>	During construction	Monthly monitoring during construction	City of Porterville	Field inspection			

GIBBONS AVENUE PROJECT  
*Mitigation Monitoring and Reporting Program*

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Mitigation Measure/Condition of Approval	When Monitoring is to Occur	Frequency of Monitoring	Agency Responsible for Monitoring	Method to Verify Compliance	Verification of Compliance		
<b>CUL-3</b> The City of Porterville shall notify its construction contractor(s) of the appropriate procedures to follow in the event that human remains are identified: If human remains are encountered, work within 25 feet of the discovery shall be redirected and the County Coroner notified immediately. At the same time, an archaeologist shall be contacted to assess the situation and consult with agencies as appropriate. The project proponent shall also be notified. Project personnel shall not collect or move any human remains and associated materials. If the human remains are of Native American origin, the Coroner shall notify the Native American Heritage Commission within 24 hours of this identification. The Native American Heritage Commission will identify a Most Likely Descendant (MLD) to inspect the site and provide recommendations for the proper treatment of the remains and associated grave goods. Upon completion of the assessment, the archaeologist shall prepare a report documenting the methods and results, and provide recommendations for the treatment of the human remains and any associated cultural materials, as appropriate and in coordination with the recommendations of the MLD. The report shall be submitted to the City and the SSJVIC.	During construction	Monthly monitoring during construction	City of Porterville	Field inspection			
<b>Hydrology &amp; Water Quality:</b>							
<b>HYDRO-1</b> To reduce the potential for degradation of surface water quality during project operation, a Storm Water Management Plan (SWMP) shall be prepared for the proposed project. The SWMP shall describe specific programs to minimize stormwater pollution resulting from the proposed project. Specifically, the SWMP shall identify and describe source control measures, treatment controls, and BMP maintenance requirements to ensure that the project complies with post-construction stormwater management requirements of the RWQCB.	Prior to construction	Monthly monitoring during construction	City of Porterville	Field Inspection			

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE  
CONTAINING FINDINGS IN SUPPORT OF APPROVAL OF A  
MITIGATED NEGATIVE DECLARATION OF ENVIRONMENTAL IMPACT  
FOR THE GIBBONS AVENUE PROJECT

WHEREAS: The City proposes to improve approximately one mile of Gibbons Avenue in southern Porterville between Indiana Street and Main Street. The project would reconstruct Gibbons Avenue including the installation of new paving, curb, gutter, storm drainage, street lights, and other related improvements consistent with City and County road improvement standards. When completed, Gibbons Avenue would be four lanes between Indiana and Jaye Streets, and two lanes between Jaye and Main Streets; and

WHEREAS: Gibbons Avenue between Indiana Street and Jaye Street is identified in the Porterville 2030 General Plan as a planned major street improvement (major arterial with four lanes). Similarly, Gibbons Avenue between Jaye Street and Main Street is designated in the General Plan as a collector, with roadway improvements - expanded right-of-way and installation of curb, gutter, curb entrances, and storm drains - necessary for efficient circulation between existing and planned major arterials; and

WHEREAS: On May 4, 2015, the Environmental Coordinator made a preliminary determination that a Mitigated Negative Declaration would be appropriate for the proposed project in light of the studies prepared and with implementation of thirteen defined mitigation measures related to Air Quality, Biological Resources, Cultural Resources, and Hydrology; and

WHEREAS: The City Council of the City of Porterville at its regularly scheduled meeting of June 2, 2015, conducted a public hearing to consider approval of the Mitigated Negative Declaration which evaluates the environmental impacts of the proposed widening of Gibbons Avenue from Indiana Street to approximately 900 feet east of Jaye Street.

NOW THEREFORE BE IT RESOLVED that the City Council of the City of Porterville does hereby make the following findings:

1. That a Mitigated Negative Declaration was prepared for the project in accordance with the California Environmental Quality Act and was transmitted to interested agencies and made available for public review and comment. The review period ran for twenty days, from May 7, 2015, to May 27, 2015.
2. That the proposed project will not create adverse environmental impacts. The approved Mitigated Negative Declaration was evaluated in light of the prepared environmental initial study and comments from interested parties received during the review period.
3. That the mitigation measures contained in the Mitigated Negative Declaration were incorporated into a Mitigation Monitoring Program attached hereto as Exhibit A.

4. That review of the environmental circumstances regarding this project indicates that no adverse impacts would accrue to wildlife resources from implementation of the project.
5. That the City Council is the decision-making body for the project.

BE IT FURTHER RESOLVED: That the City Council does hereby approve the Mitigated Negative Declaration for the Gibbons Avenue Project and the Mitigation Monitoring Program attached hereto as Exhibit A.

PASSED, APPROVED AND ADOPTED this 2<sup>nd</sup> day of June, 2015.

By: \_\_\_\_\_  
Milt Stowe, Mayor

ATTEST:  
John D. Lollis, City Clerk

By: \_\_\_\_\_  
Patrice Hildreth, Chief Deputy City Clerk



## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** Annual Adjustment of Fees by Application of the ENR Cost Index

**SOURCE:** Public Works

**COMMENT:** At the April 21, 2015 City Council meeting, Council scheduled a Public Hearing for June 2, 2015, to consider implementing the Engineering News Record Construction Cost Index automatic impact fee increase. Advance noticing is required for consideration of fee increases, and City staff endeavors to honor its commitment to the Building Industry Association of Tulare/Kings Counties, Inc. (BIA), formerly known as the Home Builders Association (HBA) by providing 60-days' notice prior to the *effective date* of the annually adjusted fees. After the public hearing was set, noticing was sent on April 24, 2015, 67 days in advance of the proposed effective date of the new fees. The BIA has requested that they be notified of the annual adjustment of the fees, which are adjusted annually by application of the ENR Cost Index. Most of the fees in Exhibit "H" Connection Fees and Exhibit "A" Park Impact Fees were in effect before January 1, 1989 (the effective date of the Mitigation Fee Act) and have only been increased by the ENR 20-City Construction Cost Index. The fees subject to the Act that were adopted or increased after its effective date, were adopted or increased in accordance with those regulations. This year, not only has City Staff given 60-days' notice for the fees covered by the Mitigation Fee Act, but have also given notice to local developers and engineering firms as well as Southern California Edison. The applicable fees are: 1) Hillside Development Trunk Line Sewer Fees; 2) Hillside Development Water Trunk Fees; 3) Transportation Impact Fees; and 4) Parks Impact Fees.

For five of the last six fiscal years, staff has presented the Engineering News Record (ENR) Cost Index automatic development impact fee increase, and the City Council has voted to suspend the increase. Staff did not send Council a report for fiscal year 2014/2015 due to past trending actions.

The following is a summary of those fiscal years in which the ENR automatic increases would have applied, if they had not been suspended:

Fiscal Year	Yearly ENR Cost Index %
2010/2011	1.7
2011/2012	4.0
2012/2013	2.7
2013/2014	2.0
2014/2015	2.6
2015/2016	3.0



The following table illustrates the number of new building permits issued each fiscal year over the last six (6) years prior to this Fiscal Year and an account thus far for the current Fiscal Year:

<u>Fiscal Year</u>	<u>New Commercial Structure Building Permit Issuances</u>	<u>New Residential Unit Building Permit Issuances</u>
2008/2009	9	117
2009/2010	8	151
2010/2011	6	45
2011/2012	1	38
2012/2013	6	40
2013/2014	4	201
2014/2015*	3	110

\* Partial Year

The new structure permit data presented above provides a clear indication that the building industry has moved in a positive direction in the last couple of years.

In addition, on December 21, 2010, the Council received a report (Attachment 6) regarding Water, Sewer, Treatment Plant, and Storm Drain Impact Fees, which provided a direct comparison of Master Plan improvement costs versus collection of impact fees. The report summarized fees collected, Master Plan improvement costs and Master Plan debt service expenditures from the date of the individually adopted Master Plans to December of 2010.

As reported to the City Council on April 6, 2010, during the period from 2002 through 2009, the City constructed approximately \$27 million in streets, water, sewer and storm drain master plan improvements. During the same period, the City collected \$18.2 million in street, water, sewer and storm drain development impact fees. During the period from 2010 to 2014, the City constructed \$7.844 million in streets, water, sewer and storm drain master plan improvements. During the same period, the City collected \$5.270 million in street, water, sewer and storm drain development impact fees. Representative lists of the referenced constructed master plan facilities are included as Attachments 4 and 5.

For the purpose of full disclosure, it must be noted that the City pursued and accepted Certificates of Participation loans dating back to 1988, and most recently re-financed in 2002 and in 2015. In 2004, the City accepted a CIEDB Reclamation Area Sewer improvement loan and in 2009/2010 and 2010/2011, the City accepted a CIEDB East Side Water improvement loan. The loans, loan amounts and actual debt payments for each are shown in the following table. Interest rates on these loans vary from 1% to 6.3%, depending on the loan or bond requirements.

<u>Loan Document Description</u>	<u>Loan Amount</u>	<u>Annual Payment</u>
COP Street Improvements	\$21,135,000	\$1,695,000
COP Water System Improvements	\$ 8,895,000	\$ 683,000
COP Sewer System Improvements	\$ 9,530,000	\$ 730,000
COP Treatment Plant Improvements	\$14,425,000	\$ 875,000
CIEDB Sewer Reclamation Improvements	\$ 5,356,000	\$ 297,000
CIEDB East Side Water Improvements	\$ 8,257,000	\$ 485,000

Options to consider are:

1. Postpone the ENR Cost Index automatic increase for FY 2015/2016 (0% increase);
2. Activate the ENR Cost Index automatic increase for FY 2015/2016 only (3% increase); or
3. Activate the ENR Cost Index automatic increase beginning FY 2010/2011 and every FY thereafter (17% increase).

Staff has received a letter from Porter Vista Utility District on May 20, 2015 protesting the effective date should City Council approve the implementation of the ENR Cost Index automatic increase in any fashion. The agreement between the district and the city requires a Council decision on fee increases by May 1st of every year for adjustments to the monthly fee. This allows for the district to notify their customers and make budget adjustments by July 1st of each year. However, the agreement allows for the City to impose an increase to the one-time connection fee (Impact Fee) at any time. Therefore the monthly fee increase will become effective July 1, 2016.

RECOMMENDATION: That City Council:

1. Hold the Public Hearing and consider all public testimony; and
2. Review the options presented herein and direct staff accordingly.

ATTACHMENTS:

1. Impact Fees without ENR Cost Index Automatic Increase (Option 1)
2. Impact Fees with ENR Cost Index Automatic Increase for FY 2015/2016 (Option 2)
3. Impact Fees with ENR Cost Index Automatic Increase Beginning FY 2010/2012 and Every FY Thereafter (Option 3)

4. Master Plan Facility Project List (2002-2009)
5. Master Plan Facility Project List (2010-2014)
6. December 21, 2010 AB1600 Report
7. Porter Vista Public Utilities District Letter

Appropriated/Funded:

Review By:

Department Director:

Mike Reed, City Engineer

Final Approver:

## OPTION 1

Following are Exhibit "A" and Exhibit "B" fees should Council choose Option #1:

### EXHIBIT 'A'

	Effective Date	
PARK IMPACT FEES	8/15/2009	7/1/2015
1. Single Family (R-1)	\$644	\$644
2. Multiple Family Per Unit	\$500	\$500
3. Mobile Homes	\$361	\$361

### EXHIBIT 'H'

CONNECTION FEES	Effective Date	
TRUNK LINE SEWER FEES	8/15/2009	7/1/2015
1. Hillside Development - per acre (D 142-02) 0 _	\$958	\$958
2. Single Family (R-1) - per acre (D 94-90)	\$1,797	\$1,797
3. Duplex (R-2) - per acre (D 94-90)	\$4,175	\$4,175
4. Multiple Family (R-3 & R-4) - per acre (D 94-90)	\$9,739	\$9,739
5. Institutional - per acre**(D 94-90)	\$677	\$677
6. Commercial & Professional Office - per acre**(D 94-90)	\$2,538	\$2,538
7. Industrial - per acre**(D 94-90)	\$10,835	\$10,835
TREATMENT PLANT FEES		
1. Single Family and Multiple Family - per unit (D 67-03)	\$2,946	\$2,946
2. Commercial and Industrial - per sewer connection (D 67-03)	\$10.53	\$10.53
	(per gpd)	(per gpd)
	(\$2,946)	(\$2,946)
SEWER CONNECTION CHARGES		
1. Six Inch or Smaller - per foot	\$9.70	\$9.70
2. Eight Inch - per foot	\$12.74	\$12.74
WATER TRUNK FEES		
1. Hillside Development - per acre (D 142-02) 0 _	\$1,410	\$1,410
2. Single Family (R-1) - per acre (D 93-90)	\$2,941	\$2,941
3. Duplex (R-2) - per acre (D 93-90)	\$7,363	\$7,363
4. Multiple Family (R-3 & R-4) - per acre (D 93-90)	\$17,190	\$17,190
5. Institutional**(D 93-90)	\$1,919	\$1,919
6. Commercial and Professional Office - per acre**(D 93-90)	\$2,210	\$2,210
7. Commercial Crop Cultivation – per acre**(Ord. 1813) D	\$552.50	\$552.50
8. Industrial – per acre**(D93-90)	\$16,977	\$16,977
WATER CONNECTION FEE		
1. Connection Charges - per foot	\$8.30	\$8.30
STREET LIGHT FEES		
1. Multiple Family - per foot	\$2.52	\$2.52

2. Commercial/Industrial - per foot	\$3.18	\$3.18
STORM DRAINAGE FEES		
1. Single Family (R-1) - per acre (inc. Hillside Dev.) (D 95-90)	\$4,845	\$4,845
2. Duplex (R-2) - per acre (D 95-90)	\$6,463	\$6,463
3. Multiple Family (R-3 & R-4) - per acre (D 95-90)	\$9,695	\$9,695
4. Commercial, Industrial & Institutional - per acre (D 95-90)	\$12,922	\$12,922
FIRE HYDRANT FEES		
1. Multiple Family - per foot	\$3.30	\$3.30
2. Commercial/Industrial - per foot	\$4.88	\$4.88
TRANSPORTATION IMPACT FEES		
1. Single Family (R-1) per unit (D 50-98)	\$1,036	\$1,036
2. Multiple Family (per unit) (D 50-98)	\$701	\$701
3. General Office/ Institutional (per 1,000 sq ft of gross floor) (D 50-98)	\$2,667	\$2,667
4. Commercial (per 1,000 square feet of gross floor area) (D 50-98)	\$5,074	\$5,074
5. Light Industrial (per 1,000 square feet of gross floor area) (D 50-98)	\$756	\$756
FRONTAGE IMPROVEMENT VALUATION THRESHOLD		
1. Frontage Improvements are required when the Building Permit valuation is over (Beginning 2/19/04 - over a two-year period)	\$18,421	\$18,421

## OPTION 2

Following are Exhibit "A" and Exhibit "B" fees at a 3% cost escalator should Council choose Option #2:

### EXHIBIT 'A'

#### PARK IMPACT FEES

	8/15/2009	7/1/2015
1. Single Family (R-1)	\$644	\$663
2. Multiple Family Per Unit	\$500	\$515
3. Mobile Homes	\$361	\$372

### EXHIBIT 'H'

#### CONNECTION FEES

##### TRUNK LINE SEWER FEES

	8/15/2009	7/1/2015
1. Hillside Development - per acre (D 142-02) ◊ _	\$958	\$987
2. Single Family (R-1) - per acre (D 94-90)	\$1,797	\$1,851
3. Duplex (R-2) - per acre (D 94-90)	\$4,175	\$4,300
4. Multiple Family (R-3 & R-4) - per acre (D 94-90)	\$9,739	\$10,031
5. Institutional - per acre**(D 94-90)	\$677	\$697
6. Commercial & Professional Office - per acre**(D 94-90)	\$2,538	\$2,614
7. Industrial - per acre**(D 94-90)	\$10,835	\$11,160

##### TREATMENT PLANT FEES

1. Single Family and Multiple Family - per unit (D 67-03)	\$2,946	\$3,034
2. Commercial and Industrial - per sewer connection (D 67-03)	\$10.53	\$10.85
	(per gpd)	(per gpd)
	(\$2,946)	(\$3,034)

##### SEWER CONNECTION CHARGES

1. Six Inch or Smaller - per foot	\$9.70	\$9.99
2. Eight Inch - per foot	\$12.74	\$13.12

##### WATER TRUNK FEES

1. Hillside Development - per acre (D 142-02) ◊ _	\$1,410	\$1,452
2. Single Family (R-1) - per acre (D 93-90)	\$2,941	\$3,029
3. Duplex (R-2) - per acre (D 93-90)	\$7,363	\$7,584
4. Multiple Family (R-3 & R-4) - per acre (D 93-90)	\$17,190	\$17,706
5. Institutional**(D 93-90)	\$1,919	\$1,977
6. Commercial and Professional Office - per acre**(D 93-90)	\$2,210	\$2,276
7. Commercial Crop Cultivation – per acre**(Ord. 1813) D	\$552.50	\$569.08
8. Industrial – per acre**(D93-90)	\$16,977	\$17,486

##### WATER CONNECTION FEE

1. Connection Charges - per foot	\$8.30	\$8.55
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##### STREET LIGHT FEES

1. Multiple Family - per foot	\$2.52	\$2.60
2. Commercial/Industrial - per foot	\$3.18	\$3.28
STORM DRAINAGE FEES		
1. Single Family (R-1) - per acre (inc. Hillside Dev.) (D 95-90)	\$4,845	\$4,990
2. Duplex (R-2) - per acre (D 95-90)	\$6,463	\$6,657
3. Multiple Family (R-3 & R-4) - per acre (D 95-90)	\$9,695	\$9,986
4. Commercial, Industrial & Institutional - per acre (D 95-90)	\$12,922	\$13,310
FIRE HYDRANT FEES		
1. Multiple Family - per foot	\$3.30	\$3.40
2. Commercial/Industrial - per foot	\$4.88	\$5.03
TRANSPORTATION IMPACT FEES		
1. Single Family (R-1) per unit (D 50-98)	\$1,036	\$1,067
2. Multiple Family (per unit) (D 50-98)	\$701	\$722
3. General Office/ Institutional (per 1,000 sq ft of gross floor) (D 50-98)	\$2,667	\$2,747
4. Commercial (per 1,000 square feet of gross floor area) (D 50-98)	\$5,074	\$5,226
5. Light Industrial (per 1,000 square feet of gross floor area) (D 50-98)	\$756	\$779
FRONTAGE IMPROVEMENT VALUATION THRESHOLD		
1. Frontage Improvements are required when the Building Permit valuation is over (Beginning 2/19/04 - over a two-year period)	\$18,421	\$18,974

### OPTION 3

Following are Exhibit "A" and Exhibit "B" fees beginning FY 2010/2011 and every FY thereafter compounded yearly for a grand total of 17% should Council choose Option #3:

EXHIBIT 'A'	Effective Date	
PARK IMPACT FEES	8/15/2009	7/1/2015
1. Single Family (R-1)	\$644	\$754
2. Multiple Family Per Unit	\$500	\$585
3. Mobile Homes	\$361	\$423

EXHIBIT 'H'	Effective Date	
CONNECTION FEES	8/15/2009	7/1/2015
TRUNK LINE SEWER FEES	8/15/2009	7/1/2015
1. Hillside Development - per acre (D 142-02) ◊ _	\$958	\$1,122
2. Single Family (R-1) - per acre (D 94-90)	\$1,797	\$2,104
3. Duplex (R-2) - per acre (D 94-90)	\$4,175	\$4,888
4. Multiple Family (R-3 & R-4) - per acre (D 94-90)	\$9,739	\$11,403
5. Institutional - per acre**(D 94-90)	\$677	\$793
6. Commercial & Professional Office - per acre**(D 94-90)	\$2,538	\$2,972
7. Industrial - per acre**(D 94-90)	\$10,835	\$12,686
TREATMENT PLANT FEES		
1. Single Family and Multiple Family - per unit (D 67-03)	\$2,946	\$3,449
2. Commercial and Industrial - per sewer connection (D 67-03)	\$10.53	\$12.33
	(per gpd)	(per gpd)
	(\$2,946.00)	(\$3,499)

SEWER CONNECTION CHARGES		
1. Six Inch or Smaller - per foot	\$9.70	\$11.36
2. Eight Inch - per foot	\$12.74	\$14.92

WATER TRUNK FEES		
1. Hillside Development - per acre (D 142-02) ◊ _	\$1,410	\$1,651
2. Single Family (R-1) - per acre (D 93-90)	\$2,941	\$3,444
3. Duplex (R-2) - per acre (D 93-90)	\$7,363	\$8,621
4. Multiple Family (R-3 & R-4) - per acre (D 93-90)	\$17,190	\$20,127
5. Institutional**(D 93-90)	\$1,919	\$2,247
6. Commercial and Professional Office - per acre**(D 93-90)	\$2,210	\$2,588
7. Commercial Crop Cultivation – per acre**(Ord. 1813) D	\$552.50	\$646.91
8. Industrial – per acre**(D93-90)	\$16,977	\$19,878

WATER CONNECTION FEE		
1. Connection Charges - per foot	\$8.30	\$9.72



#### STREET LIGHT FEES

1. Multiple Family - per foot	\$2.52	\$2.95
2. Commercial/Industrial - per foot	\$3.18	\$3.72

#### STORM DRAINAGE FEES

1. Single Family (R-1) - per acre (inc. Hillside Dev.) (D 95-90)	\$4,845	\$5,673
2. Duplex (R-2) - per acre (D 95-90)	\$6,463	\$7,567
3. Multiple Family (R-3 & R-4) - per acre (D 95-90)	\$9,695	\$11,352
4. Commercial, Industrial & Institutional - per acre (D 95-90)	\$12,922	\$15,130

#### FIRE HYDRANT FEES

1. Multiple Family - per foot	\$3.30	\$3.86
2. Commercial/Industrial - per foot	\$4.88	\$5.71

#### TRANSPORTATION IMPACT FEES

1. Single Family (R-1) per unit (D 50-98)	\$1,036	\$1,213
2. Multiple Family (per unit) (D 50-98)	\$701	\$821
3. General Office/ Institutional (per 1,000 sq ft of gross floor) (D 50-98)	\$2,667	\$3,123
4. Commercial (per 1,000 square feet of gross floor area) (D 50-98)	\$5,074	\$5,941
5. Light Industrial (per 1,000 square feet of gross floor area) (D 50-98)	\$756	\$885

#### FRONTAGE IMPROVEMENT VALUATION THRESHOLD

1. Frontage Improvements are required when the Building Permit valuation is over (Beginning 2/19/04 - over a two-year period)	\$18,421	\$21,569
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## **MASTER PLAN FACILITY PROJECT LIST (2002-2009)**

### **City Constructed Master Plan Capital Improvement Projects**

- Scenic Heights 300,000 gallon Water Reservoir
- State Route 190 12" Water Main Project
- Granite Hills Street Circulation Project (Water, Storm Drain and Street)
- Jaye Street Water Main (Extension to Well No. 27)
- Well No. 27 (Complete Project)
- Well No. 28 (Drilling Phase)
- Well No. 28 (Pumping Plant Facility Phase)
- F-Gibbons-Main Water Main Project (Extension to Well No. 28)
- Well No. 29 (Drilling Phase)
- Henderson Avenue Reconstruction Project (Water, Sewer, Storm Drain & Street)
- Indiana Street Construction Project (Putnam Avenue to Olive Avenue)
- Airport Inter-Tie Project (Sewer and Water)
- Well No. 29 (Pumping Plant Facility Phase)
- Well No. 31 (Drilling Phase)
- West Street Industrial Project (Storm Drain)
- Newcomb Street (Storm Drain)
- Well No. 31 (Pumping Plant Facility Phase)
- Sludge Drying Bed Project (CIEDB Sewer)
- Underhill Percolation Pond (CIEDB Sewer)
- Purchase 320 Acre Hunsaker Property (CIEDB Sewer)
- Waster Water Treatment Plant Facility Monitoring Wells (CIEDB Sewer)
- Effluent Outfall Delivery System (CIEDB Sewer)
- Effluent Pipeline and Land Leveling Project (CIEDB Sewer)
- WWTF Buried Sludge Project (CIEDB Sewer)
- Screening and Grit Equipment Upgrade (CIEDB Sewer)
- Bar Screen Replacement Project (CIEDB Sewer)

## **MASTER PLAN FACILITY PROJECT LIST (2002 – 2009)**

### **Developer Constructed Master Plan Capital Improvement Projects**

- Granite Hills High School Project (Water and Storm Drain)
- Castlewoods Subdivision Phase 2 (Water)
- Meadow Breeze Subdivision, Phase 1 (Storm Drain)
- Amalene Estates Subdivision, Phase 1 (Water)
- Holy Cross Church Project (Storm Drain)
- Sunrise Villa Subdivision, Phases 2 & 3 (Storm Drain)
- Chelsea Glenn Subdivision, Phase 1 (Water and Sewer)
- Orchard Ridge Subdivision, Phases 1 through 9 (Water, Sewer and Storm Drain)
- River Springs Subdivision, Phase 2 (Water and Storm Drain)
- Riverwalk Marketplace Commercial Center (Streets and Storm Drain)

MASTER PLAN FACILITY PROJECT LIST  
(2010-2014)

City Constructed Master Plan Capital Improvement Projects

- Jaye St & Montgomery Ave Roundabout
- Jaye Street Improvements (Brown Ave to Gibbons Ave)
- W North Grand Ave Reconstruction Project (Prospect to SR65)
- Veteran's Park Booster Pumps
- Well #32 Project (Phase #1)
- Well #32 Project (Phase #2)-Estimates
- Martin Hill Water Reservoir Project
- Rocky Hill Water Reservoir Project
- Olive Ave Rehabilitation Project

Developer Constructed Master Plan Capital Improvement Projects

- Riverview Estates No. 5 Subdivision

City of Porterville  
Summary of Development Impact Fee

Master Plan and/or CIP Facilities Category	Water (1)	Sewer (1)	Waster Water Treatment Facility (WWTF) (1)	Storm Drain (1)	Transportation (1) (3)
ENR Adjusted Engineer's Estimate	\$9,181,137.86	\$1,371,541.33	\$6,423,451.00	\$3,819,102.79	\$17,892,018.54
Construction Cost	\$9,502,243.90	\$806,476.07	\$5,744,960.20	\$5,429,146.22	\$21,076,728.19
Pending Master Plan Improvements in 10/11 CIP Budget	\$8,176,935.00	\$617,000.00	\$633,000.00	\$963,000.00	\$5,510,435.00
Fees Collected	\$2,636,060.00	\$1,340,082.00	\$7,485,607.00	\$5,622,200.00	\$5,173,089.00
Difference between Expenditures vs. Appropriations	-\$15,043,118.90	-\$83,394.07	\$1,107,646.80	-\$769,946.22	-\$21,414,074.19

COP Principal Payments (2)	\$3,125,000.00	\$3,335,000.00	\$4,085,000.00	\$0.00	\$4,735,000.00
COP Interest Payments (2)	\$3,861,650.00	\$4,146,350.00	\$6,139,980.00	\$0.00	\$11,160,459.73
Difference between Expenditures vs. Appropriations with COP payments included	-\$22,029,768.90	-\$7,564,744.07	-\$9,117,333.20	-\$769,946.22	-\$37,309,533.92

CIEDB WWTF Loan Principal Debt			\$5,356,000.00		
CIEDB Water Loan Principal Debt	\$8,257,500.00				
Difference between Expd. vs. Approp. with COP payments & CIEDB Principal Debt included	-\$30,287,268.90		-\$14,473,333.20		

Notes: (1) Water, Sewer and WWTF evaluated from 2001 to 2010. Storm Drain evaluated from 1994 to 2010. Transportation evaluated from 1998 to 2010  
(2) COP debt service for projects that pre-date the Master Plans. However, the payments associated with Transportations COP issuance relates to projects under this evaluation (1998 to 2010).  
(3) Transportation related projects indicates some irregularities in the evaluation methodology and requires a more a thorough review of project finances.

City of Porterville  
Water Capital Improvement Cost

Project Name	Contractor	Project Bid Date	Council Acceptance Date	Project ENR Date	Project ENR (1) Date	2001 MP Pipe Length (ft)	2001 MP Pipe or Facility Cost Estimate (\$)	O1MP Estimate of Pipe or Facility Constructed in Total Project (\$)	2001 MP ENR	ENR Update of O1 MP Estimate of Pipe or Facility Constructed	Actual Length of Pipe Constructed in Total Project (ft)	Cost of Total Project (\$)	Portion of O1MP Pipe Constructed in Total Project (ft) (%)	Cost of O1MP Pipe or Facility Constructed in Total Project (\$)	Differential Between Actual Cost & O1MP Cost (\$)	(%)
Weil No. 26 (Complete Project) (Includes Consultant Services @ \$24,400)	Farm Pump & Irr. Co.	7/26/2001	4/9/2003	2001	8318.20	N/A	\$496,000.00	\$404,475.00	6318.2	\$496,000.00	N/A	\$404,475.00	N/A	\$404,475.00	\$91,525.00	18%
Weil #27 (Complete Project) (Includes Consultant Services @ \$24,400)	Vallay Pump & Dairy	10/8/2003	4/5/2005	2003	6641.98	N/A	\$496,000.00	\$413,235.99	6318.2	\$521,417.82	N/A	\$413,235.99	-	\$413,235.99	\$108,181.83	21%
Purchase of Weil #27 Municipal Well Site (B)	-	-	3/4/2003	-	-	-	-	-	-	-	-	\$862.75	-	\$862.75	\$0.00	0%
Weil #28 (Drilling) (Includes Consultant Fees @ \$7,676)	Zim Industries	9/9/2004	10/17/2006	2004	7016.91	N/A	\$248,000.00	\$308,896.00	6318.2	\$275,425.55	N/A	\$308,896.00	N/A	\$308,896.00	-\$31,470.45	-11%
Weil #28 (Pumping Facility) (Includes Consultant Fees @ \$31,103.61)	Vallay Pump & Dairy	-	-	2005	7309	N/A	\$248,000.00	\$584,420.10	6318.2	\$286,890.57	N/A	\$553,316.49	N/A	\$553,316.49	-\$266,425.92	-93%
Purchase of Weil #28 Municipal Well Site	-	-	3/4/2003	-	-	-	-	-	-	-	-	\$25,000.00	-	\$25,000.00	\$0.00	0%
Weil #29 (Drilling) (Includes Consultant Costs @ \$14,279.20)	Zim Industries	10/20/2005	10/26/2006	2005	7309	N/A	\$248,000.00	\$380,856.61	6318.2	\$286,890.57	N/A	\$380,856.61	N/A	\$380,856.61	-\$93,966.04	-33%
Weil #29 (Pumping Facility) (Includes Consultant Costs @ \$24,512.80)	Vulcan	10/20/2007	8/5/2008	2007	7942	N/A	\$240,000.00	\$635,866.42	6318.2	\$311,736.89	N/A	\$635,866.42	N/A	\$635,866.42	-\$324,131.53	-104%
Purchase of Weil #29 Municipal Well Site (B)	-	-	2/5/2005	-	-	-	-	-	-	-	-	\$95,000.00	-	\$95,000.00	\$0.00	0%
Olive Avenue Water Main Project (Second to Plano)	Halopoff & Sons	2/23/2010	11/16/2010	2010	8671	2100	\$101,430.00	\$92,739.50	6318.2	\$139,200.96	2065	\$205,173.67	2065	\$205,173.67	-\$65,972.71	-47%
Newcomb St. Water Main Project (Weil No. 20 to Henderson Ave.)	BH Nelson Gen. Eng.	2/23/2000	6/6/2000	2000	6236.1	2640	\$127,512.00	\$107,709.00	6318.2	\$125,895.45	2230	\$66,095.00	2230	\$66,095.00	\$59,800.45	48%
Olive Avenue Water Main Project (Howard to Jaye)	Halopoff & Sons	4/2/2002	7/2/2002	2002	6531.97	900	\$43,470.00	\$53,130.00	6318.2	\$44,940.76	1190	\$91,293.14	1100	\$91,293.14	-\$46,352.38	-103%
Hwy 190 Water Main/Olive Ave Water Main	Halopoff & Sons	2/7/2002	7/2/2002	2002	6531.97	5640	\$272,412.00	\$228,459.00	6318.2	\$281,628.79	5062	\$250,533.91	4730	\$234,102.21	\$47,526.58	17%
Scenic Heights Reservoir Project Including Consulting Services @ \$65,967.38)	Solo-Bond	6/6/2002	7/15/2003	2002	6531.97	N/A	\$463,000.00	\$587,970.24	6318.2	\$478,665.14	N/A	\$587,970.24	N/A	\$522,002.86	-\$42,337.72	-9%
Mathew Street (Morton Ave to Olive Ave)(3)	-	-	-	-	-	-	-	-	-	-	-	\$80,000.00	-	\$80,000.00	\$0.00	0%
Morton Avenue PRV (w/o Newcomb SI)(3)	Halopoff & Sons	2/23/2010	11/16/2010	2010	8671	7920	\$461,000.00	\$532,769.32	6318.2	\$632,669.27	9398	\$967,806.78	9153	\$932,837.35	-\$300,166.08	-47%
Newcomb St. PRV Station ( n/a North Grand Ave and w/o Newcomb SI)	By Developer	12/1/2000	10/2/2001	2000	6236.1	N/A	\$40,000.00	\$40,000.00	6318.2	\$39,492.89	N/A	\$26,467.00	N/A	\$26,467.00	\$13,025.89	33%
Weil No. 31 (Drilling) (Includes Consultant Fees @ \$14,298.17)	Zim Industries	10/30/2007	5/6/2008	2007	7942.00	N/A	\$248,000.00	\$409,693.17	6318.2	\$311,736.89	N/A	\$409,693.17	N/A	\$409,693.17	-\$87,956.28	-31%
Weil No. 31 (Pumping Facility) (Includes Consultant Fees @ \$52,940.65)	Vallay Pump & Dairy	6/4/2009	7/20/2010	2009	8528.00	N/A	\$248,000.00	\$702,840.65	6318.2	\$334,738.37	N/A	\$702,840.65	N/A	\$702,840.65	-\$368,102.28	-110%
Purchase of Weil #31 Municipal Well Site (B)	-	-	10/16/2007	-	-	-	-	-	-	-	-	\$80,000.00	-	\$80,000.00	\$0.00	0%
GHHS Streets Project - Conner St (Morton Ave to Putnam Ave) (4)	Mitch Brown	5/7/2001	4/15/2003	2001	6318.2	6600	\$744,800.00	\$711,171.15	6318.2	\$744,800.00	9113	\$343,771.22	6302	\$250,779.78	\$494,020.22	66%
GHHS Streets Project - Putnam Ave (Conner St to Holcomb St) (4)	Smee Builders	5/28/2002	-	2002	6531.97	N/A	\$13,348.00	\$13,348.00	6318.2	\$13,799.62	N/A	\$13,800.00	N/A	\$13,800.00	-\$50.38	0%
Meadowoods, Phase 2 - Newcomb Street PRV Station installed by Developer (5) (9)	Antoine Bechara	10/4/2005	2/20/2007	2006	7690	1037	\$33,746.01	\$33,746.01	6318.2	\$41,072.90	1037	\$56,270.00	1037	\$56,270.24	-\$15,197.34	-37%
Amalene Estates, Phase 1 by Developer (through development to a nearby proposed Well Site)	Nader Development	10/6/2006	-	2006	7690	580	\$14,747.94	\$14,747.94	6318.2	\$17,950.00	580	\$17,950.00	580	\$17,950.00	\$0.00	0%
Beverly Glenn Subdivision (Dale Avenue) (5) (9)	Gorland Gifford	4/24/2004	-	2004	7016.91	366	\$15,294.00	\$14,040.39	6318.2	\$16,985.32	366	\$20,881.00	336	\$20,881.00	-\$3,895.68	-23%
Granite Heights Subdivision (Conner Street) (5) (9)	Ennis Homes	11/20/2001	-	2005	7309	1320	\$73,000.00	\$73,000.00	6318.2	\$84,447.63	1320	\$32,682.00	1320	\$32,682.00	\$51,865.63	61%
Williams Ranch, Phase 1 by Developer (Westfield Avenue) (5)	Benny Martinez	10/15/2005	-	2006	7690	1182	\$44,388.00	\$44,388.00	6318.2	\$54,025.47	1182	\$79,151.89	1182	\$89,151.89	-\$35,126.42	-65%
Chelsea Glen, Tract 781 Linda Vista Water Main by Developer (5) (9)	Smee Builders	12/31/2004	-	2004	7016.91	2640	\$196,000.00	\$196,519.70	6318.2	\$217,675.03	2647	\$90,193.56	2647	\$90,193.56	\$127,481.47	59%
Gibbons Ave (Indiana St to Jaye St) by Developer of Sierra Meadows Subd.(5)	Halopoff & Sons	3/29/2005	6/7/2005	2004	7016.91	1082	\$69,680.00	\$77,385.69	6318.2	\$77,385.69	2376	\$172,811.23	1082	\$72,194.63	\$5,191.06	7%
F-Gibbons-Main Water Project - Gibbons Ave (F St to Main St)	Halopoff & Sons	3/29/2005	6/7/2005	2004	7016.91	530	\$34,132.00	\$34,132.00	6318.2	\$37,906.55	2376	\$172,811.23	530	\$45,628.00	-\$7,721.45	-20%
F-Gibbons-Main Water Project Main Steel Portion	Smee Builders	12/7/2004	-	2004	7016.91	2640	\$147,000.00	\$76,061.36	6318.2	\$163,256.27	1366	\$38,546.00	1366	\$38,546.00	\$124,710.27	76%
Indiana Street (Brown Ave to Gibbons Ave) by Developer of Sierra Meadows Subd.(5)	Smee Builders	12/7/2004	-	2004	7016.91	N/A	\$67,000.00	\$10,000.00	6318.2	\$74,409.32	N/A	\$10,000.00	N/A	\$10,000.00	\$64,409.32	87%
Westfield Avenue (Westwood St to Lombardi St) by Developer of Williams Ranch (5)	Ennis Homes	12/15/2005	-	2005	7309	1320	\$73,000.00	\$73,000.00	6318.2	\$84,447.63	1320	\$35,315.33	1320	\$35,315.33	\$49,132.30	58%
Prospect St (Castle Avenue to W. North Grand Avenue) part of Sequoia Middle School (5)	PUSD	12/30/2002	-	2002	6531.97	1320	\$73,500.00	\$73,500.00	6318.2	\$75,986.80	1320	\$75,000.00	1320	\$75,000.00	\$986.80	1%
Jaye St Water Main Project (Brown Ave to Weil No. 27)	Halopoff & Sons	9/4/2003	1/20/2004	2003	6641.98	2640	\$196,000.00	\$105,053.03	6318.2	\$206,044.14	1415	\$74,927.90	1415	\$74,927.90	\$131,116.24	64%
Jaye St (Weil No. 27 to Gibbons Ave) by Developer of Sierra Meadows Subd.(5)	Smee Builders	5/30/2006	-	2006	7690	2640	\$147,000.00	\$67,987.50	6318.2	\$178,916.46	1221	\$36,825.00	1221	\$36,825.00	\$142,091.46	79%
Airport Inter-Tie Project - Gibbon Ave (Jaye St to F St) (6)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Airport Inter-Tie Water - Indiana St (Scranton Ave to Gibbons Ave) (6)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Airport Inter-Tie Water - Scranton Ave (Newcomb St to Indiana St) (6)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Airport Inter-Tie Water - Scranton Ave (State Route 65 Crossing) (6)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Airport Inter-Tie Water - Scranton Ave (Connect Airport Pipe to Westwood St.) (6)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Airport Inter-Tie Water - Scranton Ave (Westwood Street to Newcomb St) (6)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Airport Inter-Tie Water - West Street (Scranton Ave to Tea Pot Dome) (6)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Airport Inter-Tie Water - Newcomb St (Tea Pot Dome Ave to Scranton Ave) (6)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Airport Inter-Tie Water - Tea Pot Dome Ave, (West St to Newcomb St) (6)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Airport Inter-Tie Water - Newcomb St (SR 190 to Scranton Ave) (6)	Halopoff & Sons	11/28/2006	12/4/2007	2006	7690	35740	\$1,933,449.00	\$1,968,612.45	6318.2	\$2,353,237.13	36430	\$2,245,353.20	36390	\$2,243,250.08	\$109,987.05	5%
Henderson Ave. Reconstruction (Missing 12" link not shown in the Master Plan)	Halopoff & Sons	6/9/2005	7/18/2006	2005	7309	719	\$35,000.00	\$35,000.00	6318.2	\$40,488.59	1212	\$215,500.11	719	\$82,578.92	-\$42,090.33	-104%
Newcomb Street (Porterville Air Attack Base - Water Main Extension)	Halopoff & Sons	4/27/2000	-	2000	6236.1	1613	\$89,509.00	\$89,509.00	6318.2	\$88,374.24	1613	\$60,312.00	1613	\$60,312.00	\$28,062.24	32%
Newcomb Street- Chelsea Way to Linda Vista Avenue (Installed by developer of County Chelsea Glenn Phase II Subdivision) (7)	Mountain Valley	10/15/2006	4/15/2008	2006	7690	932	\$35,000.00	\$35,000.00	6318.2	\$42,599.16	932	\$70,041.25	932	\$70,041.25	-\$27,442.09	-64%
							\$9,226,559.54	\$9,226,559.54		\$9,181,137.86				\$9,502,243.90	-\$120,243.29	-3%
Notes:	(1) Assumed Project ENR to be City Council Award Date (2) "AF" assumed the total pipe constructed met the MP objectives of the pipes shown on the MP even though it may have taken a different route or was not the same length (3) These three MP pipe segments and PRV Station were combined into one project (4) These four MP pipe segments were combined into one project (5) Pending Reimbursement (6) These ten MP pipe segments were combined into one project (7) 12" water main extended to a County Subdivision as approved by City Council. Construction of a 12 inch water main and payment of all applicable fees by the developer, in this case, mented the reimbursement of MP facility cost. (8) Purchase of property was not a component of the original impact fee calculations. Costs for property purchases are included as part of this analysis, absent this comparison to the Master Plan estimates. (9) 2001 Master Plan Estimate is based on the Engineer's Estimate of the improvements constructed and adjusted by the ENR.															

City of Porterville  
Sewer Capital Improvement Cost

[illegible]

City of Porterville  
Waste Water Treatment Facility  
(WWTF) Capital Improvement Cost

Project Name	Contractor	Project Bid Date	Council Acceptance Date	Project ENR Date	Project ENR (1)	2001 MP Pipe Length (ft)	2001 MP Pipe or Facility Cost Estimate (\$)	01MP Estimate of Pipe or Facility Constructed in Total Project (\$)	2001 MP ENR	ENR Update of 01 MP Estimate of Pipe or Facility Constructed	Actual Length of Pipe Constructed in Total Project (ft)	Cost of Total Project (\$)	Portion of 01MP Pipe Constructed in Total Project (ft)	Cost of 01MP Pipe or Facility Constructed in Total Project (\$)	Differential Between Actual Cost & 01MP Cost (\$)	(%)
Underhill Pilot Percolation Ponds	Wood Bros	04/02/2002	11/15/2002	N/A	N/A	N/A	N/A	N/A	N/A	\$325,000.00	N/A	\$311,031.50		\$311,031.50	\$13,968.50	4%
Hunsaker +/- 100 Acre Property Purchase(2)	N/A			N/A	N/A	N/A	N/A	N/A	N/A	\$736,714.00	N/A	\$736,714.00		\$736,714.00	\$0.00	0%
Underhill +/- 180 Acre Property Purchase	N/A			N/A	N/A	N/A	N/A	N/A	N/A	\$736,000.00	N/A	\$736,000.00		\$736,000.00	\$0.00	0%
Monitoring Wells	Bradley & Sons	7/23/2002	12/14/2002	N/A	N/A	N/A	N/A	N/A	N/A	\$45,000.00	N/A	\$122,975.00		\$122,975.00	-\$77,975.00	-173%
Effluent Outfall Delivery System & Percolation Pond Expansion (2)	Nicholas Const.	01/16/2006	3/16/2007	N/A	N/A	N/A	N/A	N/A	N/A	\$1,405,780.00	N/A	\$1,362,326.87		\$1,362,326.87	\$103,453.13	7%
WWTF Buried Sludge Removal (2)	Mich Brown Const.	02/28/2007		N/A	N/A	N/A	N/A	N/A	N/A	\$330,341.00	N/A	\$166,096.40		\$166,096.40	\$164,250.60	50%
Sludge Bed Expansion Project including consultant fees by BSK (2)	Kaweah Const.	12/7/2004	10/10/2005	N/A	N/A	N/A	N/A	N/A	N/A	\$757,094.00	N/A	\$785,033.77		\$785,033.77	-\$27,939.77	-4%
Effluent Piping and Land Leveling (2)	Guinn Const.	12/12/2007	02/22/08	N/A	N/A	N/A	N/A	N/A	N/A	\$1,257,028.75	10,036	\$842,899.16	10,036	\$842,899.16	\$414,138.59	31%
Rd. 218 Effluent Pipeline Modification (2)	Sierra Const.	11/10/2009	4/6/2010	N/A	N/A	N/A	N/A	N/A	N/A	\$215,317.59	1,355	\$124,732.50	1,355	\$124,732.50	\$88,585.00	42%
CIEDS Loan Origination Fees	N/A			N/A	N/A	N/A	N/A	N/A	N/A	\$45,525.00	N/A	\$45,525.00		\$45,525.00	\$0.00	0%
Consultant Cost for all CIEDS Funded Projects (2)	Carollo, Roberts Eng., Dec Jassar	2001 to 2008	Various	N/A	N/A	N/A	N/A	N/A	N/A	\$411,034.00	N/A	\$414,534.00		\$411,634.00	\$0.00	0%
										\$0.00		\$0,423,451.25		\$5,744,960.20	\$678,491.05	11%

Notes: (1) Cost Estimates Reflect Project Year - Waste Water Facility Improvements is not a component of the 2001 Sewer Master Plan Capital Improvement Program.  
(2) Waste Water Treatment Facility Projects were funded by a California Infrastructure and Economic Bank (CIEDB). Total Loan amount is: \$5,356,000. A small portion of this loan funded maintenance projects within the WWTF.  
(3) Waste Water Treatment Facility was expanded in 2000 and funded by a \$15,000,000 COP issuance.



Pipe Reach or Facility ID	Project Name	Contractor	Project Bid Date	Council Acceptance Date	Project ENR Date	Project ENR (1)	1994 MP Pipe Length (ft)	1994 MP Pipe or Facility Cost Estimate (\$)	1994 MP Estimate of Pipe or Facility Constructed (\$)	1994 MP ENR	ENR Update of 94 MP Estimate of Pipe Constructed (\$)	Actual Length of Pipe Constructed (ft)	Cost of Total Project (\$)	Percent of 1994 MP Pipe Constructed in Total Project (ft) (%)	Cost of R4MP Pipe or Facility Constructed in Total Project (\$)	Differential Between Actual Cost & R4MP Cost (\$)	(%)
Reach Yr01, Yr04, Yr05 & Yr06 Drainage Reservoir No. 40 (5)	Granite Hills High School Project Granite Hills High School Project - Construction of new Reservoir Granite Hills High School Project - Enlargement of Ex. Reservoir (5933 cy capacity increase of 82,873 cy required increase)	PUSD PUSD	8/14/1996 12/8/1998	3/5/2002 2/2/1999	1996 1999	5596.94 6039.2	3604 N/A	\$293,575.00 \$147,192.00	\$293,575.00 \$147,192.00	5417.89 5417.89	\$303,277.04 \$164,071.01	3604 N/A	\$298,001.00 \$250,385.00	3604 N/A	\$298,001.00 \$250,385.00	\$5,196.04 -\$94,313.39	2% -57%
Drainage Reservoir No. 26 Tr01, Tr02, Tr03, Tr13 & Tr14	Granite Hills Streets Project Phase 1 (aka 1&2)	PUSD Milch Brown	6/27/1996 5/15/2001	4/3/2001 4/15/2003	1996 2001	5596.94 6318.2	N/A 2700	\$16,805.00 \$155,947.00	\$16,805.00 \$100,460.00	5417.89 5417.89	\$17,360.37 \$101,861.27	1403 6227	\$61,028.92 \$531,789.00	N/A 1878	\$68,028.92 \$206,805.59	-\$51,468.55 -\$24,024.32	-296% -13%
Drainage Reservoir No. 53 - G.54 acre site (5)	Construct Drainage Reservoir No. 53 (77,730cy of 72,923 cy required)	Milch Brown	5/15/2001	4/15/2003	2001	6318.2	N/A	\$206,553.00	\$206,553.00	5417.89	\$240,876.84	N/A	\$254,886.59	N/A	\$254,886.59	-\$14,006.95	-6%
Drainage Reservoir No. 53 (5) (9)	Purchase of 6.45 ac. Drainage Reservoir No. 53 (Hillcrest-Roby)	-	-	7/26/2001	-	-	-	-	-	-	-	-	\$72,000.00	-	\$72,000.00	\$0.00	0%
Reach Tr04 (5)	Granite Hills Streets Project Phase 2 (aka 3&4)	Milch Brown	7/22/2002	1/20/2004	2002	6531.97	800	\$45,320.00	\$79,479.95	5417.89	\$54,639.15	1403	\$74,869.55	1403	\$74,869.55	-\$20,230.40	-37%
Reach Tr13, Tr14, Tr15, Tr16 & Tr19	Drainage Reservoir No. 10 and Reach 1r Storm Drain Project	Mauldin-Darmler	9/30/1994	6/6/1995	1994	5417.89	2700	\$162,983.00	\$195,343.39	5417.89	\$162,983.00	3308	\$507,784.76	3308	\$507,784.76	-\$344,801.76	-212%
Portion Reach Tr01	Plano Self Storage	By Developer	7/27/1999	6/8/2000	2000	6238.1	318	\$23,780.00	\$23,780.00	5417.89	\$27,380.04	318	\$12,302.36	318	\$12,302.36	\$15,077.68	55%
Reach Gr27, Gr28, Gr29, & Gr30	Grand Avenue Outfall Line	Mauldin-Darmler	7/26/2001	10/6/2002	2001	6318.2	2380	\$351,726.00	\$351,726.00	5417.89	\$410,175.69	2388	\$785,430.53	2388	\$783,430.53	-\$373,254.64	-91%
Drainage Reservoir 20 (5) (9)	Purchase of Drainage Reservoir No. 20 Orchard Ridge Phase 1	-	-	4/4/2006	-	-	-	-	-	-	-	-	\$124,388.71	-	\$124,388.71	\$0.00	0%
Excavate Drainage Reservoir 20 (5)	Orchard Ridge Phase 1 (25,000cy Ex of 54,063cy capacity)	By Developer	11/11/1997	4/4/2006	1997	5060.4	N/A	\$70,748.00	\$70,748.00	5417.89	\$75,526.38	N/A	\$105,618.82	N/A	\$105,618.82	-\$29,092.43	-30%
Excavate Drainage Reservoir 20 (5)	Orchard Ridge Phase 2 (3400cy of 54,063cy capacity)	By Developer	11/11/1997	4/4/2006	1997	5860.4	N/A	\$9,630.50	\$9,630.50	5417.89	\$10,417.08	N/A	\$10,728.23	N/A	\$10,728.23	-\$311.15	-3%
Excavate Drainage Reservoir 20 (5)	Orchard Ridge Phase 3 (4870cy of 54,063cy capacity)	By Developer	6/1/1999	4/4/2006	1999	6039.2	N/A	\$13,794.00	\$13,794.00	5417.89	\$13,945.52	N/A	\$13,945.52	N/A	\$13,945.52	\$1,429.34	9%
Excavate Drainage Reservoir 20 (5)	Orchard Ridge Phase 4 (2435cy of 54,063cy capacity)	By Developer	1/1/2000	4/4/2006	2000	6238.1	N/A	\$6,897.00	\$6,897.00	5417.89	\$7,941.13	N/A	\$7,069.18	N/A	\$7,069.18	\$871.95	11%
Excavate Drainage Reservoir 20 (5)	Orchard Ridge Phase 5 (8600cy of 54,063cy capacity)	By Developer	6/1/2000	4/4/2006	2000	6238.1	N/A	\$24,359.00	\$24,359.00	5417.89	\$28,046.69	N/A	\$16,395.44	N/A	\$16,395.44	\$11,651.25	42%
Portion of Reach Cr01 (5)	Orchard Ridge Phase 5	By Developer	6/1/2000	4/4/2006	2000	6238.1	1308	\$74,088.20	\$58,882.70	5417.89	\$85,315.87	1038	\$49,954.04	1038	\$49,954.04	\$35,361.83	41%
Excavate Drainage Reservoir 20 (5)	Orchard Ridge Phase 6 (3550cy of 54,063cy capacity)	By Developer	9/21/2001	4/4/2006	2006	7690	N/A	\$10,055.35	\$10,055.35	5417.89	\$14,272.28	N/A	\$4,587.64	N/A	\$		

Pipe Reach or Facility ID	Project Name	Contractor	Project Bid Date	Council Acceptance Date	Project ENR Date	Project ENR (1)	1994 MP Pipe Length (ft)	1994 MP Pipe or Facility Cost Estimate (\$)	94MP Estimate of Pipe or Facility Constructed in Total Project (\$)	1994 MP ENR	ENR Update of 94 MP Estimate of Pipe Constructed	Actual Length of Pipe Constructed in Total Project (ft)	Cost of Total Project (\$)	Form of 94MP Pipe Constructed in Total Project (ft) (2)	Cost of 94MP Pipe or Facility Constructed in Total Project (\$)	Differential between Actual Cost & 94MP Cost (%)	
Reach Yr01, Yr04, Yr05 & Yr06	Granite Hills High School Project	PUSD	8/14/1996	3/5/2002	1996	5596.94	3604	\$293,575.00	\$293,575.00	5417.89	\$303,277.04	3604	\$298,081.00	3604	\$298,081.00	\$5,196.04	2%
Drainage Reservoir No. 40 (5)	Granite Hills High School Project - Construction of new Reservoir	PUSD	12/01/1998	2/2/1999	1999	6039.2	N/A	\$147,192.00	\$147,192.00	5417.89	\$164,071.61	N/A	\$258,385.00	N/A	\$258,385.00	-\$94,313.39	-57%
Drainage Reservoir No. 26	Granite Hills High School Project - Enlargement of Ex. Reservoir (5933 cy capacity increase of 62,973 cy required increase)	PUSD	6/27/1996	4/3/2001	1996	5596.94	N/A	\$16,805.00	\$16,805.00	5417.89	\$17,369.37	N/A	\$68,020.92	N/A	\$68,020.92	-\$51,468.55	-296%
Tr01, Tr02, Tr03, Tr13 & Tr14	Granite Hills Streets Project Phase 1 (aka 162)	Mitch Brown	5/15/2001	4/15/2003	2001	6318.2	2700	\$155,947.00	\$106,465.00	5417.89	\$181,861.27	6227	\$531,789.00	1878	\$205,685.59	-\$24,024.32	-13%
Drainage Reservoir No. 53 - 6.54 acre site (5)	Construct Drainage Reservoir No. 53 (77,730cy of 72,923 cy required)	Mitch Brown	5/15/2001	4/15/2003	2001	6318.2	N/A	\$206,553.00	\$206,553.00	5417.89	\$240,876.68	N/A	\$254,805.59	N/A	\$254,805.59	-\$14,008.85	-6%
Drainage Reservoir No. 53 (5) (9)	Purchase of 6.45 ac. Drainage Reservoir No. 53 (Hillcrest-Roby)	-	-	7/26/2001	-	-	-	-	-	-	-	-	\$72,000.00	-	\$72,000.00	\$0.00	0%
Reach Tr04 (5)	Granite Hills Streets Project Phase 2 (aka 384)	Mitch Brown	7/22/2002	1/20/2004	2002	6531.97	800	\$45,320.00	\$79,479.95	5417.89	\$54,639.15	1403	\$74,869.55	1403	\$74,869.55	-\$20,230.40	-37%
Reach Tr13, Tr14, Tr15, Tr16 & Tr19	Drainage Reservoir No. 10 and Reach 1r Storm Drain Project	Mauldin-Dorfmeier	9/30/1994	6/8/1995	1994	5417.89	2760	\$162,983.00	\$192,343.39	5417.89	\$162,983.00	3308	\$597,784.76	3308	\$597,784.76	-\$344,001.76	-212%
Portion Reach Tr01	Piano Self Storage	By Developer	7/27/1999	8/6/2000	2000	6238.1	318	\$23,780.00	\$23,780.00	5417.89	\$27,300.04	318	\$12,302.36	318	\$12,302.36	\$15,077.68	55%
Reach Gr27, Gr28, Gr29, & Gr30	Grand Avenue Outfall Line	Mauldin-Dorfmeier	7/28/2001	1/8/2002	2001	6318.2	2308	\$351,728.00	\$351,728.00	5417.89	\$410,175.89	2308	\$783,430.53	2308	\$783,430.53	-\$373,254.64	-91%
Drainage Reservoir 20 (5) (9)	Purchase of Drainage Reservoir No. 20 Orchard Ridge Phase 1	-	-	4/4/2006	-	-	-	-	-	-	-	-	\$124,388.71	-	\$124,388.71	\$0.00	0%
Excavate Drainage Reservoir 20 (5)	Orchard Ridge Phase 1 (25,000cy Ex of 54,063cy capacity)	By Developer	11/1/1997	4/4/2006	1997	5860.4	N/A	\$70,740.00	\$70,740.00	5417.89	\$76,526.39	N/A	\$105,618.82	N/A	\$105,618.82	-\$29,092.43	-36%
Excavate Drainage Reservoir 20 (5)	Orchard Ridge Phase 2 (3400cy of 54,063cy capacity)	By Developer	11/1/1997	4/4/2006	1997	5860.4	N/A	\$9,630.50	\$9,630.50	5417.89	\$10,417.08	N/A	\$10,728.23	N/A	\$10,728.23	-\$311.15	-3%
Excavate Drainage Reservoir 20 (5)	Orchard Ridge Phase 3 (4870cy of 54,063cy capacity)	By Developer	6/1/1999	4/4/2006	1999	6039.2	N/A	\$13,794.00	\$13,794.00	5417.89	\$15,375.86	N/A	\$13,946.52	N/A	\$13,946.52	\$1,428.34	9%
Excavate Drainage Reservoir 20 (5)	Orchard Ridge Phase 4 (2435cy of 54,063cy capacity)	By Developer	1/1/2000	4/4/2006	2000	6238.1	N/A	\$6,897.00	\$6,897.00	5417.89	\$7,941.13	N/A	\$7,069.18	N/A	\$7,069.18	\$871.95	11%
Excavate Drainage Reservoir 20 (5)	Orchard Ridge Phase 5 (8600cy of 54,063cy capacity)	By Developer	6/1/2000	4/4/2006	2000	6238.1	N/A	\$24,359.00	\$24,359.00	5417.89	\$28,046.69	N/A	\$16,395.44	N/A	\$16,395.44	\$11,651.25	42%
Portion of Reach Cr01 (5)	Orchard Ridge Phase 5	By Developer	8/1/2000	4/4/2006	2000	6238.1	1308	\$4,098.20	\$58,802.70	5417.89	\$85,315.87	1038	\$49,954.04	1038	\$49,954.04	\$35,361.83	41%
Excavate Drainage Reservoir 20 (5)	Orchard Ridge Phase 6 (3550cy of 54,063cy capacity)	By Developer	9/21/2001	4/4/2006	2006	7690											

# PORTER VISTA PUBLIC UTILITY DISTRICT

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1124 E. Success Drive • P. O. Box 2280 • Porterville, California 93258 • (559) 781-7555 • FAX (559) 781-5642

RECEIVED

May 15, 2015

MAY 20 2015

City Of Porterville  
Attn: Mike Reed, Acting Public Works Director  
291 N. Main Street  
Porterville CA 93257

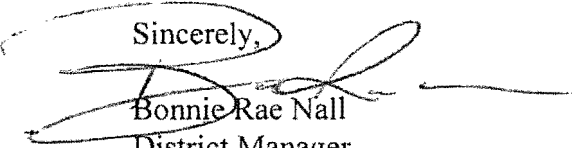
City of Porterville  
Public Works Dept.

Subject: Annual Adjustment Of Fees By Application Of The ENR Cost Index - Fiscal  
Year 2015/16

The Board of Directors reviewed your letter dated 4/24/15 at their meeting on 5/13/15. Please review our contract dated 7/1/1995, page 12. We want to remind you to let us know by May 1st of each year of any increases for the District. This is in the contract so the District has time to budget and to notify the District customers if needed. If the City Counsel decides to raise rates at the 6/2/15 meeting that's Ok but remember any increase for the District won't take effect until July 1, 2016.

If you have any questions, please don't hesitate to contact me.

Sincerely,



Bonnie Rae Nall  
District Manager

cc: J. Patrick Sullivan



## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** Public Hearing – Consider Moving into Phase III of the City's Water Conservation Plan

**SOURCE:** Public Works

**COMMENT:** On March 17, 2015, the State Water Resources Control Board ("State Water Board" or "Board") adopted an expanded emergency conservation regulation to safeguard the state's remaining water supplies as California enters a fourth consecutive dry year. The effective date of the expanded emergency conservation regulation was March 27, 2015.

The 2015 emergency conservation regulation prohibits:

- Using potable water to wash sidewalks and driveways;
- Allowing runoff when irrigating with potable water;
- Using hoses with no shutoff nozzles to wash cars;
- Using potable water in decorative water features that do not recirculate the water;
- Irrigating outdoors during and within 48 hours following measurable rainfall.

The prohibitions above apply to businesses and residents. In addition, the 2015 emergency regulation also focuses on the restaurant and hospitality sector:

- Restaurants are prohibited from serving water to their customers unless the customer requests it; and
- Hotels and motels must offer their guests the option to not have their linens and towels laundered daily, and prominently display this option in each guest room.

Large urban water suppliers (serving >3000 connections) must:

- Impose restrictions on outdoor irrigation;
- Notify customers about leaks that are within the customer's control;
- Report on water use monthly; and
- Report on compliance and enforcement.

On April 1, 2015, the Governor issued an Executive Order that the Water Board shall impose restrictions to require that commercial, industrial, and institutional properties, such as campuses, golf courses, and cemeteries, immediately implement water efficiency measures to reduce potable water usage in an amount consistent with the reduction targets mandated by the Executive Order.

The Water Board shall prohibit irrigation with potable water of ornamental turf on public street medians. The Water Board shall prohibit irrigation with potable water outside of newly constructed homes and buildings that is not delivered by

drip or microspray systems. The Water Board shall direct urban water suppliers to develop rate structures and other pricing mechanisms including, but not limited to, surcharges, fees, and penalties, to maximize water conservation consistent with statewide water restrictions. (The April 21, 2015, ruling on the San Juan Capistrano case, regarding tiered rates, has put this item of the Governor's plan in question).

The current regulations limit the number of days per week that outdoor irrigation is allowed. Urban water suppliers with water shortage contingency plans, such as the City, can rely on limitations in their plans if they exist. Plans with no limitations must restrict outdoor watering to two days-per-week. Water shortage contingency plans can be amended to impose day-per-week restrictions in lieu of implementing the two days-per-week plan.

Violations of prohibited activities are considered infractions and are punishable by fines of up to \$500 for each day in which the violation occurs. Any peace officer or employee of a public agency charged with enforcing laws, and authorized to do so by ordinance, may issue a citation to the violator.

The City of Porterville will be responding to enforcement of the provisions of Phase III by issuing a courtesy reminder for all unwitnessed occurrences and staff will be processing all reported issues. It is important to note that these restrictions apply not only within the city limits, but to all properties on the City's water system.

Witnessed violators will be processed by the following:

- 1st occurrence will be subject to a warning;
- 2nd occurrence within a 12-month period will result in a citation of a \$100 fine;
- 3rd occurrence within a 12-month period will result in a citation of a \$200 fine;
- 4th occurrence within a 12-month period will result in a citation of a \$500 fine.

The State Water Board can issue cease and desist orders against water agencies that don't impose mandatory outdoor irrigation restrictions upon their retail customers. Water suppliers that violate cease and desist orders are subject to civil liability of up to \$10,000 a day.

On April 1, 2015, the Governor issued an Executive Order that directed the State Water Board to implement mandatory water reductions in cities and towns across California to reduce potable urban water usage by 25 percent statewide. On April 18, 2015, the State Water Board released revised proposed regulations that would require the City of Porterville to meet a 32% water usage reduction as compared to 2013. The Emergency rulemaking formal notice was set for April 28, 2015, and adopted by the Board May 5, 2015. The Office of Administrative Law approved the Emergency Regulation May 18, 2015. The required date of implementation is estimated to be June 1, 2015.

In order for the City of Porterville to meet the 32% reduction in water usage, it is recommended the City transition from Phase II to Phase III of the City's Water Conservation Plan. The main component of Phase III is the limitation to two

days-per-week outdoor watering. Under Phase III, the City of Porterville will enforce a two days-per-week odd/even watering schedule for all residents. Watering is prohibited between the hours of 5:00 a.m. to 10:00 a.m. and 5:00 p.m. to 10:00 p.m. Watering shall only occur on designated watering days. Excessive run-off is prohibited. Addresses ending in an odd number (1,3,5,7, or 9) water on Tuesday and Saturday. Addresses ending in an even number (0,2,4,6, or 8) water on Wednesday and Sunday. There is no watering on Monday, Thursday, or Friday.

Implementation of these restrictions will improve the City's water conservation efforts and assist in meeting the State's defined 32% reduction requirement. Staff will also be closely monitoring water production, and will keep the Council informed as to the status of the municipal water system, including whether or at what point the City should consider implementation of Phase IV.

RECOMMENDATION: That City Council:

1. Conduct the Public Hearing; and
2. Consider transitioning from Phase II to Phase III of the City's Water Conservation Plan.

ATTACHMENTS:           1.     Water Conservation Phase III  
                                  2.     Drought Response Phase III Flyer

Appropriated/Funded: MB

Review By:

Department Director:

Mike Reed, City Engineer

Final Approver: John Lollis, City Manager

## ● DROUGHT RESPONSE PHASE III: SIGNIFICANT WATER SUPPLY SHORTAGE

*Drought Response Phase III applies during periods when there is a significant water supply shortage. In addition to upholding the programs and provisions outlined in Phases I and II, the City must be diligent in its water conservation efforts by issuing penalties for non-compliance.*

### ACTIONS BY THE CITY:

<b>Adoption and Enforcement of Stricter Water Regulations and Restrictions</b>	<ul style="list-style-type: none"> <li>The City of Porterville will enforce a two day a week odd/even watering schedule for all residents. Watering is prohibited between the hours of 5:00 AM to 10:00 AM and 5:00 PM to 10:00 PM. Watering shall only occur on designated watering days. Excessive run-off is prohibited.</li> <li>Non-compliance with the City of Porterville's water conservation regulations, as outlined below, will result in one written warning from the City of Porterville before the issuance of a citation. A second violation within a 12 month period will result in the issuance of a citation with a fine of \$100.00; a second citation will result in a fine of \$200.00; a third citation will result in a fine of \$500.00. Willful and egregious violations will result in issuance of a citation without a warning. Each day that a violation continues shall be regarded as a new and separate offense.</li> <li>Per Section 25-5 of the City Municipal Code, "The consumer shall use reasonable care to prevent the waste of water, shall not allow water to run or waste from his property onto streets or highways, shall not use water in washing sidewalks, building entrances or lobbies or other properties to such excess that water shall flow in street gutters beyond the frontage of the properties occupied by them."</li> </ul>
<b>Public Information Program</b>	The utility billing system will begin to notify customers of restrictions on water use. The program to promote public awareness will be intensified with emphasis placed on communicating the mandatory water conservation requirements to the public.
<b>City Landscapes and Watering Schedules</b>	All City parks, median islands, and public facility landscapes will adopt a two-day watering schedule. If it becomes necessary, watering of City parks and median islands will be suspended and evaluated each day.
<b>Continuation of all Conservation Programs and Regulations Established in Phases I and II</b>	See Phases I and II

### ACTIONS BY THE GENERAL PUBLIC:

<b>Mandatory Reduction in Watering Days Durations</b>	<ul style="list-style-type: none"> <li>Addresses ending in an odd number (1, 3, 5, 7, or 9) water on Tuesday and Saturday. Addresses ending in an even number (0, 2, 4, 6, or 8) water on Wednesday and Sunday. There is no watering on Monday, Thursday, or Friday. See Exhibit 3 below.</li> <li>Watering is prohibited between the hours of 5:00 AM to 10:00 AM and 5:00 PM to 10:00 PM. Watering shall only occur on designated watering days.</li> </ul>
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	<ul style="list-style-type: none"> <li>Excessive runoff is prohibited.</li> </ul>
<b>Ornamental Water Features</b>	<ul style="list-style-type: none"> <li>Filling or re-filling ornamental lakes or ponds is prohibited, except to the extent needed to sustain aquatic life.</li> <li>The operation of ornamental fountains or other structure making similar use of water is prohibited unless the fountain uses a recycling system.</li> </ul>
<b>Vehicle Washing and Sidewalk Hosing</b>	<ul style="list-style-type: none"> <li>The washing of sidewalks, driveways, parking areas, patios or other paved areas is prohibited, unless it is necessary for the health and safety of the public.</li> <li>The washing of automobiles, trucks, trailers, boats, and airplanes is only permitted on designated watering days. Such washing, when allowed, shall be done with a hand held bucket, or hand held hose equipped with a positive shutoff nozzle for quick rinses.</li> <li>Per Section 25-5 of the City Municipal Code, "The consumer shall use reasonable care to prevent the waste of water, shall not allow water to run or waste from his property onto streets or highways, shall not use water in washing sidewalks, building entrances or lobbies or other properties to such excess that water shall flow in street gutters beyond the frontage of the properties occupied by them."</li> </ul>
<b>Water Leaks</b>	All leaks must be treated as a priority upon discovery and repaired at the safest scheduled opportunity.

Mandatory Odd/Even Water Schedule						
MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY
DO NOT WATER	OK TO WATER	OK TO WATER	DO NOT WATER	DO NOT WATER	OK TO WATER	OK TO WATER
	ODD	EVEN			ODD	EVEN
<div> <div></div> Odd Address           <div></div> Even Address         </div>						

Exhibit 3





## DROUGHT RESPONSE Phase III

**Mandatory Odd/Even Watering Schedule, based on address. Residents will be allowed TWO days a week to water lawns and landscapes. No watering allowed on Mondays, Thursdays, and Fridays.**

**Watering is prohibited between the hours of 5:00 AM to 10:00 AM and 5:00 PM to 10:00 PM.**

**No watering outdoor landscapes during and within 48 hours after measurable rainfall.**

**Excessive water runoff is prohibited.**

**The washing of sidewalks and driveways is prohibited.**

**Vehicles shall only be washed on designated watering days and with a hose equipped with a shut-off nozzle.**

**The operation of ornamental water features is prohibited unless the fountain uses a recycling system.**

**Non-compliance with Phase III water conservation regulations could result in citations with fines up to \$500.**

# DROUGHT RESPONSE PHASE III

The City of Porterville has adopted Phase III of its Drought Response Plan. As part of the Phase III plan, the City has restricted watering days to two days per week, based on address.

### Mandatory Odd/Even Watering Schedule

MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY
DO NOT WATER	OK TO WATER	OK TO WATER	DO NOT WATER	DO NOT WATER	OK TO WATER	OK TO WATER
---	ODD	EVEN	---	---	ODD	EVEN

Odd Address

Even Address

#### ODD NUMBER ADDRESSES

If your address ends with an “odd” number, 1, 3, 5, 7, or 9, your watering days are Tuesday and Saturday *only*.

**OR**

#### EVEN NUMBER ADDRESSES

If your address ends with an “even” number, 0, 2, 4, 6, or 8, your watering days are Wednesday and Sunday *only*.

Violation Level	Citation Amount
First Violation	Warning Only
Second Violation	\$100 Fine
Third Violation	\$200 Fine
Fourth Violation	\$500 Fine

## Mandatory Odd/Even Watering Schedule

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## Excessive water runoff prohibited

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## The washing of sidewalks and driveways is prohibited

---

## Vehicles shall only be washed on designated watering days and with hoses equipped with a shut-off nozzle

---

## Ornamental water features are prohibited unless the fountain uses a recycling system

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## WATERING PROHIBITED BETWEEN THE HOURS OF 5:00 – 10:00 AM 5:00 – 10:00 PM

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## NO WATERING ON MONDAYS, THURSDAYS, AND FRIDAYS.



## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** Approval of WildPlaces Mural to be Located at 466 E. Putnam Avenue

**SOURCE:** Community Development

**COMMENT:** On April 29, 2015, at the Arts Commission's regularly scheduled meeting, representatives from WildPlaces presented a mural proposal. The proposal consisted of the concept design, color scheme, and identified the Comision Honorifica Mexicana Americana (CHMA) building, located at 466 E. Putnam Avenue, as an ideal location and institution to implement such a project. Representatives also highlighted that there would be no cost to the City for this project. All costs for surface prep, materials, and equipment, as well as on-going mural maintenance have been accounted for in a \$10,000 Tulare County Step-Up (Step-Up) grant awarded to WildPlaces. Step-Up grants are designed to fund projects that target the involvement of youth who are gang-affiliated or are gang-exposed. The grant stipulates that WildPlaces work with at-risk students living in Tulare County District Five. This is a collaborative project between WildPlaces, AJAC (Academia Juvenil de Arte y Cultura) (Youth Academy of the Arts and Culture), Step-Up, CHMA and both Burton Schools and Porterville Unified School District. Burton School District Pathways students are the proposed artists of the mural.

The mural is a depiction of the place we live, and it is designed to cover the entry façade of the building (Attachment 1). The design includes a vibrant backdrop of the Sierra Nevada, the Tule River, and a pair of Sequoias on the forefront. The mural will also include individual elements such as Tule reeds, red-tailed hawk, quails and other creatures and plant life native to our area. These elements will be created by the students and will be attached to the mural as three dimensional objects made from plywood, rendered and painted.

Prior to recommending approval for City Council, the Arts Commission requested WildPlaces hold a community meeting to include, at minimum, the 300-foot radius surrounding 466 E. Putnam. Two members of City staff attended the community meeting on May 13, 2015, as well as representatives from WildPlaces and CHMA. Comments from two members of the public were presented; one in support of the mural, and the second comment was a question on how the mural would affect property values.

On May 20, 2015, the Arts Commission accepted the mural design submitted by the WildPlaces organization and directed staff to move forward with a recommendation for City Council's consideration. This item is time sensitive as the Step-Up grant requires the project to be completed by June 30, 2015. The

grant also requires that the mural remain for a period of five (5) years, including its maintenance. In the event the mural cannot remain for the set five-year period (the lease agreement between CHMA and the City is due to renew/expire on March 31, 2017) the grant allows for the mural to be painted over.

If the mural is approved, staff recommends City Council approve the maintenance agreement (Attachment 2) with WildPlaces.

RECOMMENDATION:       Than the City Council:  
                                  1. Consider the mural design; and  
                                  2. If approved, adopt the mural maintenance agreement with WildPlaces, and authorize and direct the Mayor to execute the same.

ATTACHMENTS:           1. CHMA Mural  
                                  2. WildPlaces Mural Maintenance Agreement

Appropriated/Funded: N/A

Review By:

Department Director:

Jenni Byers, Community Development Director

Final Approver: John Lollis, City Manager



# **WildPlaces Mural Maintenance Agreement**

Recognizing the value to the community, the following agreement has been adopted by the City of Porterville (“City”) and the WildPlaces Organization (“WP”). This Agreement establishes policies regarding the construction, maintenance and repairs of the “WildPlaces” mural located on the Comision Honorifica Mexicana Americana (“CHMA”) building located at 466 E. Putnam Avenue, Porterville California.

## **A. Term.**

This Agreement shall be in effect for five (5) years beginning June 2, 2015, and ending June 2, 2020. At the completion of five (5) years, the Agreement shall be reviewed by both parties, and may be extended or amended upon mutual consent and in writing.

## **B. Indemnification and Insurance**

1. To the fullest extent permitted by law, WP agrees to indemnify, defend and hold the City of Porterville, and all employees, officers and its representatives free and harmless from any liability arising from or related to WP participation in carrying out the Agreement or its maintenance activities. The City acknowledges that WP is responsible for, among other things, the quality of work and/or any claim related to the work by any third party including but not limited to the artist. WP acknowledges that the mural once completed shall be owned by the City, and therefore the City shall release and hold WP harmless for any claims by third parties for damages related to the completed mural, so long as and to the extent said claims are not related to WP maintenance or other activities per this Agreement.
2. Once the construction of the mural is completed and has been accepted by the City, the City shall provide insurance coverage, in an amount and form it deems sufficient, for WP for its maintenance activities.

## **C. Rights and Responsibilities of the Committee**

1. Upon completion, the mural shall be the property of the City.
2. No conceptual changes are to be made to the approved original image without prior City Council approval.
3. WP agrees that it shall preserve the integrity of the wall and not alter, damage, obstruct or remove the mural. The City agrees to not alter, damage, obstruct or remove the mural without written notification sixty (60) days prior to WP.
4. WP covenants and agrees, for itself, its successors, and its assigns that it will keep the property walls (front and back) free of graffiti. Any repairs, costs and expense shall be the responsibility of WP. WP shall also be responsible for the continued maintenance of the graphic integrity portion (paint) of the mural including periodic coatings to protect against weathering from the elements and vandalism. WP further agrees to immediately initiate any needed repairs within forty eight (48 hours) of notice of the occurrence of graffiti or other damages to the mural, and WP

further agrees to complete the repairs within a reasonable time. Finally, WP agrees to maintain a reasonable maintenance fund for the provision of timely repairs and maintenance.

5. If either party breaches this Agreement, the other party may give written notice of any alleged breach and the party receiving notice shall have ten (10) days from the date of such notice within which to cure the breach, unless the parties agree that a longer time period is necessary. If the breach is not cured within the 10 day period (or a longer period if agreed to by the parties), the party having given notice may terminate the Agreement with written notice of termination. Additionally, either party may terminate this Agreement without cause upon ninety (90) days notice to the other party.
6. This document contains the entire agreement of the parties and shall not be amended except by a writing executed by both parties.
7. This Agreement is entered into and to be performed in Tulare County, California.

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

**CITY**

\_\_\_\_\_  
Milt Stowe, Mayor City of Porterville

\_\_\_\_\_  
Date

**WILDPLACES**

\_\_\_\_\_  
Mehmet McMillan, Consultant/Founder  
Program Manager

\_\_\_\_\_  
Date

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Julia Lew, City Attorney

\_\_\_\_\_  
Date



## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** Cargo Container Permit - Wal-Mart (1250 W. Henderson Avenue)

**SOURCE:** Community Development

**COMMENT:** On March 4, 2014, City Council adopted Resolution 14-2014, which regulated the use of cargo containers. As a result of Resolution 14-2014, the City Council may approve or deny the use of cargo containers as temporary, non-standard development for those who seek long-term use for more than three containers for additional storage capacity. On January 20, 2015, City Council adopted Resolution 08-2015, which amended the previously adopted resolution to incorporate language that allowed City Council to permit cargo containers for up to five years.

Wal-Mart, located at 1250 W. Henderson Avenue, is seeking approval from City Council to allow the use of 16 cargo containers from the timeframe of January 16th through September 30th (258 days), and 26 cargo containers from the timeframe of October 1st through January 15th (107 days), for a period of four years. The cargo containers will be used to accommodate yearly storage capacity needs along with holiday season inventory needs for long-term temporary use for a period of four years, beginning June 2, 2015, through June 2, 2019. The containers are situated in the most remote portion of the parking lot, not within any setback requirements and do not obstruct access to parking for Wal-Mart or other businesses. They are located at the most western end of the parcel but, unfortunately, are partially visible from public right-of-way (Prospect Street) and are not in compliance with Resolution 08-2015 as illustrated herein as Attachment 2. Staff recommends Wal-Mart be required to identify some type of screening mechanism through the use of vines and/or additional landscaping.

Further, of the 961 parking spaces on the Wal-Mart parking lot, 72 spaces would be lost during the timeframe of October 1st through January 15th (26 containers) to accommodate the placement of storage containers for the holiday season inventory needs. Because the store only requires 419 spaces, the store would continue to have more than the required parking spaces, even with the temporary structures.

**RECOMMENDATION:** That the City Council:

1. Authorize staff to work with Wal-Mart to incorporate screening materials to completely screen the cargo containers from the public right-of-ways to be in compliance with the

standards identified in Resolution 08-2015; and

2. Adopt the draft resolution approving the Cargo Container Permit to allow 16 cargo containers from the timeframe of January 16th through September 30th, and 26 cargo containers from the timeframe of October 1st through January 15th, for a period of four years located at 1250 W. Henderson Avenue (Wal-Mart).

ATTACHMENTS:

1. Site Plan and Detail Plan
2. Pictures
3. Draft Resolution with Exhibits

Appropriated/Funded: N/A

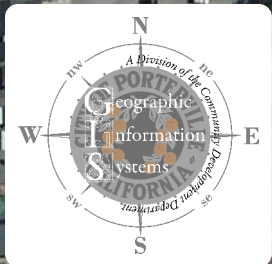
Review By:

Department Director:

Jenni Byers, Community Development Director

Final Approver: John Lollis, City Manager

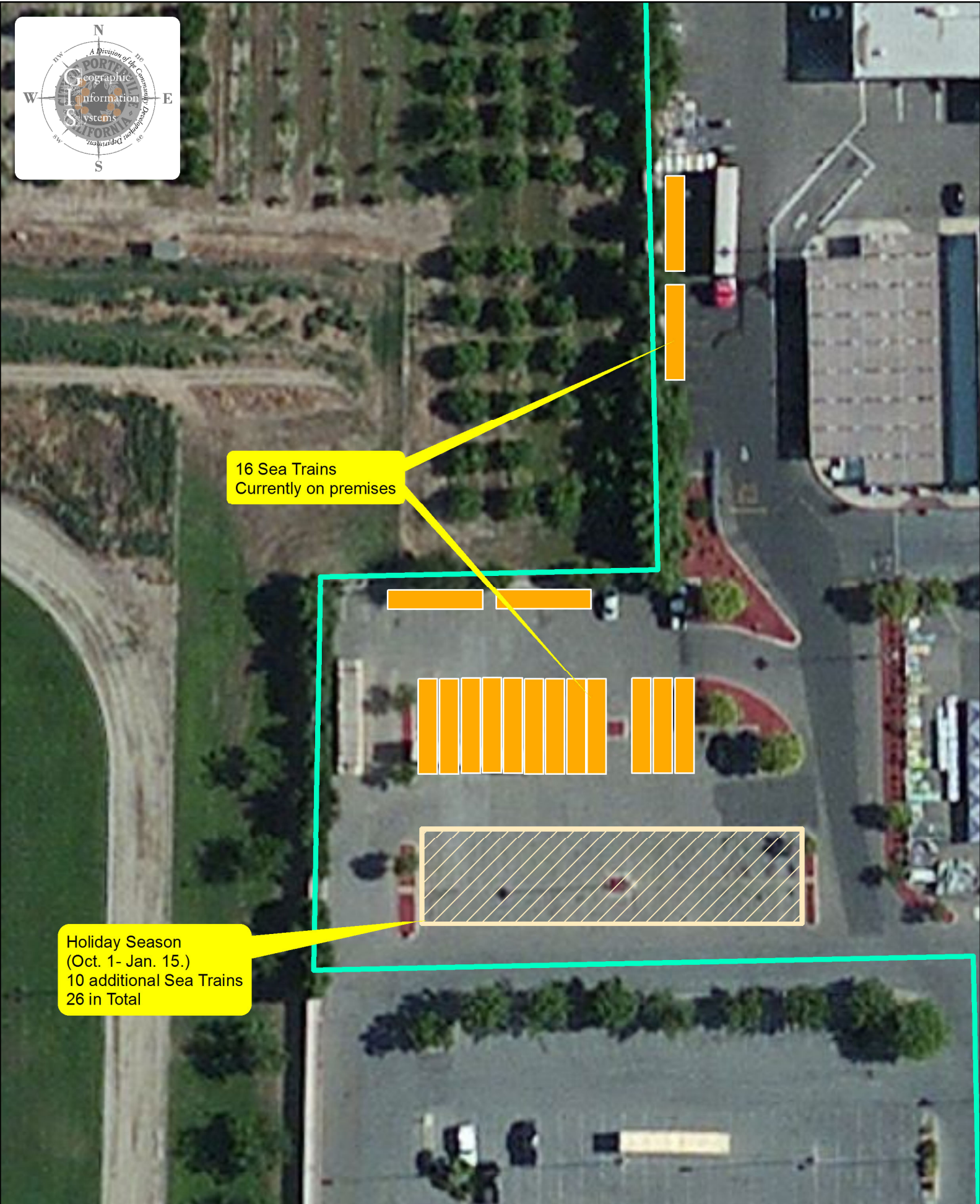
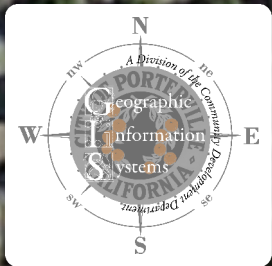




**Wal-Mart Sea Train Exhibit - Entire Site Plan**

1 inch = 200 feet





**Wal-Mart Sea Train Exhibit - Detailed Plan**

1 inch = 50 feet















RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE  
APPROVING THE USE OF CARGO CONTAINERS AS TEMPORARY  
NON-STANDARD DEVELOPMENT FOR LONG-TERM USE LOCATED  
AT 1250 W. HENDERSON AVENUE (WAL-MART)

WHEREAS: The applicant has applied for a Cargo Container Permit to utilize 16 cargo containers from the timeframe of January 16<sup>th</sup> through September 30<sup>th</sup> and 26 containers from the timeframe of October 1<sup>st</sup> through January 15<sup>th</sup> for a period of four years located at 1250 W. Henderson Avenue (Wal-Mart); and

WHEREAS: Resolution 08-2015 authorizes the City Council, upon written application and site plan, to approve a Cargo Container permit for the use of more than three cargo containers; and

WHEREAS: The City Council of the City of Porterville authorized City staff to work with Wal-Mart to incorporate screening materials to completely screen the cargo containers from the public right-of-ways to be in compliance with the standards identified in Resolution 08-2015; and

WHEREAS: The City Council of the City of Porterville, at its regular scheduled meeting of June 2, 2015, considered approving the use of cargo containers as temporary non-standard development for long-term use at 1250 W. Henderson Avenue.

NOW, THEREFORE, BE IT RESOLVED: That the City Council of the City of Porterville does hereby grant a permit for the use of 16 cargo containers from the timeframe of January 16<sup>th</sup> through September 30<sup>th</sup> (258 days) and 26 cargo containers from the timeframe of October 1<sup>st</sup> through January 15<sup>th</sup> (107 days). The cargo containers will be used to accommodate yearly storage capacity needs along with holiday season inventory needs for long-term temporary use for a period of four years, beginning June 2, 2015, through June 2, 2019, with the following conditions:

1. The number of containers allowed would be determined by Council.
2. The time period requested shall be specified by the applicant. Final expiration of the permit shall be coterminous with the permit expiration date approved by Council. Extensions will not be permitted. However, the applicant may apply for another long-term, discretionary permit. Failure to obtain the renewed permit could result in Code Enforcement action and associated fines.
3. The placement of the cargo containers shall be such that they do not interfere with the permanent site improvements, including, but not limited to, parking, loading areas, on-site circulation, and accessibility.
4. The placement of the cargo containers shall not encroach into required setbacks, and shall not be visible from off-site or public streets.

5. Council may require additional conditions intended to ensure the use does not create blight.
6. The duration of the permit for the use of the cargo containers is for four years beginning on June 2, 2015, and ending on June 2, 2019.
7. The placement of the cargo containers shall be consistent with the site plan represented in Exhibit A, attached hereto, with associated screening materials.

PASSED, APPROVED AND ADOPTED this 2<sup>nd</sup> day of June, 2015.

By: \_\_\_\_\_  
Milt Stowe, Mayor

ATTEST:  
John D. Lollis, City Manager

\_\_\_\_\_  
Patrice Hildreth, Chief Deputy City Clerk

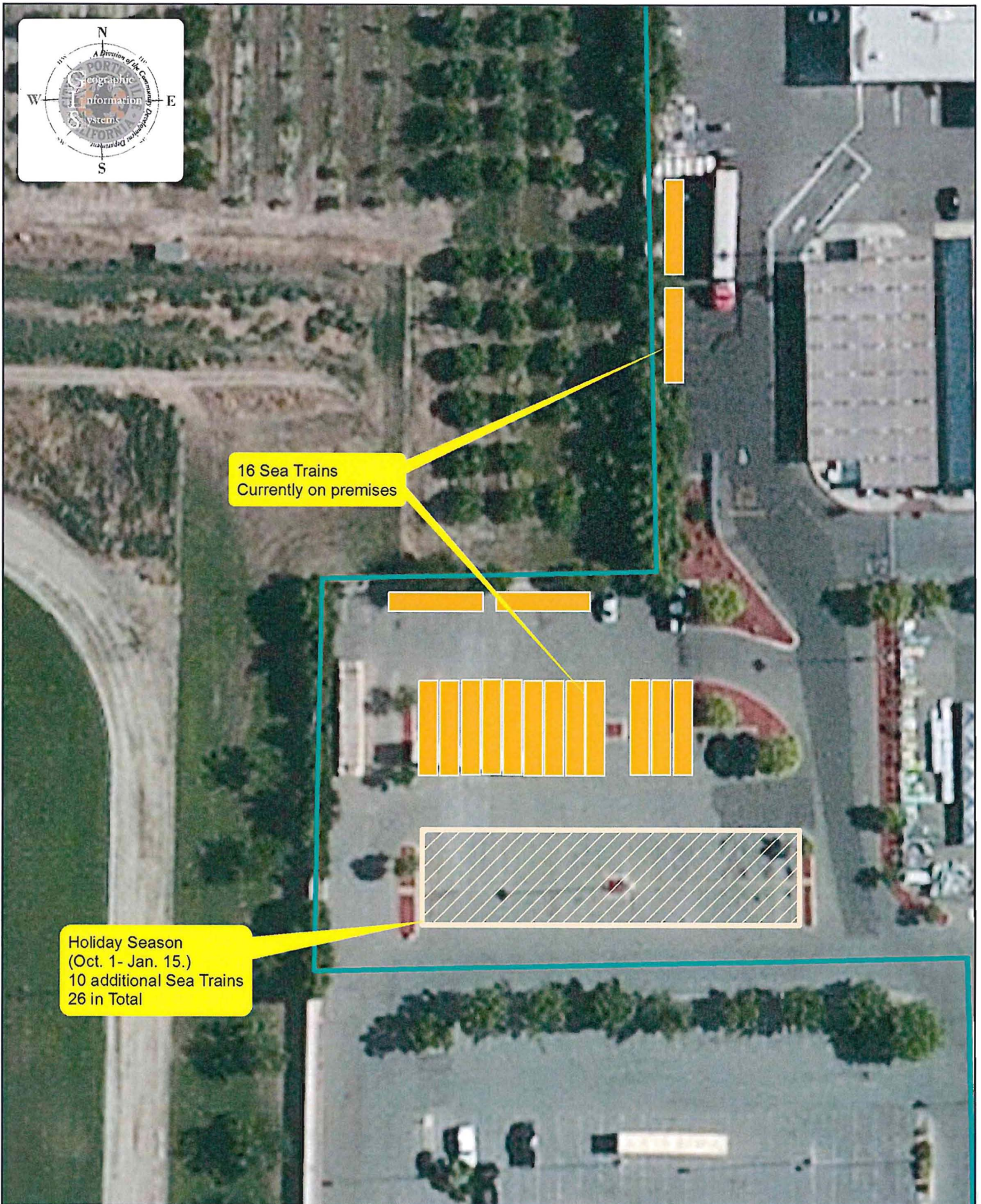




# Wal-Mart Sea Train Exhibit - Entire Site Plan

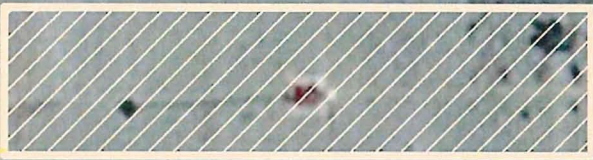
Exhibit A  
1 of 2





16 Sea Trains  
Currently on premises

Holiday Season  
(Oct. 1- Jan. 15.)  
10 additional Sea Trains  
26 in Total



Wal-Mart Sea Train Exhibit - Detailed Plan





## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** Update Regarding Temporary Structure Permit for Storage and Consignment of Equipment at 952 West North Grand Avenue

**SOURCE:** Community Development

**BACKGROUND:**

In June 2013, the City Council authorized a temporary structure permit for Mr. Steve Penn for the storage and consignment of farm and construction vehicles and equipment (Resolution 36-2013). The site encompasses 2.46± acres and is located at the northeast corner of State Route 65 and North Grand Avenue. The site address is 952 West North Grand Avenue. Subsequently, in June 2014, the Council approved an extension of one year (Resolution 33-2014).

**COMMENT:** In anticipation of another renewal, staff reached out to Mr. Penn beginning in April, and while phone calls and counter visits with staff did take place, a letter formally requesting the extension of this permit was never received from the business owner. Resolution 33-2014 includes a condition that the permit shall expire on June 4, 2015, unless renewed by the applicant and approved by the City Council prior to that date. To allow consideration of an extension prior to expiration, staff initiated and scheduled the item for City Council.

**ANALYSIS:** As staff reviewed the facts and history of this case, it became apparent that the mechanism currently used to permit this business at this location merits reconsideration. The use of the site as it stands today was initially considered by the Council in 2009, under the previous Zoning Ordinance. At that time, the applicant had requested the ability to sell materials from the site, and the staff report documented that were it not for the requested opportunity to sell products and materials, the site's use as an equipment storage yard would be considered a legal, non-conforming use. At that time, the most applicable mechanism to allow this expanded use was a temporary structure permit, as outlined in the Porterville Municipal Code, Section 7-3.3. The logic was that because the structures on site could be used for an undefined, but temporary period, this accommodation suited the proposed use. In 2010, the City Council adopted the Porterville Development Ordinance, including Chapter 307, which established parameters for nonconforming uses, including the expansion thereof. In 2011, the applicant allowed the permit to lapse for approximately two years, before reinitiating consignment sales and storage in early 2013. In a manner consistent with the previous approvals, the temporary structure permit was again applied for and granted in 2013.

One of the conditions of the temporary structure permits (Resolutions 36-2013 and 33-2014) required that a record of consignment sale shall be submitted to the Community Development Department at least one month prior to the one year review for inclusion into the annual Council review. In 2014, at the time staff reached out regarding extension of the permit, and again in 2015, the applicant advised staff that he is no longer selling materials at this location, and it is only a storage yard.

As noted above, the Temporary Structure Permit currently in place will expire on June 4, 2015. The applicant has not presented any information to staff, but has verbally expressed an interest in maintaining his use of the site as a storage yard. If the Council chooses to allow such a use to continue, staff would recommend modifying the mechanism used from a Temporary Structure Permit to a Conditional Use Permit to reestablish a legal, non-conforming use, which is allowed by the new Development Ordinance. A resolution to that end could be brought to the next Council meeting, as the typical process has already been completed in order to approve the Temporary Structure Permit. All conditions would remain the same, except that the requirement to provide record of consignment sale would be removed, as the site would no longer be used for consignment sales. If, in the future, the business owner selects to re-initiate that element of his business, a modification to that new conditional use permit could accommodate the change, if warranted and approved by the Council at that time.

As an aside, a sub-leasor of a portion of the subject site repairs, maintains, and sells lawnmowers. That business is allowed to legally operate at the site in the General Commercial zone district as a Maintenance and Repair facility, with outdoor retail sales as an accessory use as approved by the Zoning Administrator. The lawnmower business would not be affected by the decisions made regarding Mr. Penn's business.

#### ENVIRONMENTAL REVIEW:

The review of this item for consideration is not a project subject to CEQA. However, if the Council chooses to allow the continued use of the site as it is, or in a modified fashion, the appropriate level of environmental review is a Class 1 Categorical Exemption. A Notice of Exemption would be filed following any action taken by the City Council.

RECOMMENDATION: That the City Council consider the following options and provide direction to staff:

1. Allow the existing Temporary Structure Permit to expire, and take no action.
2. Direct staff to return to the meeting of June 16, 2015, with a Conditional Use Permit to re-establish a legal, non-conforming use, and extend the expiration date of the existing Temporary Structure Permit until June 17, 2015.
3. Request action or information from the business owner and reschedule consideration of this item to a future

meeting to determine a course of action.

ATTACHMENTS:           1.    Resolution 33-2014  
                              2.    Resolution 36-2013

Appropriated/Funded:

Review By:

Department Director:

Jenni Byers, Community Development Director

Final Approver: John Lollis, City Manager

RESOLUTION NO. 33-2014

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE  
APPROVING A TEMPORARY STRUCTURE PERMIT TO ALLOW FOR THE STORAGE  
AND CONSIGNMENT OF EQUIPMENT LOCATED AT 952 WEST NORTH GRAND  
AVENUE.

WHEREAS: The applicant has filed a request for renewal of a Temporary Structure Permit to operate a storage and consignment business at 952 West North Grand Avenue; and

WHEREAS: Section 7-3.3 of the Porterville Municipal Code authorizes the City Council to, upon written application to the City Council, issue a permit enabling an applicant in time of stress or emergency or in conjunction with development of residential, commercial, or industrial projects, to erect, construct, maintain and utilize a temporary structure within the city of Porterville; and

WHEREAS: Ordinance 1659 allows the Council to apply Section 7-3.3 of the Municipal Code to temporary uses as well as structures; and

WHEREAS: The applicant has worked with City Staff to address potential safety and other pertinent issues; and

WHEREAS: The City Council of the City of Porterville, at its regular scheduled meeting of June 3, 2014 considered approving a temporary structure permit to allow for the storage and consignment of equipment located at 952 West North Grand Avenue.

NOW, THEREFORE, BE IT RESOLVED: That the City Council of the City of Porterville does hereby grant a Temporary Structure Permit to allow for the storage and consignment of equipment located at the northeast corner of State Route 65 and North Grand Avenue (952 W. North Grand) with the following conditions:

1. The uses shall be consistent with the site plan represented in Exhibit A attached hereto.
2. At all times, the facility shall be operated and maintained to comply with applicable Local, State, and Federal laws and regulations.
3. The applicant shall maintain the outdoor storage area with decomposed granite or similar material to the satisfaction of the Zoning Administrator.
4. The hours of operation shall be Monday- Saturday between dawn and dusk.
5. Any and all outdoor storage areas in use, and all drive aisles shall be watered daily to eliminate dust, or a dust palliative treatment shall be applied as needed to eliminate dust.


6. The developer/applicant shall maintain vehicle barriers such as railroad ties acceptable to the City Engineer between the public parking area and the storage and display areas.
7. Oil pans or like devices shall be installed underneath all stored vehicles, and maintained in a manner so as to prevent vehicle engine oil and/or fluids from contacting the ground.
8. The merchandise displayed in any outdoor display area on the site shall be limited to farm or construction equipment.
9. Landscaping shall be maintained around the perimeter adjacent to public rights of way in order to provide screening of the outdoor storage.
10. Vehicular access onto the subject site shall be limited on West North Grand Avenue to one entrance within the existing curb cut near the eastern boundary of the parcel.
11. Parking for employees and patrons of the business shall be provided on site.
12. A record of consignment sales shall be submitted to the Community Development Department at least one month prior to the one year review for inclusion into the annual Council review.
13. Any other conditions set forth by Council shall be in compliance.
14. In the event the applicant fails to satisfy all conditions set forth by the City Council in the permit, the right to construct, maintain and utilize the temporary structure may be terminated immediately by action of the City Council, and, in addition thereto, a violation of the conditions of said permit is hereby declared to be unlawful.
15. Nothing herein shall permit an applicant to make use of any structure or area in violation of any zoning law, ordinance or regulation of the City.
16. This temporary structure permit shall be valid for a period of one year, to expire on June 4, 2015, unless renewed by the applicant and approved by the City Council prior to that date.

PASSED, APPROVED and ADOPTED this 3<sup>rd</sup> day of June, 2014.

  
Cameron J. Hamilton, Mayor

ATTEST:

John Lollis, City Manager

By:   
Patrice Hildreth, City Clerk

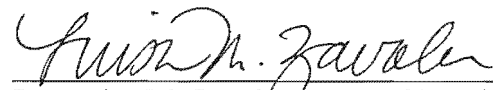
STATE OF CALIFORNIA    )  
CITY OF PORTERVILLE    )       SS  
COUNTY OF TULARE     )

I, JOHN D. LOLLIS, the duly appointed City Clerk of the City of Porterville do hereby certify and declare that the foregoing is a full, true and correct copy of the resolution passed and adopted by the Council of the City of Porterville at regular meeting of the Porterville City Council duly called and held on the 3<sup>rd</sup> day of June, 2014.

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

Council:	McCRACKEN	WARD	HAMILTON	SHELTON	GURROLA
AYES:		X	X		X
NOES:					
ABSTAIN:				X	
ABSENT:	X				

JOHN D. LOLLIS, City Clerk

  
By: Luisa M. Zavala, Deputy City Clerk

RESOLUTION NO. 36 -2013

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE  
APPROVING A TEMPORARY STRUCTURE PERMIT TO ALLOW FOR THE STORAGE  
AND CONSIGNMENT SALES OF EQUIPMENT LOCATED AT 952 WEST NORTH  
GRAND AVENUE.

WHEREAS: The applicant has filed a request for a temporary structure permit to operate a storage and consignment sales business at 952 West North Grand Avenue; and

WHEREAS: Section 7-3.3 of the Porterville Municipal Code authorizes the City Council to, upon written application to the City Council, issue a permit enabling an applicant in time of stress or emergency or in conjunction with development of residential, commercial, or industrial projects, to erect, construct, maintain and utilize a temporary structure within the city of Porterville; and

WHEREAS: Ordinance 1659 allows the Council to apply Section 7-3.3 of the Municipal Code to temporary uses as well as structures; and

WHEREAS: The applicant has worked with City Staff to address potential safety and other pertinent issues; and

WHEREAS: The City Council of the City of Porterville, at its regular scheduled meeting of June 4, 2013 considered approving a temporary structure permit to allow for the storage and consignment of equipment located at 952 West North Grand Avenue.

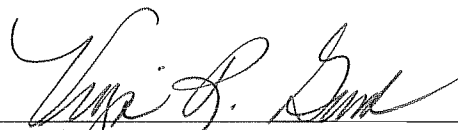
NOW, THEREFORE, BE IT RESOLVED: That the City Council of the City of Porterville does hereby grant a temporary use permit to allow for the storage and consignment sales of equipment located at the northeast corner of State Route 65 and West North Grand Avenue (952 West North Grand) with the following conditions:

1. The uses shall be consistent with the site plan represented in Exhibit A attached hereto.
2. At all times, the facility shall be operated and maintained to comply with applicable Local, State, and Federal laws and regulations.
3. The applicant shall pave the outdoor storage area with decomposed granite or similar material to the satisfaction of the Zoning Administrator.
4. The hours of operation shall be Monday- Saturday between dawn and dusk.
5. Any and all outdoor storage areas in use, and all drive aisles shall be watered daily to eliminate dust, or a dust palliative treatment shall be applied as needed to eliminate dust.



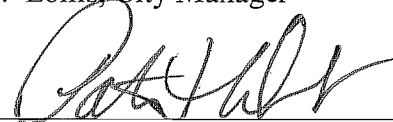
6. The developer/applicant shall install and maintain vehicle barriers such as railroad ties acceptable to the City Engineer between the public parking area and the storage and display areas.
7. Oil pans or like devices shall be installed underneath all stored vehicles, and maintained in a manner so as to prevent vehicle engine oil and/or fluids from contacting the ground.
8. The merchandise displayed in any outdoor display area on the site shall be limited to farm or construction equipment.
9. Landscaping shall be installed around the perimeter adjacent to public rights of way in order to provide screening of the outdoor storage.
10. Vehicular access onto the subject site shall be limited on West North Grand Avenue to one entrance within the existing curb cut near the eastern boundary of the parcel.
11. Parking for employees and patrons of the business shall be provided on site.
12. A record of consignment sales shall be submitted to the Community Development Department at least one month prior to the one year review for inclusion into the annual Council review.
13. Any other conditions set forth by Council shall be in compliance.
14. In the event the applicant fails to satisfy all conditions set forth by the City Council in the permit, the right to construct, maintain and utilize the temporary structure may be terminated immediately by action of the City Council, and, in addition thereto, a violation of the conditions of said permit is hereby declared to be unlawful.
15. Nothing herein shall permit an applicant to make use of any structure or area in violation of any zoning law, ordinance or regulation of the City.
16. This temporary structure permit shall be valid for a period of one year, to expire on June 4, 2014, unless renewed by the applicant and approved by the City Council prior to that date.

PASSED, APPROVED AND ADOPTED this 4th day of June, 2013.

By:   
Virginia R. Gurröla, Mayor

ATTEST:

John D. Lollis, City Manager

By:   
Patrice Hildreth, Chief Deputy City Clerk

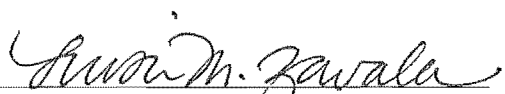
STATE OF CALIFORNIA     )  
CITY OF PORTERVILLE    )       SS  
COUNTY OF TULARE       )

I, JOHN D. LOLLIS, the duly appointed City Clerk of the City of Porterville do hereby certify and declare that the foregoing is a full, true and correct copy of the resolution passed and adopted by the Council of the City of Porterville at a regular meeting of the Porterville City Council duly called and held on the 4<sup>th</sup> day of June, 2013.

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

Council:	WARD	McCRACKEN	GURROLA	SHELTON	HAMILTON
AYES:	X		X		X
NOES:		X			
ABSTAIN:				X	
ABSENT:					

JOHN D. LOLLIS, City Clerk

  
By: Luisa M. Zavala, Deputy City Clerk



## CITY COUNCIL AGENDA – JUNE 2, 2015

SUBJECT: City of Porterville 2015 Water System Hydraulic Analysis

SOURCE: Public Works

COMMENT : The City's consultant, Dee Jaspar and Associates, has recently completed a Water System Hydraulic Analysis. The City contracts reports of this type on a project-by-project basis, or as special circumstances arise. Concerns regarding impacts of the drought prompted this analysis. The project was split into two phases. Phase One tasked the consultant with updating the City's computerized hydraulic model and providing findings. New infrastructure constructed since 2005, such as, but not limited to, the 3 million gallon tank at Martin Hill, the 550,000 gallon tank on Rocky Hill in East Porterville, the 12-inch water main loop around the Municipal Airport, the Veterans Park Booster Pump, and the 12-inch water mains in the west pressure zone were entered into the model as were current drought-impacted municipal water well productions. The data indicated that the City's water distribution system is very capable of conveying water to its existing users. However, the production capabilities have declined by over 4,000 gallons per minute (gpm) since 2010, which equates to a 28% reduction. A reduction of over 11,000 gpm (51% reduction) is documented when comparing today's production versus the initial design production of all City wells. These reductions are attributed to the aging of the wells and, most significantly, the current drought conditions.

Phase Two required the consultant to determine if the City's water system could support the development of two planned residential subdivisions within the city of Porterville, the East Porterville water delivery program (TCOES Tank Program), a proposed 122 acre annexation within East Porterville (serving 126 single-family residences and 22 commercial properties), permanent water connections of single-family residential lots in East Porterville that are adjacent to existing water mains and meet connection criteria (less than 25,000 sf), and eventual infrastructure required to serve all of East Porterville. Another requirement of the analysis involved estimating the production of planned new municipal water wells and revealing the impact to the City's system. Planned additional production facilities include Well No. 32 at the Fairgrounds, a new City/County well, Beverly-Grand water system consolidation well, Akin water system consolidation well, and potentially another City/County well for the possible 122 acre annexation east of Plano. The combined estimated water production of these planned wells is 2,400 gpm.

The analysis included a determination of the average daily demand (ADD), maximum daily demand (MDD), and the peak hour demand (PHD) of the existing City water users. The crucial focus of any water system is the MDD, which occurs during the summer months. The derived current MDD requires a total well production of 12,250 gpm. Current well production is 11,965 gpm, which leaves a difference of 285 gpm. This can be offset by existing storage reservoirs. Of concern to staff is the potentially

recurring MDD scenarios where the storage reservoirs can no longer offset the negative difference between the demand and production. The City of Porterville's Water Master Plan recommends water production that at least satisfies the MDD with a reserve capacity of 3,000 gpm.

The attached Technical Memorandum, Exhibit "A," encompasses both phases of the analysis. The following is a summary of the findings:

- It is recommended that no new services be connected to the City water system until new sources (wells) are constructed. Well No. 32 should be on-line by the end of 2015 and will have a capacity to service the two planned single-family residential subdivisions and the TCOES tank program in East Porterville.
- An additional well and other system improvements are recommended prior to providing water service to the proposed East Porterville Annexation and the East Porterville properties adjacent to existing water mains.
- Permanent connection of the East Porterville area will require 1,705 gpm during a MDD, requiring the construction of five new wells. Additionally, a second 3.0 million gallon tank is being recommended in the east pressure zone.

The consultant's analysis and recommendations are based on all wells pumping continuously during MDD periods, which doesn't provide any redundancy if a well becomes inoperable. It is also recommended that serious consideration be given to providing additional wells than described herein to provide back-up supply. However, given the state of the historical drought, it is possible that as the drought subsides, groundwater levels will recover and well capacities will improve.

Recently, the Council approved five island annexations consisting of 500 parcels and of those parcels, thirty-six percent (36%) are served by the City's water system. Since then, nine parcels have been granted water connections via the Extraterritorial Service Agreement process, which is an interim step prior to annexation. The impact of these connections are minimal (7 gpm during MDD scenario). Most of the areas without water will require the extension of underground infrastructure (water mains, services, and meters) before the properties can be served, which takes time to finance and construct. Therefore, minimal immediate impact is anticipated.

In order to provide full disclosure, the consultant was not required to evaluate tentative subdivision maps that have land entitlements, the development of the recently approved mixed- use project on Henderson Avenue, or the affordable housing project on Newcomb Street. The tentative subdivision maps, ten in total, with entitlements have yet to develop and they have been on the books since the economic boom ended. A series of legislative automatic extensions has extended the expiration dates of these maps, but they are due to expire upon various dates beginning this year and ending in 2017, absent additional legislative automatic extensions and discretionary extensions for those maps that qualify. These subdivisions, cumulatively, will have a MDD impact of approximately 800 gpm. This demand will not be an instant demand as it takes several years for these type of residential projects to fully develop, should they develop at all. At the time these maps were approved, the City's water system was stable and could

support the additional demand. Staff has asked the City Attorney to research the owners' right to develop now that the drought has significantly affected our ability to supply water to these entitled projects.

Two apartment complexes are under construction near Henderson Avenue and Newcomb Avenue, and will soon generate a MDD of about 400 gpm. This happens to match the production of Well No. 32, slated to come online by the end of the year. In August 2015, full build is anticipated for the market rate complex on Henderson Avenue and the affordable housing complex on Newcomb Street is scheduled for completion in December 2015. With that said, there will not be an immediate impact during the peak summer months of 2015.

Currently, there are a few commercial developments under review, permitted, or recently completed, such as, but not limited to, Applebee's, Water Drops Car Wash, Del Taco, Wing Stop, and Me & Ed's Pizza. Applebee's is complete and the Water Drops Car Wash is expected to open this summer. The remaining projects are not anticipated to have an impact during the coming summer months.

On April 18, 2015, the State Water Board, as directed by the Governor's Executive Order, released revised proposed regulations that would require the City of Porterville to meet a 32% water usage reduction as compared to 2013. The Board hearing was May 5, 2015, and required an implementation date of June 1, 2015. The conservation measures, should they be met, reduces the City's MDD to about 8,300 gpm, which illustrates a well production "free-board" of 3,665 gpm. This means the City's water system can effectively serve our users through the summer months should all citizens and water users cooperate with the state mandated water conservation measures.

There are plans to bring several wells on-line and each are at various stages of implementation or speculation. A summary of these future wells, including estimated production and anticipated completion dates are given below:

<b><u>Proposed Well</u></b>	<b><u>Expected Capacity</u></b>	<b><u>Anticipated Completion</u></b>
Well No. 32	400 <u>gpm</u>	December 2015
City/County Well #1	600 <u>gpm</u>	August 2016
Akin Well	400 <u>gpm</u>	Unknown-Private
Beverly/Grand Well	400 <u>gpm</u>	Unknown-Private
City/County Well #2	600 <u>gpm</u>	Unknown

Total capacity of these future wells is 2,400 gpm and will assist in the ability to serve new developments as they are presented to the City of Porterville. The Akin and Beverly/Grand wells are being privately initiated by those water companies, in partnership with the State, as a condition of connection to the City's water system.

In summary, the Water System Hydraulic Analysis recommends not approving additional residential connections until compensating new water sources are available.

The recommendation is solid, but does not take into consideration the conservation requirements of the State. The continuation of the drought into next year and the approval of additional projects from this point forward is a true dilemma at this time. All new development projects, as of this writing, should be carefully considered and approval given only if new wells are connected, well production increases or water conservation measures are implemented to create available capacity.

RECOMMENDATION: That City Council:

1. Consider development impacts to the water system in light of this historic drought; and
2. Require staff to carefully monitor the water system production and keep Council abreast of the City's ability to serve existing and future users.

ATTACHMENTS: 1. Water System Hydraulic Analysis, 2015 - Dee Jaspar and Associates

Appropriated/Funded: N/A

Review By:

Department Director:

Mike Reed, City Engineer

Final Approver: Patrice Hildreth, Administrative Services Dir

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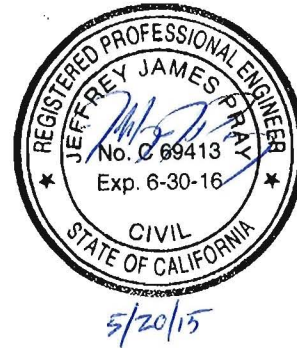
**TECHNICAL MEMORANDUM**

**PREPARED FOR:** Michael Reed, Acting Public Works Director  
City of Porterville  
291 N. Main Street  
Porterville, CA 93257

**PREPARED BY:** Jeff Pray, P.E.  
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2730 Unicorn Road, Bldg. A  
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**DATE:** May 19, 2015

**SUBJECT:** Hydraulic Analysis Memorandum



A hydraulic analysis has been performed by our firm for the City's water system. This memorandum discusses our analysis of existing water sources, system demand, system hydraulics, and the system's ability to meet proposed development.

**I. EXECUTIVE SUMMARY**

The City receives all of its water supply from groundwater. The current source capacity from the system's wells is 11,965 gpm. This is down approximately 28% from 16,506 gpm in 2010. This decline is attributed to aging wells and extended drought conditions.

The City's current water demands are estimated to be:

Average Day Demand =	7,388 gpm
Maximum Day Demand =	12,250 gpm
Peak Hour Demand =	26,882 gpm

The system maintains 10.1 million gallons of above-ground storage which is allowing it to sufficiently meet the peak hour demand. However, the current well capacity is only just sufficient to meet the maximum day demand requirement.



This report considers five proposed projects that have requested water service. The projects are listed below together with their estimated maximum daily water demand.

1. Summit Estates Two	138 gpm
2. Prospect / Beverly Development	133 gpm
3. Trucking Water to East Porterville	46 gpm
4. Beltran Annexation	131 gpm
5. 250 East Porterville Lots Meeting the Criteria for City Water Service	178 gpm
<b>Total:</b>	<b>626 gpm</b>

It is recommended that no new water services be connected to the City system until new sources are constructed. Well 32 is proposed to be completed by the end of 2015 and will have a capacity of 400 gpm. This will allow water service to the first three projects listed above. An additional well and other system improvements are recommended prior to providing water service connections to Beltran or the East Porterville properties.

Finally, an analysis was performed to consider the requirements for providing water service to the entire East Porterville area. Demands for the East Porterville area were estimated using the land uses shown on the current City Zoning Map together with the estimated water use for each land use shown in the Water Master Plan. With a projected MDD of 1,705 gpm, it is estimated that an additional 4 to 5 wells would be needed in order to provide water service to this area. Additionally, a second 3.0 million gallon storage tank is recommended in the East pressure zone and additional pumping capacity is needed for moving water from the central to the east pressure zones.

The analysis and recommendations in this report are based on all wells pumping continuously during maximum water demand periods – which doesn't provide any redundancy if a well becomes inoperable. It is recommended that consideration be given to providing additional wells beyond what is recommended herein to provide back-up supply. However, given the state of the current drought, it is also possible that as the drought subsides, groundwater levels will recover and well capacities will improve.

## **II. ANALYSIS OF EXISTING WATER SYSTEM**

### **Computer Model Modifications**

A computer hydraulic model of the City's water system is maintained by our firm. The model was reviewed to ensure that it contained the latest infrastructure improvements. The following modifications were made to the model:

- Added Martin Hill 3 million gallon tank and a 16" pipeline from the tank to Main Street
- Added City Well 21 back into the model as it has been reactivated
- Removed Lindale 2 well from model since it has been abandoned
- Removed a reservoir near Well 29





- Adjusted PRV set points to more closely match existing settings

### Existing Source Capacity

The City receives all of its water supply from groundwater. Due to drought conditions and aging wells, the capacities of the wells have declined over recent years. The past and current well supply is shown in Table 1 below.

**Table 1 – Historic and Current Well Supply (gpm)**

Well	Pressure Zone	Design Flow	2010 Flow	Current Flow
AP-1	Central	500	305	305
AP-2	Central	1184	584	500
City 1A	Central	469	470	440
City 3	Central	640	430	333
City 4	Central	404	254	200
City 6	Central	650	628	590
City 7	Central	509	350	200
City 8	Central	340	180	130
City 10	Central	550	448	214
City 11	Central	374	284	280
City 15	Central	538	433	350
City 16	Central	823	700	609
City 17	Central	1421	912	574
City 18	Central	1000	568	587
City 19	Central	783	463	260
City 20	Central	1426	568	600
City 21	Central	1000	800	550
City 22	Central	1988	1000	800
City 23	Central	800	508	400
City 24	West	1271	904	539
City 25	Central	1000	588	585
City 26	Central	900	538	263
City 27	Central	1000	250	220
City 28	Central	550	325	250
City 29	West	1000	700	350
City 31	West	1500	1500	900
Lindale 1	West	175	250	238
Lindale 5	West	463	374	0 (Inoperable)
Lindale 7	Central	448	448	311
Lindale 8	West	250	240	0 (Inoperable)
Roland 5	Central	125	104	0 (Inoperable)
Roland 7	West	291	400	337
EP-5	East	80	--	50
TOTAL		23,452	16,506	11,965

Current well production is at approximately 51% of the original well design capacity. As stated previously, this is largely due to aging wells and declining water levels due to the drought conditions. As pumping water levels drop, the wells tend to produce more entrained air in the



pumped water which damages pumps and generates complaints from residents. To mitigate this, the City will typically throttle a valve on the well discharge to reduce the flow to a rate that doesn't produce air. The well capacities shown in the "Current Flow" column are the flow rates that can be reasonably expected from each well without producing excessive amounts of air. In the computer model, flow control valves were added to each well to simulate this condition.

### Existing Demand Analysis

The City's Master Water Study had information regarding total water demand through the mid-nineties. Water production records from the past 5 years were provided to our firm by the City. It appears that water production hasn't increased significantly since 1997. Table 2 shows the historical water use of the City.

**Table 2 – Annual Water Use (Million Gallons)**

Year	Water Use
1993	3,027
1994	3,203
1995	3,426
1996	3,444
1997	4,150
2010	4,037
2011	3,958
2012	4,243
<b>2013</b>	<b>4,290</b>
2014	3,883

The City does not have records for daily or hourly water production. In the absence of this data, the Master Water Study dictates that Average Day Demand (ADD) be calculated from the annual water use and that Maximum Day Demand (MDD) and Peak Hour Demand (PHD) be calculated from the ADD by using factors of 2.2 and 3.4 respectively. Using this method, the demands are shown for 1997, 2013, and 2014 in Table 3 below.

**Table 3 – Demand Calculation from Master Water Study (gpm)**

	1997	2013	2014
<b>Average Day Demand</b>	7,900	8,162	7,388
<b>Maximum Day Demand</b> (ADD x 2.2)	17,380	17,956	16,253
<b>Peak Hour Demand</b> (ADD x 3.4)	26,860	27,751	25,119

The 2013 Peak Hour Demand of 27,751 gpm was modeled in the computer and the resulting system pressures were observed. These pressures were compared against data provided by the City which showed the lowest pressures observed throughout the month of July 2014 at 15



different locations in the west and central pressure zones. The modeled pressures were slightly lower than the observed pressures indicating that the modeled PHD was too high. The modeled PHD was lowered until the modeled pressures matched the observed pressures. Through this process, the current PHD is estimated to be 26,882 gpm which is 3.6 times greater than the current ADD. Table 4 below shows the comparison of the measured pressure and modeled pressure at various points within the system for the 26,882 gpm demand condition.

**Table 4 – Measured vs. Modeled Pressure Comparison (psi)**

Location	Recorded Minimum Pressure from July 2014	Modeled Pressure at 26,882 gpm Demand
City 1A	34	34
City 3	36	36
City 4	35	37
City 6	41	39
City 7	38	38
City 10	48	43
City 15	61*	40
City 16	47	43
City 18	48	44
City 19	41	38
City 21	75*	38
City 22	86*	48
City 24	42	43
City 25	53	45
City 26	82*	45

\* Note: These numbers appear to be false readings either from a throttled well valve or an inoperable pressure transducer.

Additionally, the actual MDD is estimated to be lower than the 16,253 gpm calculated for 2014 because the well capacity is significantly lower than 16,253 gpm. The total water production for July 2014 was 494 million gallons. This is equivalent to 11,066 gpm throughout the month. The MDD may be higher than 11,066 gpm because there will likely be a slight variation in daily demand throughout the maximum month. However, with current well production at 11,965 gpm, and knowing that daily water production needs were met each day last year, the MDD is likely not too much higher than 11,965 gpm. The current MDD is estimated to be 12,250 gpm which is approximately 1.65 times greater than the current ADD.

Table 5 shows what this analysis estimates to be the current system demands for ADD, MDD, and PHD.

**Table 5 – Current Demand Estimation from Hydraulic Analysis (gpm)**

	<b>Current Demand</b>
<b>Average Day Demand</b>	7,388
<b>Maximum Day Demand</b> (ADD x 1.65)	12,250
<b>Peak Hour Demand</b> (ADD x 3.6)	26,882

### Hydraulic Analysis

As noted above, the hydraulic analysis was performed under PHD conditions with a peak system demand of 26,882 gpm. Well flow rates were as shown in Table 1. The storage tanks are also supplying water during peak hour periods. The modeled outflow from each tank is shown in Table 6 below.

**Table 6 – Peak Hour Flow out of Storage Tanks (gpm)**

<b>Tank</b>	<b>Pressure Zone</b>	<b>Outflow</b>
Airport	Central	2,352
Scenic 300k	Scenic	550
Scenic 3M	Central	2,632
Martin Hill	Central	3,091
East Porterville	East	6,228
Rocky Hill	Granite Hills	380
<b>TOTAL</b>		<b>15,233</b>

During peak hour periods, the model shows that water is moving through the system from the east to the west through the different pressure zones. The flow through each pressure reducing valve is as shown in Table 7.

**Table 7 – Peak Hour Flow Through PRVs (gpm)**

Valve	Flow
CW1	18
CW2	62
CW3	687
CW4	822
CW5	270
CW6	46
CW7	204
CW8	73
CW9	322
CW10	329
<b>Total Flow Central to West</b>	<b>2,833</b>
EC1	0
EC2	170
EC3	0
EC4	1,049
EC5	835
EC6	161
EC7	877
EC8	894
<b>Total Flow East to Central</b>	<b>3,986</b>
GE1	0
<b>Total Flow Granite Hills to East</b>	<b>0</b>

Figure 1 (attached in Appendix A) shows a contour map of system pressures under peak hour conditions. Table 4 above shows pressures at various locations within the system.

The minimum system pressure in the central zone is 29 psi and is located within Murray Park. The minimum pressure in the east zone is 28 psi and is located on Thurman Ave., east of Crestview Street. These locations are in line with what City staff has observed as the low pressure areas in the City.

#### Condition of Existing System

The City's peak hour demand is being adequately met through storage and source water supplies. However, pressures are a bit lower than desired in a select few areas of the City and additional peak hour supply would be beneficial in relieving those low pressure areas.

The City's source water supply appears to be just adequate to meet current maximum day demand, however there is no room for failure of any sources. The well capacity is necessary to refill the storage tanks after they are depleted during peak hour periods. During months of peak water use and with an increase in demand, the current well production may be insufficient for filling the tanks prior to the next day. Additional water sources are recommended in anticipation of water levels continuing to decline and to add a factor of safety to the system.



## Planned Improvements

Well 32 has recently been constructed and is expected to be online by the end of the year. This will provide an additional 400 gpm into the central zone. This additional capacity is expected to raise the peak hour pressures by approximately 2 psi in the west and central zones and 1 psi in the east zone. However, the low pressure area in the central zone on Morton Ave. does not show an increase in pressure with the addition of this well. This additional well supply reduces the amount of water being supplied by the tanks during peak hour periods by approximately 300 gpm and will also help to refill the tanks during off peak periods. Continuous pumping of this well would provide an additional 400 to 500 thousand gallons of water per day.

## **III. PROPOSED DEVELOPMENTS**

### Anticipated Water Use

The 2014 Metered Water Deliveries were provided to our office and are attached in Appendix B. These deliveries were separated into six different connection types and included the number of connections within each category. This information was used to establish a Maximum Monthly Demand (MMD) per connection type. Based on previous system data, the Maximum Day Demand was obtained by scaling the MMD up by a factor of 1.1. Then both the ADD and PHD were calculated from the MDD using the scaling factors from Table 5 of this report. Table 8 shows the estimated water use for each connection type.

**Table 8 – Estimated Water Use Per Connection (gpm)**

	<b>ADD</b>	<b>MDD</b>	<b>PHD</b>
<b>Single Family Residential</b>	0.42	0.71	1.50
<b>Multi-Family Residential</b>	0.97	1.65	3.50
<b>Commercial / Institutional</b>	1.11	1.89	4.00
<b>Industrial</b>	2.50	4.25	9.00
<b>Landscape Irrigation</b>	2.08	3.54	7.50
<b>Other</b>	1.94	3.31	7.00

### Proposed Developments

Table 9 lists the proposed developments that are being considered for water service. The water use factors listed in Table 8 were used to estimate the total water demand for each development.

**Table 9 – Potential Development Projects**

	<b># of Lots</b>	<b>Area (ac.)</b>	<b>MDD (gpm)</b>	<b>PHD (gpm)</b>
<b>Summit Estates Two</b>	195	71	138	293
<b>Prospect &amp; Beverly Development</b>	187	40	133	280
<b>Water Trucking to E. Porterville</b> (2 million gallons per month)	--	--	46	500 (filling water truck)
<b>Beltran Annexation</b>	126 SFR 22 Com.	121	131	277
<b>East Porterville Lots</b> (meeting the criteria for water service)	250	--	178	375
<b>TOTAL:</b>			<b>626</b>	<b>1,725</b>

### System Pressure Analysis

Each of the proposed developments were analyzed to determine their effects on system pressure under the PHD condition as well as the 2/3 PHD plus fire flow condition. Fire flow was modeled at 1,000 gpm. The analyses were performed with Well 32 online. As each additional development was added, the previous developments analyzed remained in the model.

As further described below, the hydraulic analyses demonstrate that acceptable system pressures are able to be maintained, under peak hour demand conditions, with all proposed developments added to the system. The only exception is that the full 1,000 gpm fire flow may not be able to be delivered to the eastern most lots of the East Porterville area because of the single 8-inch pipeline serving those lots and this could require distribution system improvements.

Prior to connection of the Beltran Annexation or the 250 East Porterville lots, another well was added to the central zone in order to improve system pressures.

It appears that distribution system improvements at the Scenic Tank would improve peak hour pressures in the central and east zones. A 16-inch pipeline was added to the model from the Scenic tank outlet to the 16-inch main in Henderson Ave. The addition of this pipeline increased the flow from the Scenic tank during the peak hour demand period by approximately 3,000 gpm and significantly reduced the amount of water moving from the east to the central zone. The effects of this improvement on system pressures are discussed in each analysis below.

### Summit Estates Two

The Summit Estates Two development is located near Mathew Street, just south of West Orange Avenue. It consists of 195 single family residential lots which results in an additional peak hour demand of 293 gpm. Water will be supplied from the existing 10-inch main in Mathew Street and the 6-inch mains in W. Orange Ave., Parkwest St., Date Ave., and River Springs Ave. Eight-inch pipelines were modeled within the development.



The steady state pressure within the proposed development, under peak hour demand, is approximately 43 psi. The minimum system pressures in the central and east pressure zones, with this development included in the system, are approximately 29 psi and 28 psi respectively.

The steady state pressure within the proposed development, under two-thirds peak hour demand plus fire flow, is approximately 39 psi.

With a 16-inch pipeline installed between the Scenic tank and Henderson Ave. the steady state pressure within the development, under peak hour demand, is approximately 43 psi and the minimum system pressures in the central and east pressure zones are approximately 39 psi and 42 psi respectively.

Appendix C contains a map of the proposed development and a table showing the pressures within the development under the peak hour demand condition.

#### *Prospect & Beverly Development*

The Prospect & Beverly development is located between Prospect St. and Beverly St., and is just south of Roby Avenue. It consists of 187 single family residential lots which results in an additional peak hour demand of 280 gpm. Water will be supplied from the existing 6-inch main in Beverly Street and the 10-inch main in Prospect Street. Eight-inch pipelines were modeled within the development.

The steady state pressure within the proposed development, under peak hour demand, is approximately 41 psi. The minimum system pressures in the central and east pressure zones, with this development included in the system, are approximately 29 psi and 27 psi respectively.

The steady state pressure within the proposed development, under two-thirds peak hour demand plus fire flow, is approximately 52 psi.

With a 16-inch pipeline installed between the Scenic tank and Henderson Ave. the steady state pressure within the development, under peak hour demand, is approximately 54 psi and the minimum system pressures in the central and east pressure zones are approximately 39 psi and 42 psi respectively.

Appendix D contains a map of the proposed development and a table showing the pressures within the development under the peak hour demand condition.

#### *Water Trucking to East Porterville*

With the previous two developments online, an analysis was performed to determine the ability to fill a water truck on the east side of the water system for serving water to the remote East Porterville areas. The analysis estimated that a 2,500 gallon truck would be filled from a hydrant in approximately 5 minutes, requiring a flow of





approximately 500 gpm. The filling location was modeled at the intersection of Roby Avenue and Holcomb Street. Water is conveyed to this location through an 8-inch pipeline in Roby Ave. from the west and a 6-inch pipeline in Holcomb St. from the north.

The steady state pressure at the hydrant location, under peak hour demand, is approximately 38 psi.

The analysis shows that filling of water trucks at 500 gpm is possible even during peak hour demand periods. However, it is recommended that water trucks be filled as much as possible during off-peak periods.

### *Beltran Annexation*

The Beltran Annexation was then added to the model. The Beltran Annexation consists of approximately 121 acres of residential and commercial properties. It is located between Plano St. and Leggett St. and is bounded by the river to the south and Date Ave. and Isham Ave. to the north. It consists of approximately 126 single family residential lots and 22 commercial lots which results in an additional peak hour demand of 277 gpm. Water will be supplied to the properties from the existing pipelines within the development which consist of 8-inch and 12-inch pipelines.

The steady state pressure within the Beltran Annexation, under peak hour demand, is approximately 33 psi. The minimum system pressures in the central and east pressure zones, with this development included in the system, are approximately 28 psi and 26 psi respectively.

At this point a second well was added to the model to mitigate the low system pressures. The well was modeled in the west pressure zone with a design flow of 600 gpm. With this well online the steady state pressure within the Beltran Annexation, under peak hour demand, is approximately 33 psi and the minimum system pressures in the central and east pressure zones are approximately 30 psi and 28 psi respectively.

With a 16-inch pipeline installed between the Scenic tank and Henderson Ave. the steady state pressure within the annexation area, under peak hour demand, is approximately 38 psi and the minimum system pressures in the central and east pressure zones are approximately 39 psi and 42 psi respectively.

A fire flow of 1,500 gpm was used in this area because of the commercial properties. The steady state pressure within the annexation area, under two-thirds peak hour demand plus fire flow, is approximately 37 psi.

Appendix E contains a map of the annexation area and a table showing the pressures within the annexation area under the peak hour demand condition.



### East Porterville Lots Meeting Criteria for Water Service

The next analysis was the addition of the lots in the East Porterville area which meet the criteria for connection to the City system. This criteria is residential lots less than 25,000 sq. ft. and adjacent to a City water main. It consists of 250 single family residential lots which results in an additional peak hour demand of 375 gpm. The precise locations of the parcels being considered for water service are unknown. For the purposes of this analysis, the lots were assumed to be along the existing 8-inch water lines in Roby Ave. and Alta Vista Street. Demands were placed at the north and south ends of Baxley Street.

The steady state pressure within the proposed development, under peak hour demand, is approximately 26 psi. The minimum system pressures in the central and east pressure zones, with this development included in the system, are approximately 29 psi and 26 psi respectively.

With a 16-inch pipeline installed between the Scenic tank and Henderson Ave. the steady state pressure within the development, under peak hour demand, is approximately 43 psi and the minimum system pressures in the central and east pressure zones are approximately 39 psi and 40 psi respectively.

The steady state pressure within the proposed development, under two-thirds peak hour demand plus fire flow, is approximately 7 psi. This low pressure is a result of excessive headloss when attempting to deliver 1,000 gpm fire flow through the long 8-inch pipeline servicing this area. A 500 gpm fire flow can be delivered with approximately 37 psi residual pressure.

Appendix F contains a map of the area where these lots are located and a table showing the pressures in the area under the peak hour demand condition.

### Water Supply Analysis

While the system infrastructure is sufficient to provide adequate pressure under peak conditions, the City does not currently have sufficient source water supply to serve any additional development. The storage that is used from the tanks during the day to meet peak hour demand must be replenished in order to get the tanks full prior to the next day. As developments are added, the increased peak hour demand will use more water from storage and additional sources will be required in order to get the tanks filled back up. At a minimum, the City's well capacity needs to be greater than its Maximum Day Demand in order to ensure that tanks are able to be refilled each day. Table 10 lists the two new wells being considered for construction and Table 11 shows when each well is needed to meet the additional maximum daily water demand of the proposed developments.

**Table 10 – Proposed New Water Wells**

<b>Proposed Well</b>	<b>Expected Capacity (gpm)</b>
City Well 32	400
E. Porterville Well	600

**Table 11 – Wells Required to Meet Maximum Daily Water Demand**

	<b>Maximum Daily Water Demand (MG)</b>	<b>Daily Source Water Supply Available (MG)</b>		
		<b>Current</b>	<b>With Well 32 Online</b>	<b>With Well 32 &amp; E. Porterville Well Online</b>
<b>Current Development</b>	17.64	17.64		
<b>Summit Estates Two</b>	17.84	**	18.22	
<b>Prospect &amp; Beverly Development</b>	18.03	**	18.22	
<b>Water Trucking to E. Porterville</b> (2 million gallons per month)	18.10	**	18.22	
<b>Beltran Annexation</b>	18.29	**	**	19.08
<b>E. Porterville Lots</b> (meeting the criteria for water service)	18.55	**	**	19.08

\*\* Denotes that daily water supply is less than the daily water demand and tanks are not able to be refilled.

City Well 32, which is scheduled for completion in December 2015, will provide sufficient additional water supply for the two City developments and the water trucking. The Beltran Annexation and East Porterville will require an additional well to be online prior to being connected to the system.

#### Storage and Diurnal Water Use Analysis

A diurnal water demand curve was generated to estimate hourly demand within each zone of the system. The curve has been estimated based on the water use of similar systems since hourly water production data is not available for the City of Porterville. The hourly demand in each pressure zone, together with the well production in each zone, were used to determine the amount of water required from storage for each hour of the day as well as how much water is moving between zones. Conversely, during off-peak periods, the hourly demands were used to estimate how much excess source capacity was available to fill storage tanks and move water through Veteran's Park and East Porterville booster stations.

For the existing system, during the maximum water use day, with all wells pumping continuously, it is estimated that the east zone is using 1.0 MG of storage and the central zone is using 1.5 MG of storage. During peak use hours, water is moving from the east to the central zone and from the central to the west zone. During off-peak hours, the west zone has sufficient excess capacity to pump Veteran's Park for 13 hours per day with an average flow of 550 gpm and a maximum flow of 900 gpm during the lowest demand period. The central zone has



sufficient excess capacity to pump the East Porterville booster station for 14 hours per day with an average flow of 1900 gpm and a maximum flow of 2,000 during the lowest demand period. For the existing system, all tanks are able to be refilled each day. See Appendix G attached hereto.

The next scenario modeled was with Well 32 online and the following three developments: Summit Estates Two, Prospect & Beverly subdivision, and Water Trucking. During the maximum water use day, with all wells pumping continuously, the east zone is using 1.0 MG of storage and the central zone is using 1.5 MG of storage. During peak demand hours, water is moving from the east to the central zone and from the central to the west zone. During off-peak hours, the west zone has sufficient excess capacity to pump Veteran's Park for 13 hours per day with an average flow of 450 gpm and a maximum flow of 800 gpm during the lowest demand period. The central zone has sufficient excess capacity to pump the East Porterville booster station for 15 hours per day with an average flow of 1,900 gpm and a maximum flow of 2,000 gpm during the lowest demand period. Under this scenario, all tanks are able to be refilled each day. See Appendix H attached hereto.

The next scenario modeled was with Well 32 and a new East Porterville well online and with all proposed developments online: Summit Estates Two, Prospect & Beverly subdivision, Water Trucking, Beltran Annexation, and the 250 East Porterville lots meeting the criteria for City water service. During the maximum water use day, with all wells pumping continuously, the east zone is using 1.1 MG of storage and the central zone is using 1.3 MG of storage. During peak demand hours, water is moving from the east to the central zone and from the central to the west zone. During off-peak hours, the west zone has sufficient excess capacity to pump Veteran's Park for 13 hours per day with an average flow of 900 gpm and a maximum flow of 1,400 gpm during the lowest demand period. The central zone has sufficient excess capacity to pump the East Porterville booster station for 16 hours per day with an average flow of 2,100 gpm and a maximum flow of 3,000 gpm during the lowest demand period. Under this scenario, all tanks are able to be refilled each day. Modifications may be required at the East Porterville booster station if the current capacity is less than 3,000 gpm. See Appendix I attached hereto.

## Conclusion

Water supply to the proposed developments is possible with the following system improvements:

- Well 32 must be online to serve the first three developments
- A second well must be online to serve Beltran and the East Porterville lots
- The East Porterville booster station must have a minimum pumping capacity of 3,000 gpm. Additionally, VFD motors are recommended to more accurately control the booster station flow rate throughout the course of the day.
- A 12-inch pipeline is recommended in Roby Ave. if 1,000 gpm fire flow is required for the 250 East Porterville lots meeting the criteria for connection to the City system.
- Installation of a 16-inch pipeline from the Scenic Tank to Henderson Ave. could also be considered if higher system pressures are desired during the peak demand periods. This



pipeline would also help to convey water from the Scenic Tank to the East Porterville booster station if it is expanded in the future for the East Porterville development.

#### **IV. FULL EAST PORTERVILLE ANALYSIS**

An analysis was also performed to consider the potential for providing water service to the entire East Porterville area.

##### **Anticipated Water Use**

The City zoning map dated January 16, 2015 was used to estimate acreages of proposed land uses within the East Porterville area. The City's Water Master Plan, Table 3.4, establishes estimated water demand (average daily demand per acre) for each land use category. These are attached in Appendix J. This information was used to project the ADD, MDD, and PHD for the East Porterville area. The estimated demands are shown in Table 12.

**Table 12 – East Porterville Water Demand**

	<b>Area (ac.)</b>	<b>ADD (GPD/ac.)</b>	<b>ADD (gpm)</b>	<b>MDD (gpm)</b>	<b>PHD (gpm)</b>
<b>RR</b> (Rural Residential)	122	720	61	101	220
<b>RS-1</b> (Very Low Density Residential)	329	720	165	272	594
<b>RS-2</b> (Low Density Residential)	564	1584	620	1023	2232
<b>RM-2</b> (Medium Density Residential)	42	3168	92	152	332
<b>CR</b> (Retail Centers)	37	1440	37	61	133
<b>CG</b> (General & Service Commercial)	32	1440	32	53	115
<b>PO</b> (Professional Office)	4	1440	4	7	15
<b>PS</b> (Public & Semi-Public)	44	720	22	36	79
<b>TOTAL:</b>	<b>1,174</b>		<b>1,033</b>	<b>1,705</b>	<b>3,720</b>

##### **Water Supply Analysis**

The maximum daily demand for the east Porterville area, based on planned land use, is estimated to be 1,705 gpm. This demand includes the previously noted East Porterville demands of 46 gpm, 131 gpm, and 178 gpm for the water trucking, Beltran Annexation, and 250 East Porterville Lots respectively. The 1,705 gpm demand is in addition to the 271 gpm max daily demand for the two proposed developments within the City (Summit Estates Two and Prospect & Beverly subdivisions).

Therefore, the total maximum day demand for the City, with East Porterville included, is 14,226 gpm or 20.49 million gallons. The current well production is 11,965 gpm or 17.23 million gallons. This equates to a deficit in well production of 3.26 million gallons or 2,261 gpm. Prior to connecting the East Porterville area to the City system, an equivalent amount of



water supply should be obtained in the form of new wells. This is estimated to require approximately five new wells. The wells shown in Table 13 below were modeled in the system with the addition of East Porterville.

**Table 13 – Future Water Wells**

<b>Proposed Well</b>	<b>Pressure Zone</b>	<b>Expected Capacity (gpm)</b>
City Well 32	Central	400
E. Porterville Well #1	West	600
Beverly / Grand Well	Central	400
Akin Well	West	400
E. Porterville Well #2	Central	600
<b>TOTAL:</b>		<b>2,400</b>

### System Pressure Analysis

With the East Porterville area added to the model, a hydraulic analysis was performed to determine the effect on system pressure under the PHD condition. The analysis was performed with all five of the wells listed in Table 13 online. Twelve-inch pipelines were modeled in the major east-west and north-south streets in East Porterville. These consisted of Olive, Roby, Success, and Springville Ave. in the east-west direction and Doyle, Page, and Conner Streets in the north-south direction. The peak hour demand of 3,720 gpm was disbursed throughout the East Porterville area.

The lowest modeled pressure in the East Porterville area was at the northeast corner, at the intersection of Olive Drive and Doyle Street, near the racetrack. System pressure in this area, under peak hour demand was below 20 psi. Increasing the main size in Olive Ave. to 16-inch did not have a significant effect on the pressure. A storage tank, with the same elevation as the existing East Porterville tank, was added on the east side of the east pressure zone. This created a significant hydraulic benefit as it increased the minimum system pressure in the east zone to 36 psi. The minimum pressure in the central zone is 33 psi.

If, as discussed previously, a 16-inch pipeline is installed between the Scenic tank and Henderson Ave. the minimum steady state pressures, under peak hour demand, in the central and east pressure zones are approximately 41 psi and 40 psi respectively.

With a new storage tank in the east pressure zone and an additional well capacity of 2,400 gpm, system pressure under peak hour demand is able to be met for the East Porterville area.

### Storage & Diurnal Water Use Analysis

The diurnal water demand curve discussed in Section 3 herein was used to perform a storage analysis for the water system with the East Porterville area included.



During the maximum water use day, with all existing and proposed wells pumping continuously, it is estimated that the east zone will use 2.1 MG of storage and the central zone will use 0.9 MG of storage. During peak demand hours, water is moving from the east to the central zone and from the central to the west zone. During off-peak hours, the west zone has sufficient excess capacity to pump Veteran's Park for 20 hours per day with an average flow of 1,100 gpm and a maximum flow of 1,800 gpm during the lowest demand period. The central zone has sufficient excess capacity to pump the East Porterville booster station for 18 hours per day with an average flow of 3,770 gpm and a maximum flow of 5,000 gpm during the lowest demand period. Under this scenario, all tanks are able to be refilled each day. See Appendix K attached hereto.

The East Porterville booster station was modeled at a rate of 5,000 gpm and it was determined that the system is able to provide this capacity during off-peak periods with all wells pumping. However, if the pump station is not expandable to 5,000 gpm, a second central to east pump station will be required. A second pump station was modeled at the intersection of Leggitt Street and Orange Avenue. This location is served by a single 12-inch pipeline from the central zone and a pump station at this location could provide up to 2,000 gpm while maintaining a minimum pressure of 35 psi in the nearby areas of the central zone. Higher capacities through this pump station are possible if pipeline improvements are made in the central zone. Pumping capacities up to 4,000 gpm are possible if a 16-inch supply pipeline is installed to this location from the intersection of Date Avenue and E Street.

### Conclusion

Water supply to the East Porterville area is possible with the following system improvements:

- New 3.0 million gallon storage tank in the east pressure zone
- New wells with a total capacity of 2,261 gpm (approximately 5 wells)
- Expansion of the East Porterville booster station and / or construction of a second central to east booster station to provide a total central to east pumping capacity of 5,000 gpm.



## ***APPENDIX A***

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Figure 1 – Existing System Pressure Contour Map



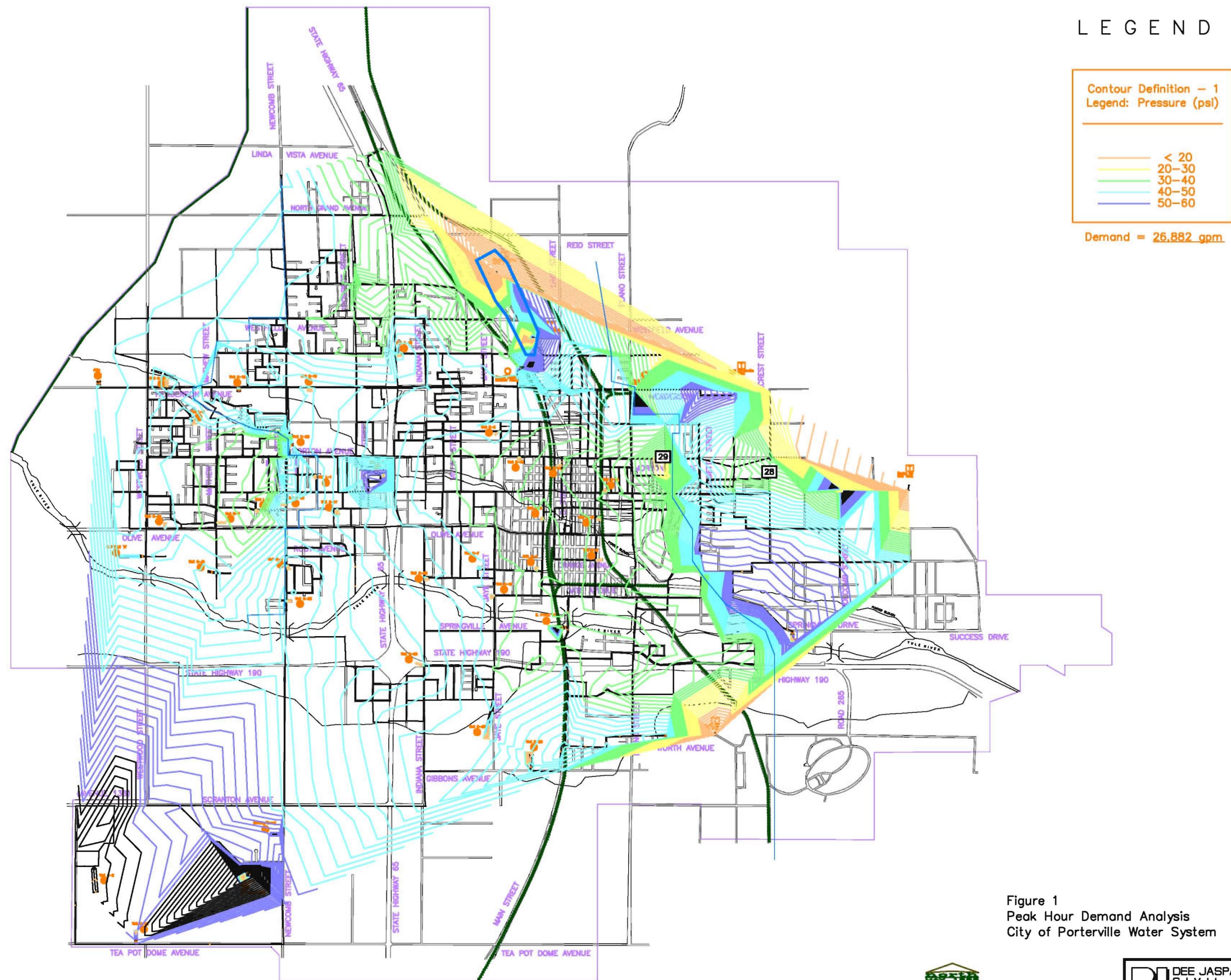


Figure 1  
Peak Hour Demand Analysis  
City of Porterville Water System



DEE JASPAR & ASSOCIATES, INC.  
CIVIL ENGINEERS  
2700 LANTANA ROAD, SUITE A  
SARASOTA, FLORIDA 34238  
TEL: 941.554.1111 FAX: 941.554.1112  
WWW.DJASPAR.COM



## ***APPENDIX B***

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### 2014 Metered Water Deliveries

Mailing Label

## PUBLIC WATER SYSTEM STATISTICS

Calendar Year 2014

## 1. General Information

Please follow the provided instructions.

Contact : Paula David

Title: Utility Billing Supervisor

Phone: 559-782-7433

Fax: 559-784-4569

E-mail: pdavid@ci.porterville.ca.us

Website: www.ci.porterville.ca.us

County: Tulare

Population served: 61,946

Names of communities served: Porterville

## 2. Active Service Connections

Customer Class	Potable Water		Recycled Water	
	Metered	Unmetered	Metered	Unmetered
Single Family Residential	12890	372		
Multi-family Residential	759	104		
Commercial/Institutional	1054	3		
Industrial	16			
Landscape Irrigation	196			
Other	180	2		
Agricultural Irrigation				
<b>TOTAL</b>	15095	481		

## 3. Total Water Into the System - Units of production:

MG

(Select: AF=acre-feet; MG=million gallons; CCF=hundred cubic feet)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Wells	227	236	210	291	323	494	474	446	419	328	251	178	3877
Surface	0	0	0	0	0	0	0	0	0	0	0	0	0
Purchased <sup>1/</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Potable</b>	227	236	210	291	323	494	474	446	419	328	251	178	3877
Untreated Water	0	0	0	0	0	0	0	0	0	0	0	0	0
Recycled <sup>2/</sup>	0	0	0	0	0	0	0	0	0	0	0	0	0

1/ Potable wholesale supplier(s):

2/ Recycled wholesale supplier(s):

Level of treatment:

## 4. Metered Water Deliveries- Units of delivery:

CCF

(Select: AF=acre-feet; MG=million gallons; CCF=hundred cubic feet)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
If recycled is included, X box ↓													
A.SingleFamilyResidential	170250	142294	137279	202273	220561	279078	310068	368705	287328	281896	188877	125515	2714124
B.Multi-family Residential	41023	32890	33480	41348	41795	50172	51287	65394	54943	54129	41934	33017	541412
C.Commercial/Institutional	49178	42507	43922	57408	62218	75079	82302	104585	78973	89903	62088	42655	790818
D.Industrial	2002	1659	1621	1979	1873	2716	1802	3492	2170	2624	1918	1156	25012
E.Landscape Irrigation	7403	9011	8571	13945	21776	25039	29499	35047	28650	27664	18221	8673	233499
F.Other	2554	3123	2745	9444	16151	20703	27650	30563	27251	26031	14813	9498	190526
<b>Total Urban Retail(A thru F)</b>	272410	231484	227618	326397	364374	452787	502608	607786	479315	482247	327851	220514	4495391
Agricultural Irrigation													
Wholesale(to other agencies)													



## *APPENDIX C*

---

### Summit Estates Two Development

- Development Map
- Map of Hydraulic Model
- Table of Pressures Within the Development Under Peak Hour Demand Condition

# PRELIMINARY MAP Summit Estates Two

For: **SMRE BUILDERS, Inc.**  
444 N. PROSPECT, SUITE A  
PORTERVILLE, CALIFORNIA 93257  
(559) 788-0525

By: **JAMES WINTON & ASSOCIATES**  
101 WEST MORTON AVENUE  
PORTERVILLE, CALIFORNIA 93257  
(559) 781-2700

**GREAT WESTERN LAND**  
PO BOX 950  
PORTERVILLE, CA 93257  
PHONE No: 559-784-6277

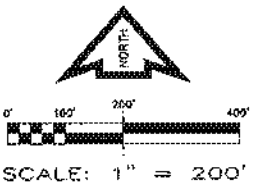
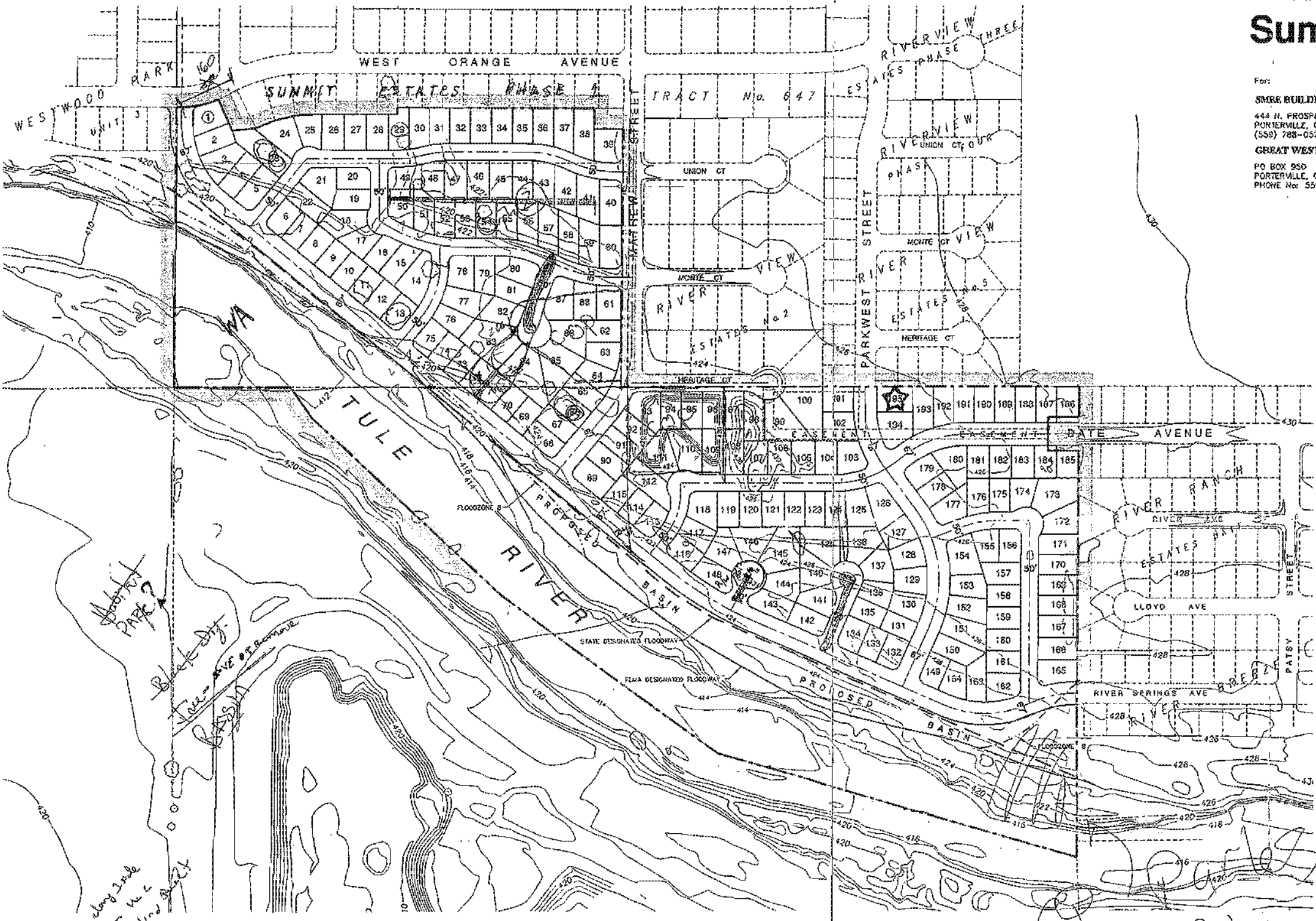
## NOTES

- 1 PROPOSED USE: SINGLE FAMILY RESIDENTIAL
- 2 DOMESTIC WATER BY: CITY OF PORTERVILLE
- 3 SEWAGE DISPOSAL BY: CITY OF PORTERVILLE
- 4 REFUSE COLLECTION BY: CITY OF PORTERVILLE
- 5 DRAINAGE: SURFACE FLOW AND EXTENSION OF EXISTING STORM DRAIN SYSTEM.
- 6 GROSS AREA \_\_\_\_\_ 70.6 ACRES ±
- 7 NET AREA \_\_\_\_\_ 52.2 ACRES  $\pm \frac{1}{2} \%$
- 8 YIELD \_\_\_\_\_ 195 LOTS  
3.7 LOTS/ACRE 7.50k
- 9 LOT SIZE VARIES MIN. \_\_\_\_\_ 6,000 S.F. ± 0.4

## LEGEND

- PROPERTY BOUNDARY
- EXISTING CONTOURS
- EXISTING TREE
- Topo*

*Protection Natural Feat*





OLIVE AVENUE

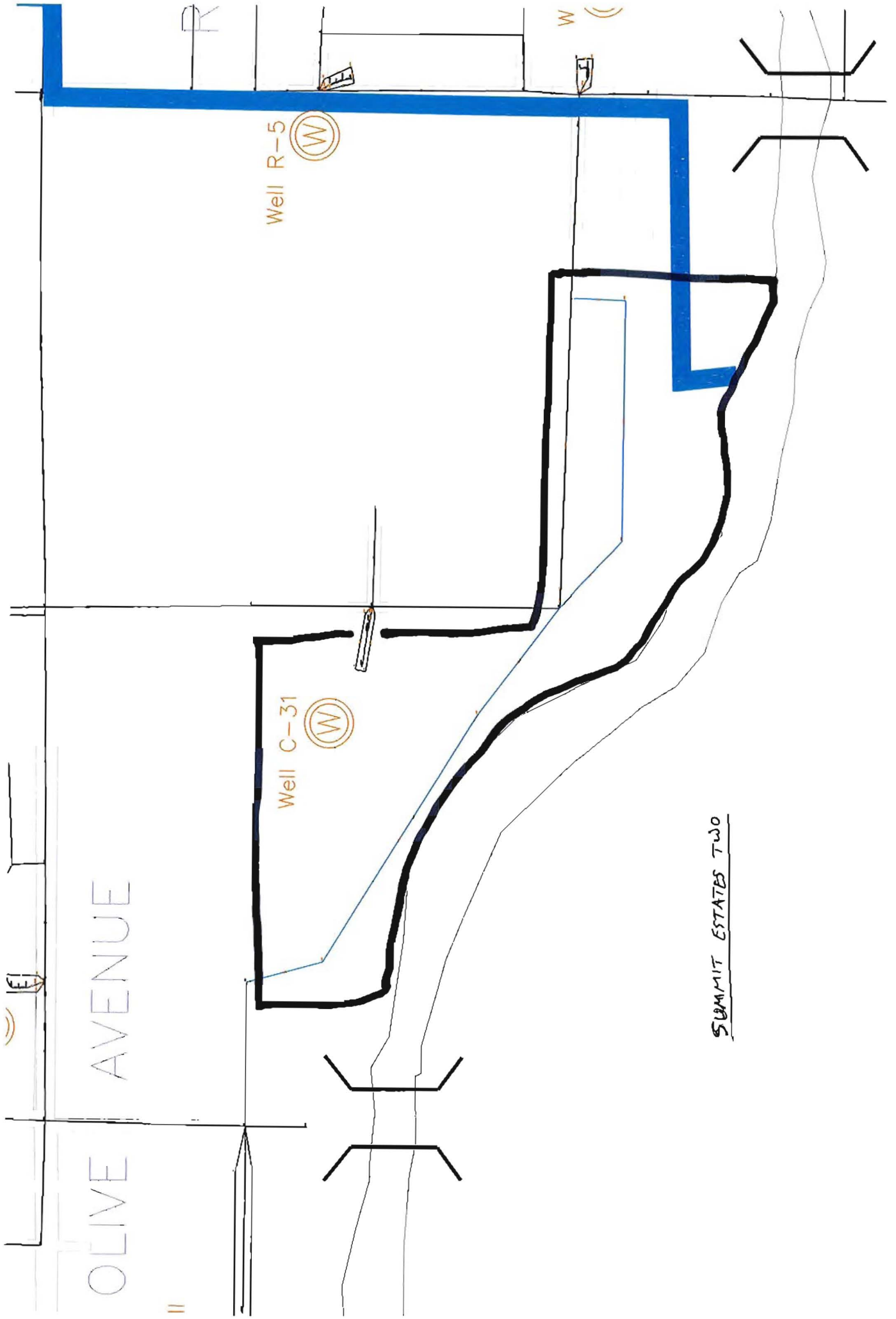
Well C-31



Well R-5



SUMMIT ESTATES TWO



SUMMIT ESTATES TWO  
PRESSURES UNDER PEAK HOUR DEMAND

**FlexTable: Junction Table**

ID	Label	Elevation (ft)	Zone	Demand (gpm)	Hydraulic Grade (ft)	Pressure (psi)
2996	J-168	425.00	<None>	0	523.89	43
2998	J-169	425.17	<None>	0	524.07	43
2989	J-165	418.00	<None>	0	517.55	43
441	590	417.00	<None>	0	516.79	43
2991	J-166	419.00	<None>	150	520.33	44
2931	J-147	420.27	<None>	0	523.17	45
2994	J-167	420.00	<None>	143	523.13	45



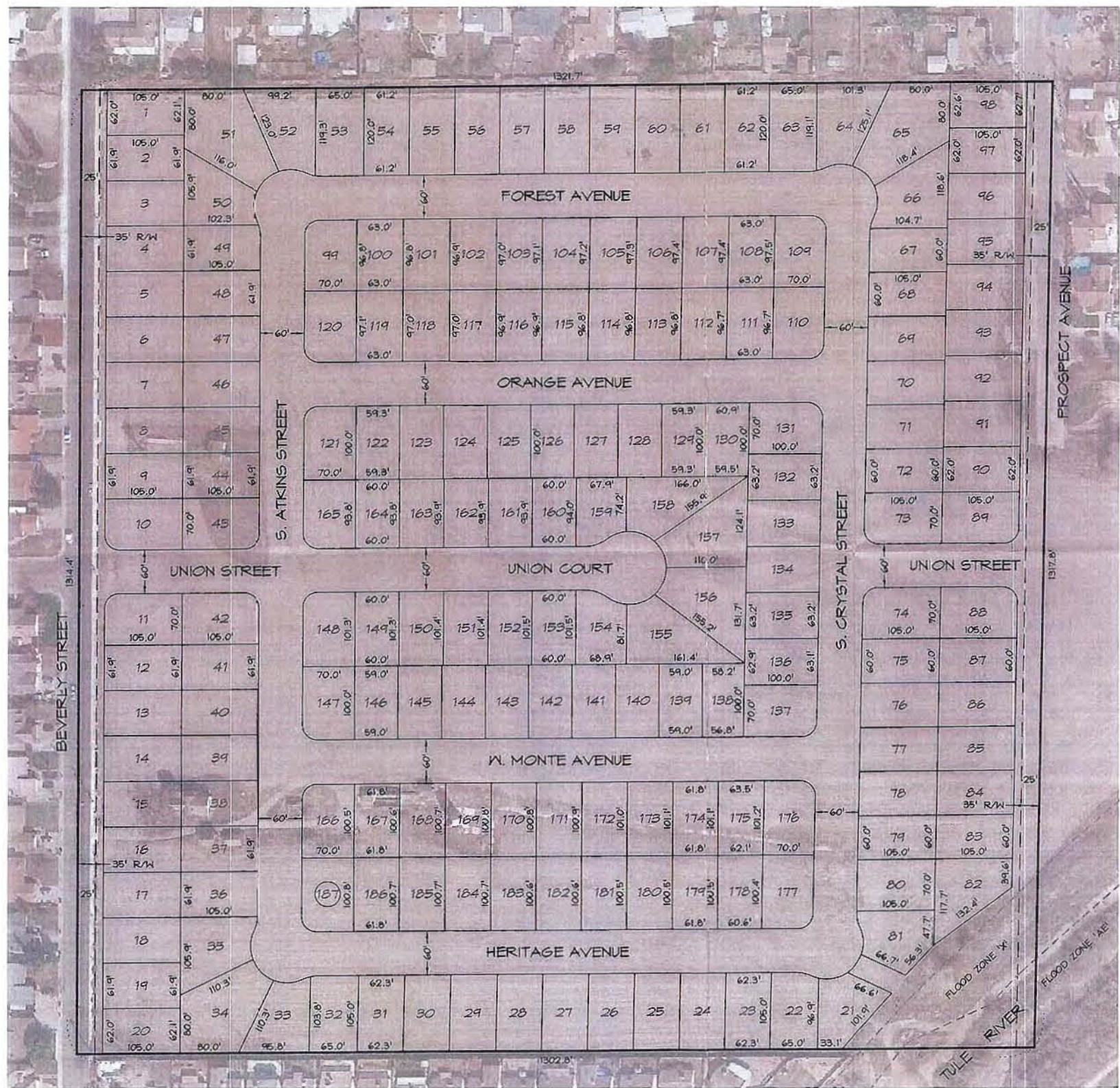
## *APPENDIX D*

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### Prospect & Beverly Development

- Development Map
- Map of Hydraulic Model
- Table of Pressures Within the Development Under Peak Hour Demand Condition





**TENTATIVE SUBDIVISION MAP**

BEING A DIVISION OF A PORTION OF THE SOUTH HALF OF THE NORTHWEST QUARTER OF SECTION 34, TOWNSHIP 21 SOUTH, RANGE 27 EAST, MOUNT DIABLO BASE AND MERIDIAN, IN THE CITY OF VISALIA, COUNTY OF TULARE, STATE OF CALIFORNIA.

SEPTEMBER 2014

PREPARED BY: NEIL ZERLANG - LAND SURVEYOR  
2908-B WEST MAIN STREET, VISALIA, CA 93291; (559) 739-1616

PREPARED FOR: GREG NUNLEY  
1969 HILLMAN STREET, TULARE, CA 93274; (559) 686-4852

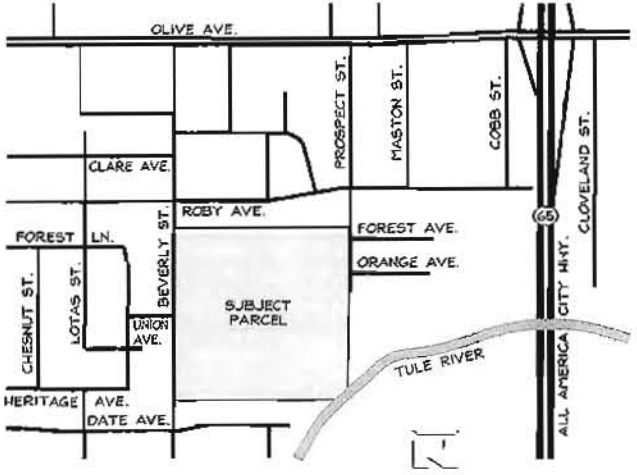
ASSESSOR'S PARCEL NO.: 259-020-003

ZONE: AE-20 (COUNTY) FLOOD ZONE: 'X'

EXISTING USE	VACANT
PROPOSED USE	RESIDENTIAL: SINGLE-FAMILY
WATER BY	CALIFORNIA WATER SERVICE
SEWER BY	CITY OF PORTERVILLE
REFUSE BY	CITY OF PORTERVILLE
ELECTRICITY BY	SOUTHERN CALIFORNIA EDISON CO.
GAS BY	SOUTHERN CALIFORNIA GAS CO.

NOTE: DATA CONTAINED HEREON DOES REPRESENT A FIELD SURVEY.

SCALE: 1" = 100'



VICINITY MAP NOT TO SCALE



AVENUE

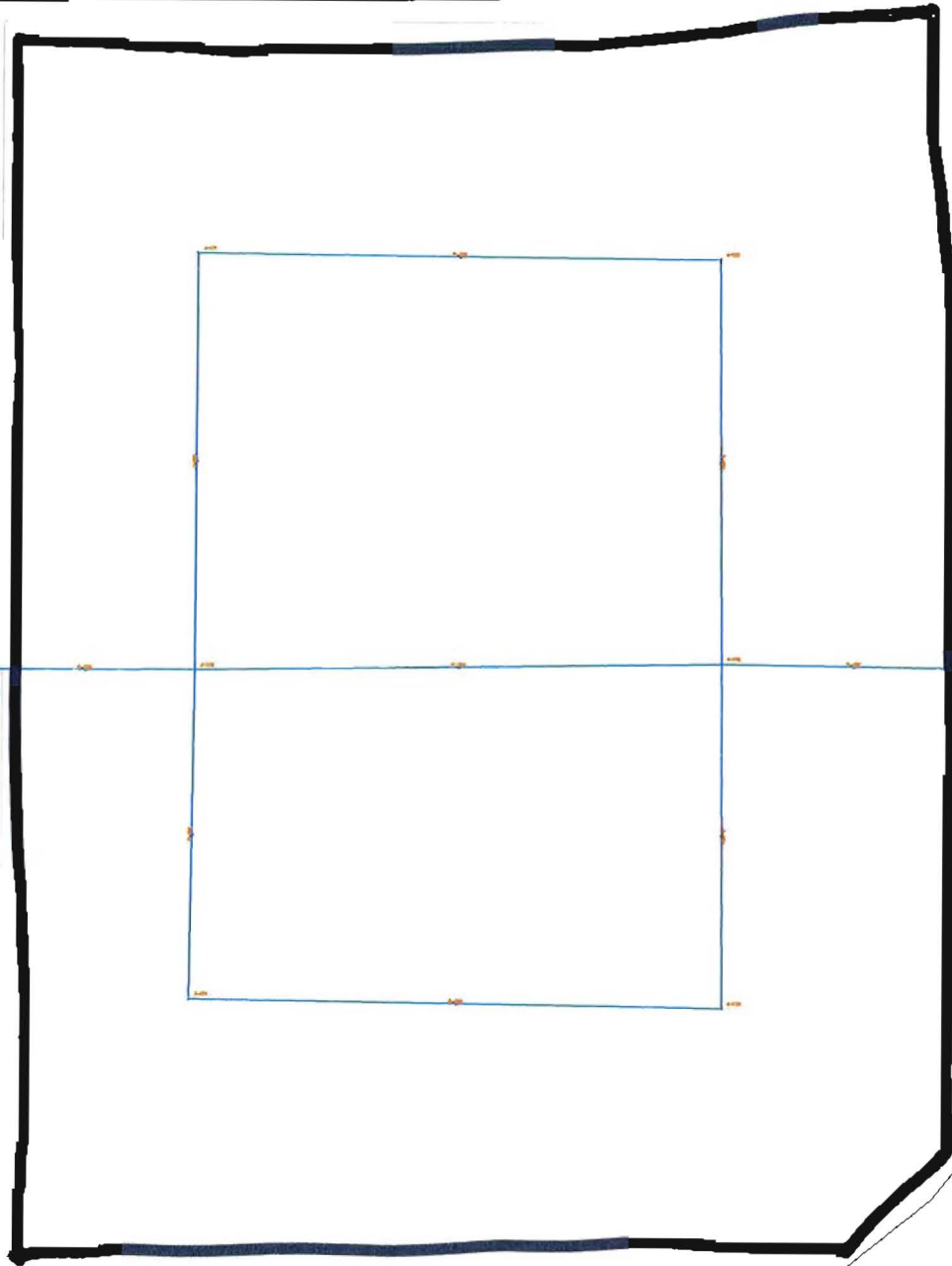
ROBY AVE.

BEVERLY STREET

PROSPECT STREET

PROSPECT & BEVERLY SUBDIVISION

T U L E



PROSPECT & BEVERLY SUBDIVISION  
PRESSURES UNDER PEAK HOUR DEMAND

**FlexTable: Junction Table**

ID	Label	Elevation (ft)	Zone	Demand (gpm)	Hydraulic Grade (ft)	Pressure (psi)
3006	J-172	430.00	<None>	70	520.40	39
3004	J-171	430.00	<None>	70	520.40	39
3008	J-173	430.00	<None>	70	520.42	39
3010	J-174	430.00	<None>	70	520.42	39
3013	J-175	430.00	<None>	0	520.47	39
3002	J-170	430.00	<None>	0	520.48	39



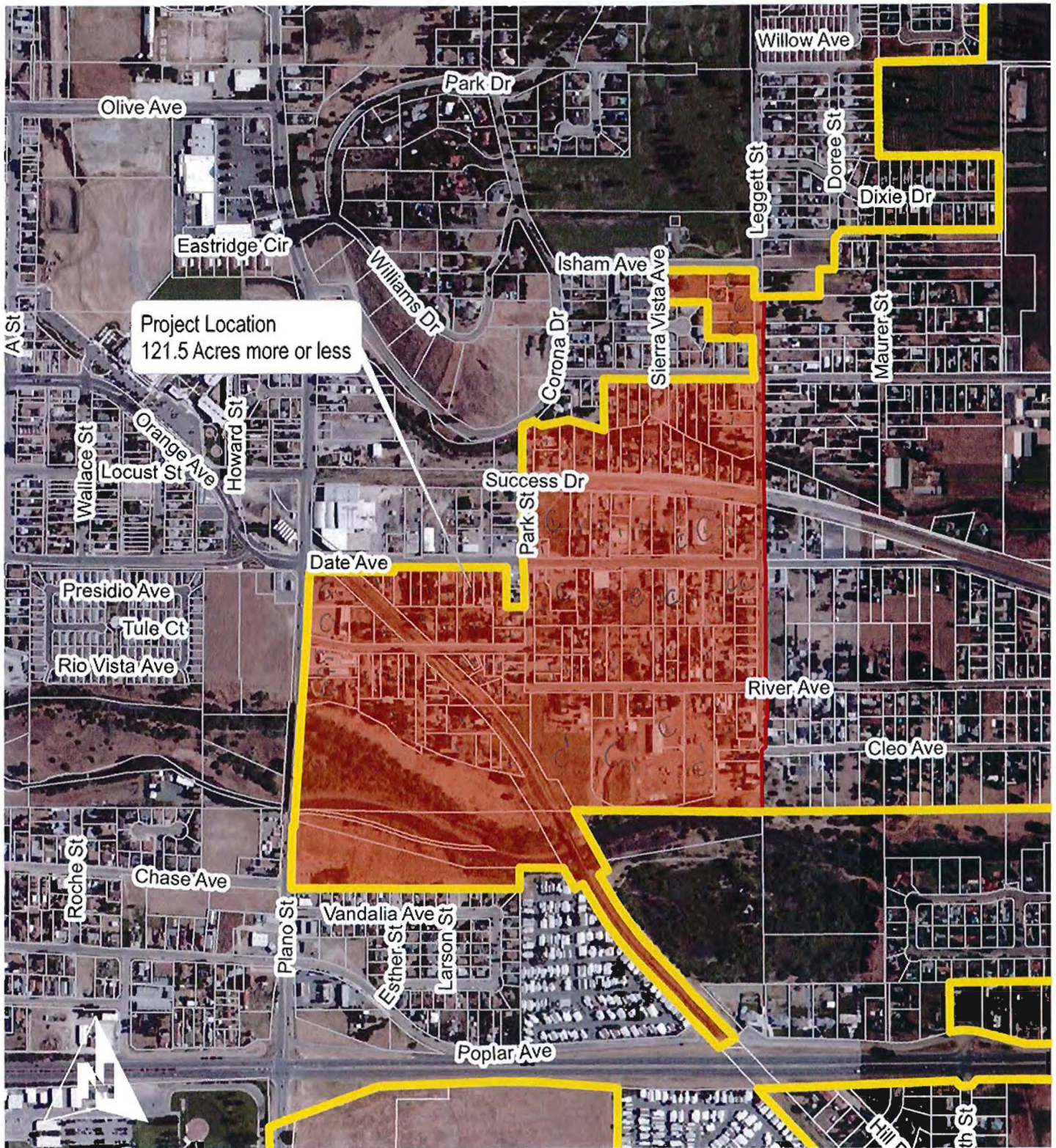
## ***APPENDIX E***

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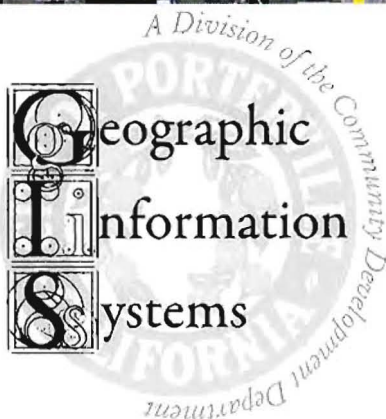
### **Beltran Annexation**

- Map of Annexation Area
- Map of Hydraulic Model
- Table of Pressures Within the Annexation Area Under Peak Hour Demand Condition





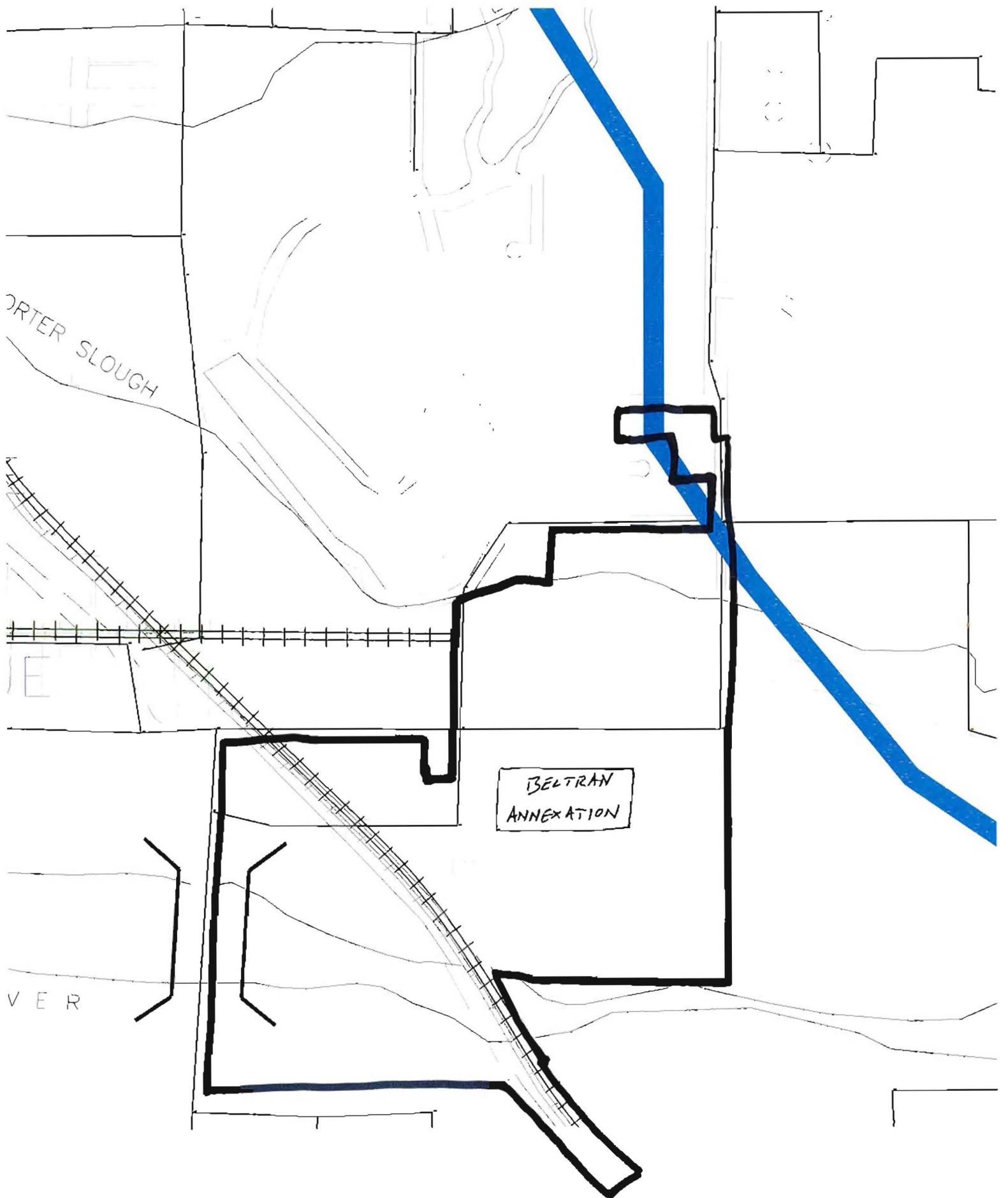
C:\Users\biagio\Desktop\beltran annex.mxd



Beltran Annex  
Locator Map  
1" = 750 ft.

148 LOTS TOTAL  
- 22 Commercial  
= 126 Single Family Res.





# BELTRAN ANNEXATION

PRESSURES UNDER PEAK HOUR DEMAND

**FlexTable: Junction Table**

ID	Label	Elevation (ft)	Zone	Demand (gpm)	Hydraulic Grade (ft)	Pressure (psi)
808	2194	470.00	<None>	127	545.29	33
807	2196	469.00	<None>	0	544.56	33
809	2192	464.00	<None>	134	540.78	33
810	2190	466.00	<None>	65	543.23	33
671	2450	463.00	<None>	0	540.82	34
654	2482	463.00	<None>	150	541.93	34
3178	J-216	470.00	<None>	0	550.57	35
811	2188	467.00	<None>	18	547.64	35
825	2154	471.00	<None>	0	551.77	35
3175	J-215	469.80	<None>	0	550.57	35
826	2152	470.00	<None>	0	550.77	35
82	3020_ND	471.00	<None>	0	551.78	35
84	3018_ND	470.00	<None>	0	550.78	35
819	2164	476.00	<None>	0	575.74	43
820	2162	475.00	<None>	0	575.66	44
3184	J-217	471.26	<None>	0	575.63	45
83	3020_NU	471.00	<None>	0	575.40	45
827	2150	471.00	<None>	0	575.41	45
85	3018_NU	470.00	<None>	0	575.40	46



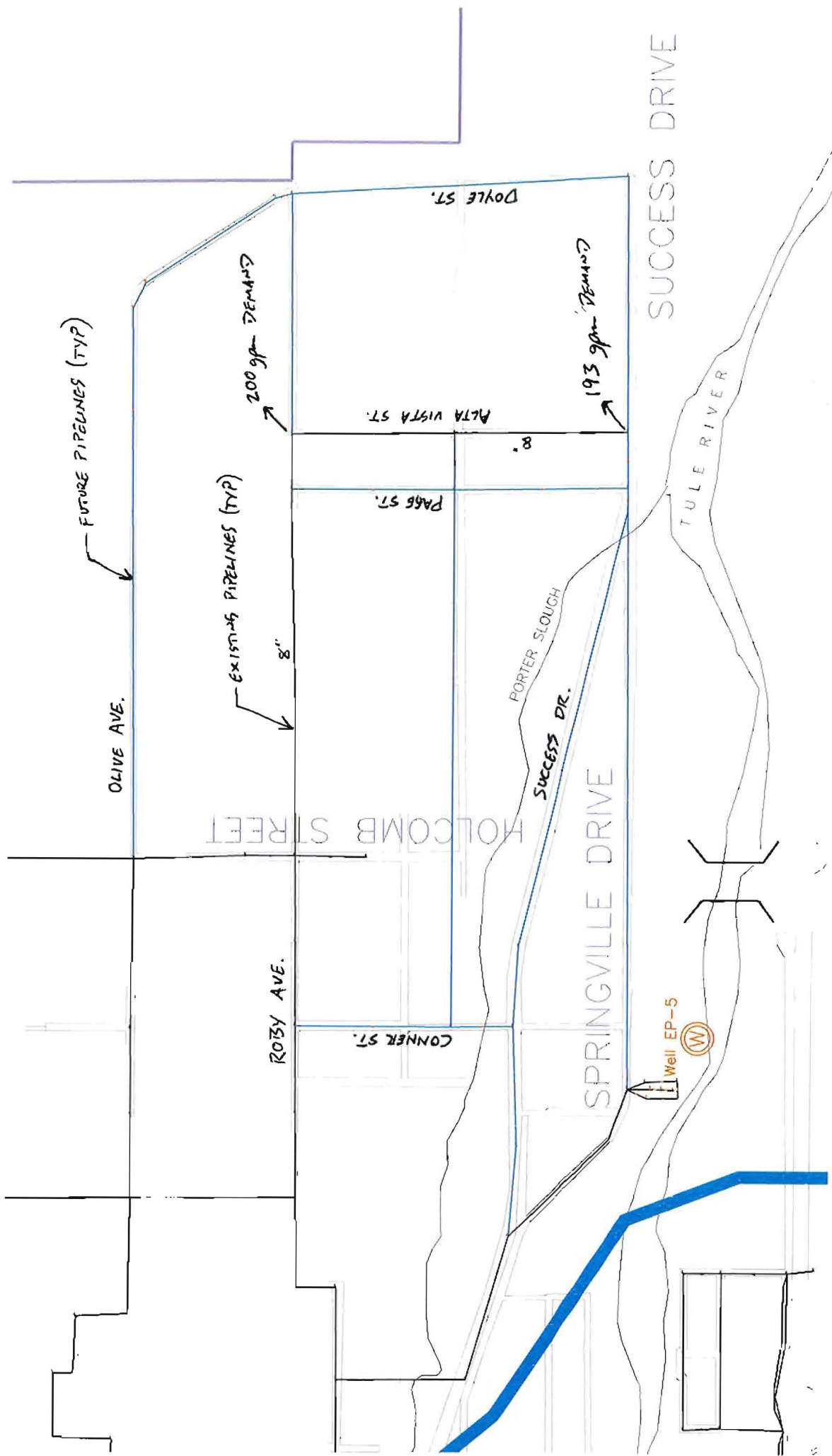
## *APPENDIX F*

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### East Porterville Lots Meeting Requirements for Connection to City Water System

- Map of Hydraulic Model
- Table of Pressures Within the Area Under Peak Hour Demand Condition





EAST PORTERVILLE LOT'S MEETING  
CRITERIA FOR CONNECTION TO CITY SYSTEM  
(± 250 LOT'S)

EAST PORTERVILLE LOTS MEETING CONNECTION CRITERIA

(+250 LOTS)

PRESSURES UNDER PEAK HOUR DEMAND

**FlexTable: Junction Table**

ID	Label	Elevation (ft)	Zone	Demand (gpm)	Hydraulic Grade (ft)	Pressure (psi)
3038	J-183	509.00	<None>	222	572.60	28
3034	J-182	507.00	<None>	0	573.89	29
813	2184	505.00	<None>	0	574.45	30
3063	J-191	498.87	<None>	0	571.89	32
3041	J-184	488.00	<None>	153	571.12	36



## ***APPENDIX G***

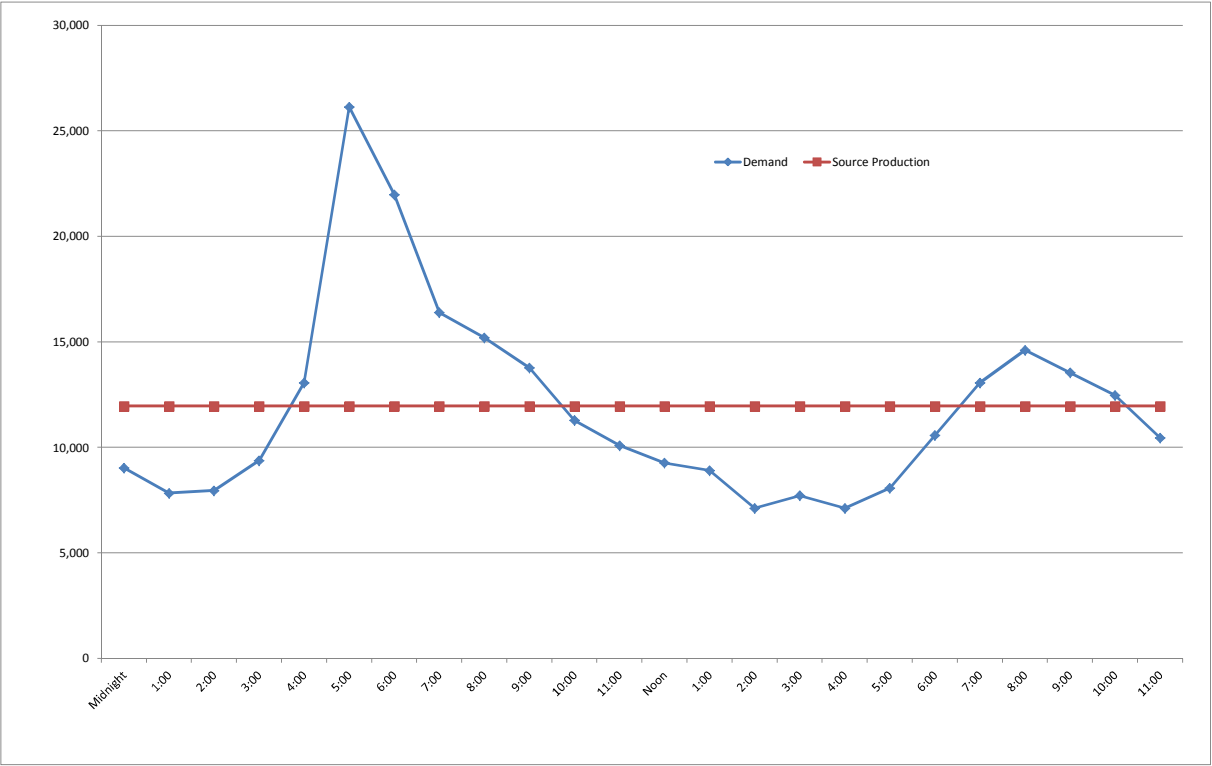
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### Diurnal Water Demand Analysis for the Existing System

Total Well Supply:11,965 gpm  
Total MDD:11,883 gpm  
Difference82 gpm  
Excess Supply:118,080 gallons

Scenario 1  
Existing System

WEST ZONE										CENTRAL ZONE											EAST ZONE										Total System Demand gpm														
Well Supply = 2364 gpm										Well Supply = 9551 gpm											Well Supply = 50 gpm																								
MDD = 2468 gpm										MDD = 8391 gpm											MDD = 1024 gpm																								
	Demand gpm	Well Production	Difference	Needed from Central	Excess Available	Pumped to Central		Demand gpm	Well Production	Supplied to West	Pumped from West	Difference	Needed from Storage/East	Supplied from Storage	Supplied from East	Excess Available	Pumped East	Filling Tanks		Demand gpm	Well Production	Supplied to Central	Pumped from Central	Difference	Needed from Storage	Supplied from Storage	Excess Available	Filling Tanks																	
AM	Midnight	0.76	1,876	2,364	-488	0	488	488	Midnight	0.76	6,377	9,551	0	488	-3,662	0	0	0	3,662	2,000	1,662	Midnight	0.76	778	50	0	2,000	-1,272	0	0	1,272	1,272	9,031												
	1:00	0.66	1,629	2,364	-735	0	735	735	1:00	0.66	5,538	9,551	0	735	-4,748	0	0	0	4,748	2,000	2,748	1:00	0.66	676	50	0	2,000	-1,374	0	0	1,374	1,374	7,843												
	2:00	0.67	1,654	2,364	-710	0	710	710	2:00	0.67	5,622	9,551	0	710	-4,639	0	0	0	4,639	2,000	2,639	2:00	0.67	686	50	0	2,000	-1,364	0	0	1,364	1,364	7,962												
	3:00	0.79	1,950	2,364	-414	0	414	414	3:00	0.79	6,629	9,551	0	414	-3,336	0	0	0	3,336	2,000	1,336	3:00	0.79	809	50	0	2,000	-1,241	0	0	1,241	1,241	9,388												
	4:00	1.10	2,715	2,364	351	351	0	0	4:00	1.1	9,230	9,551	351	0	30	30	30	0	0	0	4:00	1.1	1,126	50	0	0	1,076	1,076	0	0	13,071														
	5:00	2.20	5,430	2,364	3,066	3,066	0	0	5:00	2.2	18,460	9,551	3,066	0	11,975	11,975	9,341	2,634	0	0	0	5:00	2.2	2,253	50	2,634	0	4,837	4,837	0	0	26,143													
	6:00	1.85	4,566	2,364	2,202	2,202	0	0	6:00	1.85	15,523	9,551	2,202	0	8,174	8,174	7,457	717	0	0	0	6:00	1.85	1,894	50	717	0	2,561	2,561	0	0	21,984													
	7:00	1.38	3,406	2,364	1,042	1,042	0	0	7:00	1.38	11,580	9,551	1,042	0	3,070	3,070	2,966	104	0	0	0	7:00	1.38	1,413	50	104	0	1,467	1,467	0	0	16,399													
	8:00	1.28	3,159	2,364	795	795	0	0	8:00	1.28	10,740	9,551	795	0	1,985	1,985	1,985	0	0	0	8:00	1.28	1,311	50	0	0	1,261	1,261	0	0	15,210														
	9:00	1.16	2,863	2,364	499	499	0	0	9:00	1.16	9,734	9,551	499	0	681	681	681	0	0	0	9:00	1.16	1,188	50	0	0	1,138	1,138	0	0	13,784														
	10:00	0.95	2,345	2,364	-19	0	19	19	10:00	0.95	7,971	9,551	0	19	-1,599	0	0	0	1,599	815	784	10:00	0.95	973	50	0	815	108	108	0	0	11,289													
	11:00	0.85	2,098	2,364	-266	0	266	266	11:00	0.85	7,132	9,551	0	266	-2,685	0	0	0	2,685	2,000	685	11:00	0.85	870	50	0	2,000	-1,180	0	0	1,180	1,180	10,101												
PM	Noon	0.78	1,925	2,364	-439	0	439	439	Noon	0.78	6,545	9,551	0	439	-3,445	0	0	0	3,445	2,000	1,445	Noon	0.78	799	50	0	2,000	-1,251	0	0	1,251	1,251	9,269												
	1:00	0.75	1,851	2,364	-513	0	513	513	1:00	0.75	6,293	9,551	0	513	-3,771	0	0	0	3,771	2,000	1,771	1:00	0.75	768	50	0	2,000	-1,282	0	0	1,282	1,282	8,912												
	2:00	0.60	1,481	2,364	-883	0	883	883	2:00	0.6	5,035	9,551	0	883	-5,400	0	0	0	5,400	2,000	3,400	2:00	0.6	614	50	0	2,000	-1,436	0	0	1,436	1,436	7,130												
	3:00	0.65	1,604	2,364	-760	0	760	760	3:00	0.65	5,454	9,551	0	760	-4,857	0	0	0	4,857	2,000	2,857	3:00	0.65	666	50	0	2,000	-1,384	0	0	1,384	1,384	7,724												
	4:00	0.60	1,481	2,364	-883	0	883	883	4:00	0.6	5,035	9,551	0	883	-5,400	0	0	0	5,400	2,000	3,400	4:00	0.6	614	50	0	2,000	-1,436	0	0	1,436	1,436	7,130												
	5:00	0.68	1,678	2,364	-686	0	686	686	5:00	0.68	5,706	9,551	0	686	-4,531	0	0	0	4,531	2,000	2,531	5:00	0.68	696	50	0	2,000	-1,354	0	0	1,354	1,354	8,080												
	6:00	0.89	2,197	2,364	-167	0	167	167	6:00	0.89	7,468	9,551	0	167	-2,250	0	0	0	2,250	2,000	250	6:00	0.89	911	50	0	2,000	-1,139	0	0	1,139	1,139	10,576												
	7:00	1.10	2,715	2,364	351	351	0	0	7:00	1.1	9,230	9,551	351	0	30	30	30	0	0	0	7:00	1.1	1,126	50	0	0	1,076	1,076	0	0	13,071														
	8:00	1.23	3,036	2,364	672	672	0	0	8:00	1.23	10,321	9,551	672	0	1,442	1,442	1,442	0	0	0	8:00	1.23	1,260	50	0	0	1,210	1,210	0	0	14,616														
	9:00	1.14	2,814	2,364	450	450	0	0	9:00	1.14	9,566	9,551	450	0	464	464	464	0	0	0	9:00	1.14	1,167	50	0	0	1,117	1,117	0	0	13,547														
	10:00	1.05	2,591	2,364	227	227	0	0	10:00	1.05	8,811	9,551	227	0	-513	0	0	0	513	262	251	10:00	1.05	1,075	50	0	262	763	763	0	0	12,477													
	11:00	0.88	2,172	2,364	-192	0	192	192	11:00	0.88	7,384	9,551	0	192	-2,359	0	0	0	2,359	2,000	359	11:00	0.88	901	50	0	2,000	-1,149	0	0	1,149	1,149	10,457												
24		3,553,920 gallons		3,404,160 gallons		579,199 gallons		429,439 gallons		429,439 gallons		24		12,083,040 gallons		13,753,440 gallons		579,199 gallons		429,439 gallons		1,671,058 gallons		1,463,758 gallons		207,300 gallons		3,191,698 gallons		1,624,620 gallons		1,567,078 gallons		24		1,624,620 gallons		996,874 gallons		996,874 gallons		1,011,634 gallons		1,011,634 gallons	





## ***APPENDIX H***

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Diurnal Water Demand Analysis for the Existing System and the Following Additions:

Additional Wells

- Well 32

Additional Demands

- Summit Estates Two
- Prospect & Beverly Subdivision
- Water Trucking to East Porterville

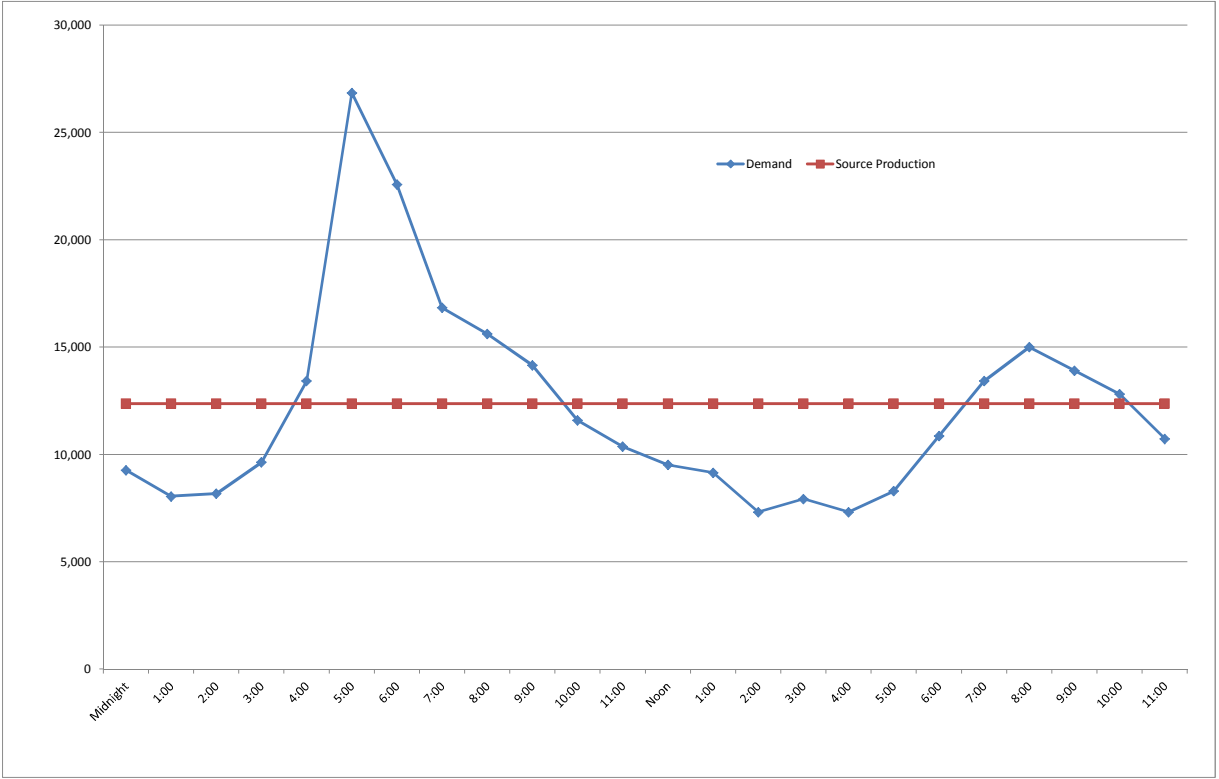
Total Well Supply:12,365 gpm  
Total MDD:12,204 gpm  
Difference:161 gpm  
Excess Supply:231,840 gallons

Scenario 2

Additional Wells:Well 32

Additional Demand:SE2, Prospect/Beverly, Water Trucking

WEST ZONE								CENTRAL ZONE												EAST ZONE												Total System	
Well Supply = 2364 gpm MDD = 2606 gpm								Well Supply = 9951 gpm MDD = 8524 gpm								Well Supply = 50 gpm MDD = 1074 gpm																	
		Demand gpm	Well Production	Difference	Needed from Central	Excess Available	Pumped to Central		Demand gpm	Well Production	Supplied to West	Pumped from West	Difference	Needed from Storage/East	Supplied from Storage	Supplied from East	Excess Available	Pumped East	Filling Tanks		Demand gpm	Well Production	Supplied to Central	Pumped from Central	Difference	Needed from Storage	Supplied from Storage	Excess Available	Filling Tanks	Demand gpm			
AM	Midnight	0.76	1,981	2,364	-383	0	383	383	Midnight	0.76	6,478	9,951	0	383	-3,856	0	0	0	3,856	2,000	1,856	Midnight	0.76	816	50	0	2,000	-1,234	0	0	1,234	1,234	9,275
	1:00	0.66	1,720	2,364	-644	0	644	644	1:00	0.66	5,626	9,951	0	644	-4,969	0	0	0	4,969	2,000	2,969	1:00	0.66	709	50	0	2,000	-1,341	0	0	1,341	1,341	8,055
	2:00	0.67	1,746	2,364	-618	0	618	618	2:00	0.67	5,711	9,951	0	618	-4,858	0	0	0	4,858	2,000	2,858	2:00	0.67	720	50	0	2,000	-1,330	0	0	1,330	1,330	8,177
	3:00	0.79	2,059	2,364	-305	0	305	305	3:00	0.79	6,734	9,951	0	305	-3,522	0	0	0	3,522	2,000	1,522	3:00	0.79	848	50	0	2,000	-1,202	0	0	1,202	1,202	9,641
	4:00	1.10	2,867	2,364	503	503	0	0	4:00	1.1	9,376	9,951	503	0	-72	0	0	72	37	35	4:00	1.1	1,181	50	0	37	1,094	1,094	0	0	13,424		
	5:00	2.20	5,733	2,364	3,369	3,369	0	0	5:00	2.2	18,753	9,951	3,369	0	12,171	12,171	9,537	2,634	0	0	5:00	2.2	2,363	50	2,634	0	4,947	4,947	4,947	0	0	26,849	
	6:00	1.85	4,821	2,364	2,457	2,457	0	0	6:00	1.85	15,769	9,951	2,457	0	8,276	8,276	7,559	717	0	0	6:00	1.85	1,987	50	717	0	2,654	2,654	2,654	0	0	22,577	
	7:00	1.38	3,596	2,364	1,232	1,232	0	0	7:00	1.38	11,763	9,951	1,232	0	3,044	3,044	2,940	104	0	0	7:00	1.38	1,482	50	104	0	1,536	1,536	1,536	0	0	16,842	
	8:00	1.28	3,336	2,364	972	972	0	0	8:00	1.28	10,911	9,951	972	0	1,931	1,931	1,931	0	0	0	8:00	1.28	1,375	50	0	0	1,325	1,325	1,325	0	0	15,621	
	9:00	1.16	3,023	2,364	659	659	0	0	9:00	1.16	9,888	9,951	659	0	596	596	596	0	0	0	9:00	1.16	1,246	50	0	0	1,196	1,196	1,196	0	0	14,157	
	10:00	0.95	2,476	2,364	112	112	0	0	10:00	0.95	8,098	9,951	112	0	-1,742	0	0	1,742	1,742	-1	10:00	0.95	1,020	50	0	1,742	-772	0	0	772	772	11,594	
	11:00	0.85	2,215	2,364	-149	0	149	149	11:00	0.85	7,245	9,951	0	149	-2,855	0	0	2,855	2,000	855	11:00	0.85	913	50	0	2,000	-1,137	0	0	1,137	1,137	10,373	
PM	Noon	0.78	2,033	2,364	-331	0	331	331	Noon	0.78	6,649	9,951	0	331	-3,634	0	0	3,634	2,000	1,634	Noon	0.78	838	50	0	2,000	-1,212	0	0	1,212	1,212	9,519	
	1:00	0.75	1,955	2,364	-410	0	410	410	1:00	0.75	6,393	9,951	0	410	-3,968	0	0	3,968	2,000	1,968	1:00	0.75	806	50	0	2,000	-1,245	0	0	1,245	1,245	9,153	
	2:00	0.60	1,564	2,364	-800	0	800	800	2:00	0.6	5,114	9,951	0	800	-5,637	0	0	5,637	2,000	3,637	2:00	0.6	644	50	0	2,000	-1,406	0	0	1,406	1,406	7,322	
	3:00	0.65	1,694	2,364	-670	0	670	670	3:00	0.65	5,541	9,951	0	670	-5,081	0	0	5,081	2,000	3,081	3:00	0.65	698	50	0	2,000	-1,352	0	0	1,352	1,352	7,933	
	4:00	0.60	1,564	2,364	-800	0	800	800	4:00	0.6	5,114	9,951	0	800	-5,637	0	0	5,637	2,000	3,637	4:00	0.6	644	50	0	2,000	-1,406	0	0	1,406	1,406	7,322	
	5:00	0.68	1,772	2,364	-592	0	592	592	5:00	0.68	5,796	9,951	0	592	-4,747	0	0	4,747	2,000	2,747	5:00	0.68	730	50	0	2,000	-1,320	0	0	1,320	1,320	8,299	
	6:00	0.89	2,319	2,364	-45	0	45	45	6:00	0.89	7,586	9,951	0	45	-2,409	0	0	2,409	2,000	409	6:00	0.89	956	50	0	2,000	-1,094	0	0	1,094	1,094	10,862	
	7:00	1.10	2,867	2,364	503	503	0	0	7:00	1.1	9,376	9,951	503	0	-72	0	0	72	0	72	7:00	1.1	1,181	50	0	0	1,131	1,131	1,131	0	0	13,424	
	8:00	1.23	3,205	2,364	841	841	0	0	8:00	1.23	10,485	9,951	841	0	1,375	1,375	1,375	0	0	0	8:00	1.23	1,321	50	0	0	1,271	1,271	0	0	15,011		
	9:00	1.14	2,971	2,364	607	607	0	0	9:00	1.14	9,717	9,951	607	0	373	373	373	0	0	0	9:00	1.14	1,224	50	0	0	1,174	1,174	0	0	13,913		
	10:00	1.05	2,736	2,364	372	372	0	0	10:00	1.05	8,950	9,951	372	0	-629	0	0	629	629	-1	10:00	1.05	1,128	50	0	629	449	449	0	0	12,814		
	11:00	0.88	2,293	2,364	-71	0	71	71	11:00	0.88	7,501	9,951	0	71	-2,521	0	0	2,521	2,000	521	11:00	0.88	945	50	0	2,000	-1,105	0	0	1,105	1,105	10,740	
		24	3,752,640 gallons	3,404,160 gallons		697,598 gallons	349,118 gallons	349,118 gallons	24	12,274,560 gallons	14,329,440 gallons	697,598 gallons	349,118 gallons		1,665,972 gallons	1,458,672 gallons	207,300 gallons	3,372,372 gallons	1,704,480 gallons	1,667,892 gallons	24				1,704,480 gallons	1,006,636 gallons	1,006,636 gallons	1,029,256 gallons	1,029,256 gallons				





## *APPENDIX I*

---

Diurnal Water Demand Analysis for the Existing System and the Following Additions:

Additional Wells

- Well 32
- East Porterville Well

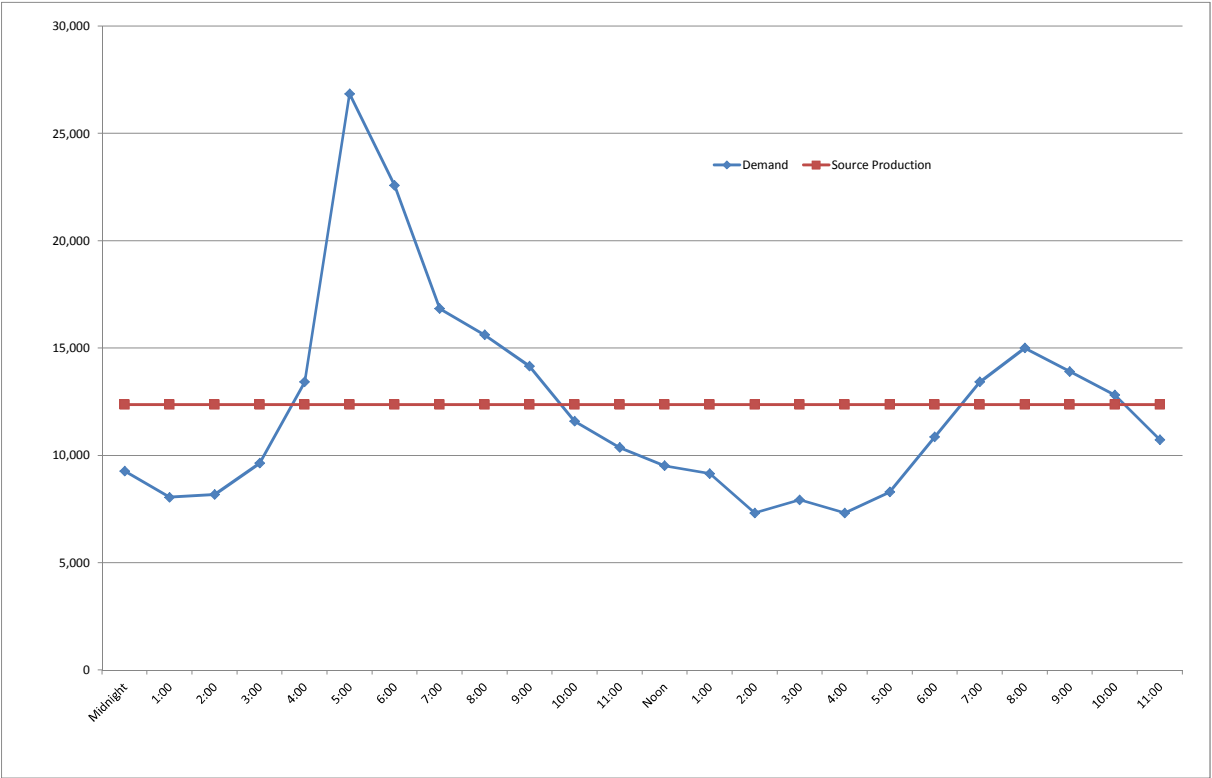
Additional Demands

- Summit Estates Two
- Prospect & Beverly Subdivision
- Water Trucking to East Porterville
- Beltran Annexation
- East Porterville Lots Meeting Criteria for Connection to City System (250 Lots)

Total Well Supply: 12,965 gpm  
Total MDD: 12,521 gpm  
Difference: 444 gpm  
Excess Supply: 639,360 gallons

Scenario 3  
Additional Wells: Well 32, EP Well  
Additional Demand: SE2, Prospect/Beverly, Water Trucking, Beltran, 250 E. Ptvle Lots

WEST ZONE										CENTRAL ZONE										EAST ZONE										Total System Demand gpm					
Well Supply = 2964 gpm MDD = 2606 gpm										Well Supply = 9951 gpm MDD = 8655 gpm										Well Supply = 50 gpm MDD = 1260 gpm															
		Demand gpm	Well Production	Difference	Needed from Central	Excess Available	Pumped to Central			Demand gpm	Well Production	Supplied to West	Pumped from West	Difference	Needed from Storage/East	Supplied from Storage	Supplied from East	Excess Available	Pumped East	Filling Tanks			Demand gpm	Well Production	Supplied to Central	Pumped from Central	Difference	Needed from Storage	Supplied from Storage		Excess Available	Filling Tanks			
AM	Midnight	0.76	1,981	2,964	-983	0	983	983		Midnight	0.76	6,578	9,951	0	983	-4,357	0	0	0	4,357	2,000	2,357		Midnight	0.76	958	50	0	2,000	-1,092	0	0	1,092	1,092	9,516
	1:00	0.66	1,720	2,964	-1,244	0	1,244	1,244		1:00	0.66	5,712	9,951	0	1,244	-5,483	0	0	0	5,483	2,000	3,483		1:00	0.66	832	50	0	2,000	-1,218	0	0	1,218	1,218	8,264
	2:00	0.67	1,746	2,964	-1,218	0	1,218	1,218		2:00	0.67	5,799	9,951	0	1,218	-5,370	0	0	0	5,370	2,000	3,370		2:00	0.67	844	50	0	2,000	-1,206	0	0	1,206	1,206	8,389
	3:00	0.79	2,059	2,964	-905	0	905	905		3:00	0.79	6,837	9,951	0	905	-4,019	0	0	0	4,019	2,000	2,019		3:00	0.79	995	50	0	2,000	-1,055	0	0	1,055	1,055	9,892
	4:00	1.10	2,867	2,964	-97	0	97	97		4:00	1.1	9,521	9,951	0	97	-528	0	0	0	528	269	259		4:00	1.1	1,386	50	0	269	1,067	1,067	0	0	13,773	
	5:00	2.20	5,733	2,964	2,769	2,769	0	0		5:00	2.2	19,041	9,951	2,769	0	11,859	11,859	9,225	2,634	0	0	0		5:00	2.2	2,772	50	2,634	0	5,356	5,356	0	0	27,546	
	6:00	1.85	4,821	2,964	1,857	1,857	0	0		6:00	1.85	16,012	9,951	1,857	0	7,918	7,918	7,201	717	0	0	0		6:00	1.85	2,331	50	717	0	2,998	2,998	0	0	23,164	
	7:00	1.38	3,596	2,964	632	632	0	0		7:00	1.38	11,944	9,951	632	0	2,625	2,625	2,521	104	0	0	0		7:00	1.38	1,739	50	104	0	1,793	1,793	0	0	17,279	
	8:00	1.28	3,336	2,964	372	372	0	0		8:00	1.28	11,078	9,951	372	0	1,499	1,499	1,499	0	0	0	0		8:00	1.28	1,613	50	0	0	1,563	1,563	0	0	16,027	
	9:00	1.16	3,023	2,964	59	59	0	0		9:00	1.16	10,040	9,951	59	0	148	148	148	0	0	0	0		9:00	1.16	1,462	50	0	0	1,412	1,412	0	0	14,524	
	10:00	0.95	2,476	2,964	-488	0	488	488		10:00	0.95	8,222	9,951	0	488	-2,217	0	0	0	2,217	2,000	217		10:00	0.95	1,197	50	0	2,000	-853	0	0	853	853	11,895
	11:00	0.85	2,215	2,964	-749	0	749	749		11:00	0.85	7,357	9,951	0	749	-3,343	0	0	0	3,343	2,000	1,343		11:00	0.85	1,071	50	0	2,000	-979	0	0	979	979	10,643
PM	Noon	0.78	2,033	2,964	-931	0	931	931		Noon	0.78	6,751	9,951	0	931	-4,131	0	0	0	4,131	2,000	2,131		Noon	0.78	983	50	0	2,000	-1,067	0	0	1,067	1,067	9,766
	1:00	0.75	1,955	2,964	-1,010	0	1,010	1,010		1:00	0.75	6,491	9,951	0	1,010	-4,469	0	0	0	4,469	3,000	1,469		1:00	0.75	945	50	0	3,000	-2,105	0	0	2,105	2,105	9,391
	2:00	0.60	1,564	2,964	-1,400	0	1,400	1,400		2:00	0.6	5,193	9,951	0	1,400	-6,158	0	0	0	6,158	3,000	3,158		2:00	0.6	756	50	0	3,000	-2,294	0	0	2,294	2,294	7,513
	3:00	0.65	1,694	2,964	-1,270	0	1,270	1,270		3:00	0.65	5,626	9,951	0	1,270	-5,595	0	0	0	5,595	3,000	2,595		3:00	0.65	819	50	0	3,000	-2,231	0	0	2,231	2,231	8,139
	4:00	0.60	1,564	2,964	-1,400	0	1,400	1,400		4:00	0.6	5,193	9,951	0	1,400	-6,158	0	0	0	6,158	3,000	3,158		4:00	0.6	756	50	0	3,000	-2,294	0	0	2,294	2,294	7,513
	5:00	0.68	1,772	2,964	-1,192	0	1,192	1,192		5:00	0.68	5,885	9,951	0	1,192	-5,258	0	0	0	5,258	2,000	3,258		5:00	0.68	857	50	0	2,000	-1,193	0	0	1,193	1,193	8,514
	6:00	0.89	2,319	2,964	-645	0	645	645		6:00	0.89	7,703	9,951	0	645	-2,893	0	0	0	2,893	2,000	893		6:00	0.89	1,121	50	0	2,000	-929	0	0	929	929	11,144
	7:00	1.10	2,867	2,964	-97	0	97	97		7:00	1.1	9,521	9,951	0	97	-528	0	0	0	528	269	259		7:00	1.1	1,386	50	0	269	1,067	1,067	0	0	13,773	
	8:00	1.23	3,205	2,964	241	241	0	0		8:00	1.23	10,646	9,951	241	0	936	936	936	0	0	0	0		8:00	1.23	1,550	50	0	0	1,500	1,500	0	0	15,401	
	9:00	1.14	2,971	2,964	7	7	0	0		9:00	1.14	9,867	9,951	7	0	-77	0	0	0	77	40	37		9:00	1.14	1,436	50	0	40	1,346	1,346	0	0	14,274	
	10:00	1.05	2,736	2,964	-228	0	228	228		10:00	1.05	9,088	9,951	0	228	-1,091	0	0	0	1,091	556	535		10:00	1.05	1,323	50	0	556	717	717	0	0	13,147	
	11:00	0.88	2,293	2,964	-671	0	671	671		11:00	0.88	7,616	9,951	0	671	-3,005	0	0	0	3,005	2,000	1,005		11:00	0.88	1,109	50	0	2,000	-941	0	0	941	941	11,018
		24	3,752,640 gallons	4,268,160 gallons		356,246 gallons	871,766 gallons	871,766 gallons		24	12,463,200 gallons	14,329,440 gallons	356,246 gallons	871,766 gallons		1,499,106 gallons	1,291,806 gallons	207,300 gallons	3,880,866 gallons	1,988,040 gallons	1,892,826 gallons		24			1,988,040 gallons		1,129,104 gallons	1,129,104 gallons	1,167,444 gallons	1,167,444 gallons				







## *APPENDIX J*

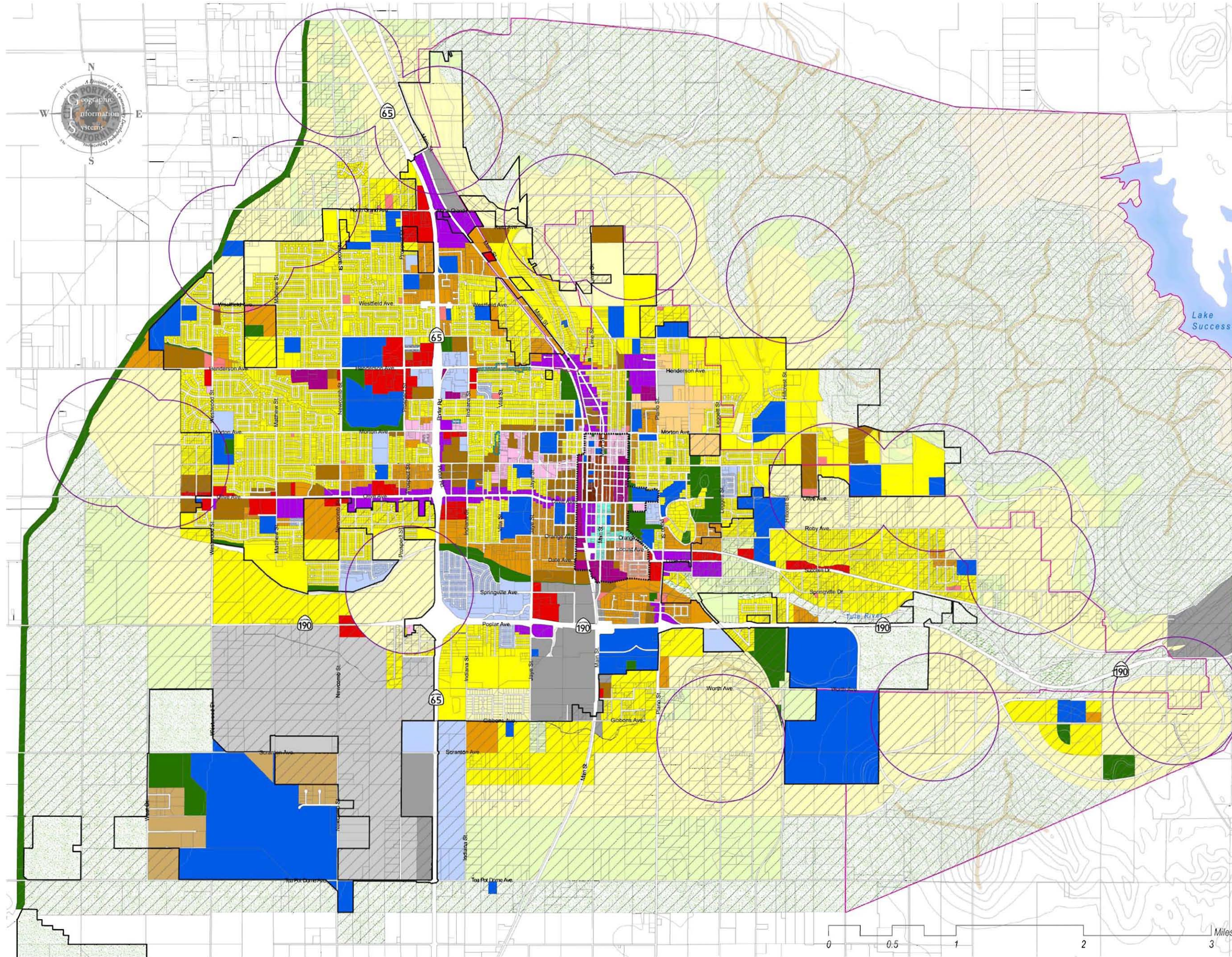
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### Data for Estimating East Porterville Water Use

- 2015 City Zoning Map
- City Water Master Plan, Table 3.4



# City of Porterville Final Zoning Map



- AC (Agricultural/Conservation)
- RR (Rural Residential)
- RS-1 (Very Low Density Residential)
- RS-2 (Low Density Residential)
- RM-1 (Low Medium Density Residential)
- RM-2 (Medium Density Residential)
- RM-3 (High Density Residential)
- CN (Neighborhood Commercial)
- CR (Retail Centers)
- CG (General and Service Commercial)
- CMX (Commercial Mixed-Use)
- PO (Professional Office)
- IP (Industrial Park)
- IG (General Industrial)
- IA (Airport Industrial)
- PS (Public and Semi-Public)
- REC (Commercial Recreation)
- PK (Parks and Public Recreation Facilities)
- PD (Planned Development)

## Downtown District

- DR-N (Retail-North of Olive)
- DR-S (Retail-South of Olive)
- DR-D (Retail-D Street Corridor)
- D-MX (Mixed-Use)
- DRM-2 (Medium Density Residential)
- DRM-3 (High Density Residential)
- D-PO (Professional Office)
- D-GC (General Commercial)
- D-PS (Public and Semi-Public)
- D-PK (Parks and Public Recreational Facilities)

- Pre-Zoning
- Downtown District Boundary
- City Limits
- Residential Neighborhood (RN) District
- Single Story (S) Overlay District
- Hillside Zone (HZ) Overlay District

Effective Date: January 16, 2015

Date	Ordinance No.
June 3, 2010	1764
January 19, 2012	1780, 1781, 1782, 1783, 1784
September 6, 2012	1790
January 3, 2013	1793
April 13, 2013	1794
December 5, 2013	1798
December 19, 2013	1800
January 3, 2014	1802
January 18, 2015	1819



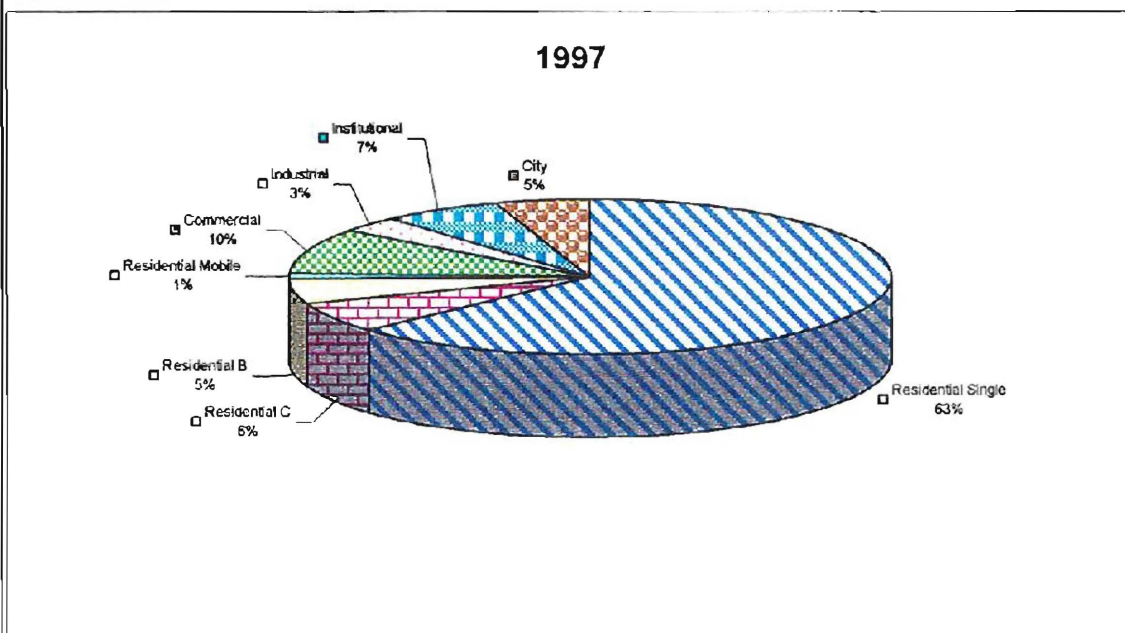
**Table 3.4 Average Annual Water Demand Coefficients  
City of Porterville Water System Master Plan**

Land Use Category <sup>1</sup>	Land Use Code	UDB <sup>1</sup> (acres)	Existing Water Service Area <sup>5</sup> (acres) (%)		Average Annual Water Demand Coefficients <sup>8</sup> (gpd/acre) (gpm/acre)		1997 Water Balance <sup>3</sup> (gpm)
Hillside Density Residential	HR	Note 7			500	0.35	n/a
Rural Density Residential	RD	540	81	1%	720	0.50	41
Low Density Residential	LD	6,931	3,211	48%	1,584	1.10	3,532
Medium Density Residential	MD	823	657	10%	3,168	2.20	1,445
High Density Residential	HD	433	356	5%	4,608	3.20	1,139
Commercial <sup>4</sup>	GC, HC, HWYC, PO	1,253	833	12%	1,440	1.00	833
Industrial	IND	868	395	6%	1,440	1.00	395
Public/Quasi Public	PQ	1,097	306	5%	720	0.50	153
Open Space	OS	584	133	2%	288	0.20	27
Agriculture	AG	137	137	2%	0	0.00	0
Airport	PAT	333	333	5%	72	0.05	17
Schools	SCH	351	300	4%	1,728	1.20	360
<b>Totals</b>		<b>13,350</b>	<b>6,742</b>	<b>100%</b>			<b>7,941</b>

**Notes:**

1. Urban Development Boundary, per Porterville's Land Use Element of the General Plan.
2. Residential density is based on gross acres.
3. The 1997 water production of 4.15 billion gallons (7,900 gpm) was distributed to the land use categories, per metered records.
4. Commercial categories have been consolidated into one category.
5. Existing Serviced Acreage. The percent was calculated by dividing the land use Serviced Acreage by the total Serviced Acreage.
6. Calculated, for each category, by dividing the 1997 Water Balance amount (gpm) by the Existing Serviced Acreage.
7. In accordance with on-going proposed Land Use modifications, The Hillside Residential Density will include a conversion of approx. 200 acres of Rural Density in the South, 800 acres of Low Density Residential in the east, and 400 acres of Low Density Residential in the north. For a total of 1,400 acres.

**Figure 3.2 Water Consumption, by Land Use Category  
City of Porterville Water System Master Plan**



Source: City of Porterville Finance Department.



## *APPENDIX K*

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Diurnal Water Demand Analysis for the Existing System and the Following Additions:

### Additional Wells

- Well 32
- East Porterville Well #1
- Beverly / Grand Well
- Akin Well
- East Porterville Well #2

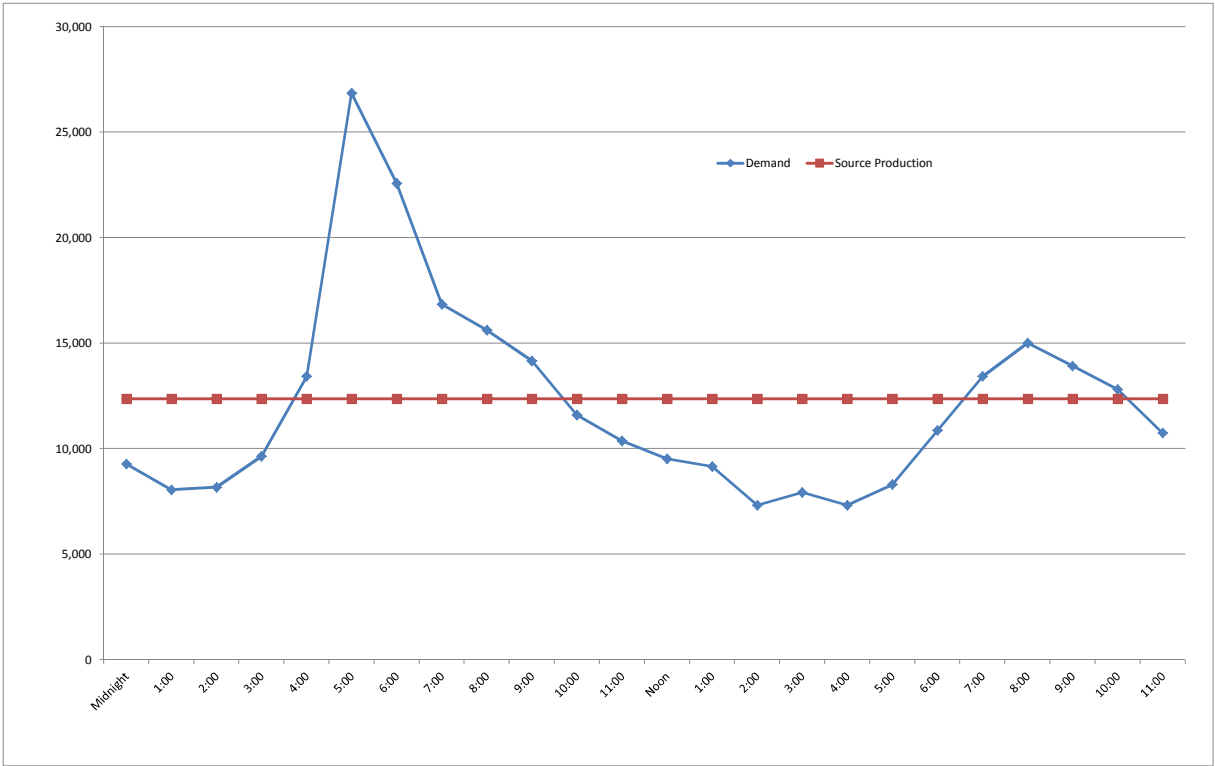
### Additional Demands

- Summit Estates Two
- Prospect & Beverly Subdivision
- East Porterville Area

Total Well Supply: 14,365 gpm  
Total MDD: 13,990 gpm  
Difference 375 gpm  
Excess Supply: 540,000 gallons

Scenario 4  
Additional Wells: Well 32, EP#1, EP#2, Beverly/Grand, Akin  
Additional Demand: SE2, Prospect/Beverly, East Porterville

WEST ZONE									CENTRAL ZONE											EAST ZONE											Total System Demand gpm				
Well Supply = 3364 gpm									Well Supply = 10951 gpm											Well Supply = 50 gpm															
MDD = 2606 gpm									MDD = 8655 gpm											MDD = 2729 gpm															
Demand gpm									Demand gpm											Demand gpm															
Well Production									Well Production											Well Production											Well Production				
Difference									Difference											Difference											Difference				
Needed from Central									Needed from Storage/East											Needed from Storage											Needed from Storage				
Excess Available									Supplied to West											Supplied from Storage											Supplied from Storage				
Pumped to Central									Pumped from West											Supplied from East											Pumped from Central				
									Difference											Excess Available											Excess Available				
Pumped East									Pumped East											Filling Tanks											Filling Tanks				
AM	Midnight	0.76	1,981	3,364	-1,383	0	1,383	1,383	Midnight	0.76	6,578	10,951	0	1,383	-5,757	0	0	0	5,757	5,000	757	Midnight	0.76	2,074	50	0	5,000	-2,976	0	0	2,976	2,976	10,632		
	1:00	0.66	1,720	3,364	-1,644	0	1,644	1,644	1:00	0.66	5,712	10,951	0	1,644	-6,883	0	0	0	6,883	5,000	1,883	1:00	0.66	1,801	50	0	5,000	-3,249	0	0	3,249	3,249	9,233		
	2:00	0.67	1,746	3,364	-1,618	0	1,618	1,618	2:00	0.67	5,799	10,951	0	1,618	-6,770	0	0	0	6,770	5,000	1,770	2:00	0.67	1,828	50	0	5,000	-3,222	0	0	3,222	3,222	9,373		
	3:00	0.79	2,059	3,364	-1,305	0	1,305	1,305	3:00	0.79	6,837	10,951	0	1,305	-5,419	0	0	0	5,419	5,000	419	3:00	0.79	2,156	50	0	5,000	-2,894	0	0	2,894	2,894	11,052		
	4:00	1.10	2,867	3,364	-497	0	497	497	4:00	1.1	9,521	10,951	0	497	-1,928	0	0	0	1,928	983	945	4:00	1.1	3,002	50	0	983	1,969	1,969	0	0	15,389			
	5:00	2.20	5,733	3,364	2,369	2,369	0	0	5:00	2.2	19,041	10,951	2,369	0	10,459	10,459	7,825	2,634	0	0	0	5:00	2.2	6,004	50	2,634	0	8,588	8,588	8,588	0	0	30,778		
	6:00	1.85	4,821	3,364	1,457	1,457	0	0	6:00	1.85	16,012	10,951	1,457	0	6,518	6,518	5,801	717	0	0	0	6:00	1.85	5,049	50	717	0	5,716	5,716	0	0	25,882			
	7:00	1.38	3,596	3,364	232	232	0	0	7:00	1.38	11,944	10,951	232	0	1,225	1,225	1,121	104	0	0	0	7:00	1.38	3,766	50	104	0	3,820	3,820	0	0	19,306			
	8:00	1.28	3,336	3,364	-28	0	28	28	8:00	1.28	11,078	10,951	0	28	99	99	99	0	0	0	0	8:00	1.28	3,493	50	0	0	3,443	3,443	3,443	0	0	17,907		
	9:00	1.16	3,023	3,364	-341	0	341	341	9:00	1.16	10,040	10,951	0	341	-1,252	0	0	0	1,252	639	613	9:00	1.16	3,166	50	0	639	2,477	2,477	0	0	16,228			
	10:00	0.95	2,476	3,364	-888	0	888	888	10:00	0.95	8,222	10,951	0	888	-3,617	0	0	0	3,617	2,000	1,617	10:00	0.95	2,593	50	0	2,000	543	543	0	0	13,291			
	11:00	0.85	2,215	3,364	-1,149	0	1,149	1,149	11:00	0.85	7,357	10,951	0	1,149	-4,743	0	0	0	4,743	4,000	743	11:00	0.85	2,320	50	0	4,000	-1,730	0	0	1,730	1,730	11,892		
PM	Noon	0.78	2,033	3,364	-1,331	0	1,331	1,331	Noon	0.78	6,751	10,951	0	1,331	-5,531	0	0	0	5,531	5,000	531	Noon	0.78	2,129	50	0	5,000	-2,921	0	0	2,921	2,921	10,912		
	1:00	0.75	1,955	3,364	-1,410	0	1,410	1,410	1:00	0.75	6,491	10,951	0	1,410	-5,869	0	0	0	5,869	5,000	869	1:00	0.75	2,047	50	0	5,000	-3,003	0	0	3,003	3,003	10,493		
	2:00	0.60	1,564	3,364	-1,800	0	1,800	1,800	2:00	0.6	5,193	10,951	0	1,800	-7,558	0	0	0	7,558	5,000	2,558	2:00	0.6	1,637	50	0	5,000	-3,413	0	0	3,413	3,413	8,394		
	3:00	0.65	1,694	3,364	-1,670	0	1,670	1,670	3:00	0.65	5,626	10,951	0	1,670	-6,995	0	0	0	6,995	5,000	1,995	3:00	0.65	1,774	50	0	5,000	-3,276	0	0	3,276	3,276	9,094		
	4:00	0.60	1,564	3,364	-1,800	0	1,800	1,800	4:00	0.6	5,193	10,951	0	1,800	-7,558	0	0	0	7,558	5,000	2,558	4:00	0.6	1,637	50	0	5,000	-3,413	0	0	3,413	3,413	8,394		
	5:00	0.68	1,772	3,364	-1,592	0	1,592	1,592	5:00	0.68	5,885	10,951	0	1,592	-6,658	0	0	0	6,658	5,000	1,658	5:00	0.68	1,856	50	0	5,000	-3,194	0	0	3,194	3,194	9,513		
	6:00	0.89	2,319	3,364	-1,045	0	1,045	1,045	6:00	0.89	7,703	10,951	0	1,045	-4,293	0	0	0	4,293	4,000	293	6:00	0.89	2,429	50	0	4,000	-1,621	0	0	1,621	1,621	12,451		
	7:00	1.10	2,867	3,364	-497	0	497	497	7:00	1.1	9,521	10,951	0	497	-1,928	0	0	0	1,928	983	945	7:00	1.1	3,002	50	0	983	1,969	1,969	0	0	15,389			
	8:00	1.23	3,205	3,364	-159	0	159	159	8:00	1.23	10,646	10,951	0	159	-464	0	0	0	464	0	464	8:00	1.23	3,357	50	0	0	3,307	3,307	0	0	17,208			
	9:00	1.14	2,971	3,364	-393	0	393	393	9:00	1.14	9,867	10,951	0	393	-1,477	0	0	0	1,477	0	1,477	9:00	1.14	3,111	50	0	0	3,061	3,061	0	0	15,949			
	10:00	1.05	2,736	3,364	-628	0	628	628	10:00	1.05	9,088	10,951	0	628	-2,491	0	0	0	2,491	1,270	1,221	10:00	1.05	2,865	50	0	1,270	1,545	1,545	0	0	14,690			
	11:00	0.88	2,293	3,364	-1,071	0	1,071	1,071	11:00	0.88	7,616	10,951	0	1,071	-4,405	0	0	0	4,405	4,000	405	11:00	0.88	2,402	50	0	4,000	-1,648	0	0	1,648	1,648	12,311		
			24	3,752,640 gallons	4,844,160 gallons		243,515 gallons	1,335,035 gallons	24	12,463,200 gallons	15,769,440 gallons	243,515 gallons	1,335,035 gallons	1,098,079 gallons	890,779 gallons	207,300 gallons	5,495,839 gallons	4,072,500 gallons	1,423,339 gallons				24			4,072,500 gallons	2,186,206 gallons	2,186,206 gallons	2,193,646 gallons	2,193,646 gallons					





## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** Consideration of Fiscal Year 2015-2016 Proposed Budget and Setting Date of Public Hearing

**SOURCE:** City Manager's Office

**COMMENT:** Consistent with the City Charter, the City Manager has submitted for the City Council's consideration a proposed Budget for the 2015-2016 Fiscal Year. Section 51 of the City Charter provides that the City Manager shall provide not later than thirty (30) days before the end of the City's fiscal year, an estimate of expenditures and revenues of the City departments for the ensuing year.

The budget message presented with the draft document is attached, which emphasizes the significant projects and factors involved with the Budget's development, and recommends periodic review of budget targets and the revision of expenditures to meet those targets (if necessary).

Generally, the overall reduction in Fund balances proposed will result from using monies accumulated for capital expenditure being used to implement projects.

The City Charter provides that "after duly considering the estimate and making such corrections or modifications thereto as shall seem advisable to it, the Council shall by resolution adopt a general budget and such resolution shall operate as an appropriation of funds to the amounts and for the purposes set forth in the budget so adopted." All spending authority from the current 2014-2015 Fiscal Year budget expires after June 30, 2015. Therefore, a new budget must be adopted which allows payroll to be paid and routine expenditures to be incurred effective July 1, 2015. The Charter is not specific as to the duration of the adoption, thus accordingly, consistent with past Council discussion, the Council may authorize a budget adoption period less than the full fiscal year.

**RECOMMENDATION:** That the City Council consider the proposed 2015-2016 Fiscal Year Budget, include any modifications so directed by the Council, and schedule a Public Hearing on the proposed Budget for Tuesday, June 16, 2015.

**ATTACHMENTS:**

1. Preliminary Budget Message
2. Preliminary Budget Fund Summaries
3. Preliminary Budget Capital Projects Summary

Appropriated/Funded: MB

Review By:

Department Director:

Final Approver: John Lollis, City Manager

**FY 2015-16 Preliminary Budget**  
**June 2, 2015**

**Honorable Mayor, Vice Mayor and Members of Council:**

Since the beginning of the “Great Recession” in 2008, the City has endured extraordinary budgetary challenges. Positively, both the current and potentially next couple of fiscal years are forecasted to be less economically challenging than the prior six years have been. However, should the current drought conditions continue into the 2016 calendar year, it is uncertain what economic impacts may be realized. Given current improving economic conditions, the State’s budgetary condition appears to have stabilized, with no negative impacts by the State expected upon the City budget as has been experienced in recent years (“borrowing” of Property Tax, elimination of Redevelopment, redirection of Vehicle License Fee funds, redirection of Off-Highway Vehicle funds, etc.).

Although it would appear that the national, state, and local economies have stabilized, only incremental improvement is anticipated for the next couple of years, with a potential moderate economic downturn being forecast in the 2017-2018 fiscal year. Locally, with assistance of a \$60 million State grant, the County is continuing its design in the development of a new South County detention facility, with construction anticipated to begin in 2016 and become operational in 2018. The Henderson Avenue mixed-use project began development of the residential component this past year, with four other commercial development projects being planned for on the Henderson Avenue corridor within the next one to two years.

The opening of Kohl’s in the Porterville Marketplace precipitated the expected companion retail development (PetSmart, Marshall’s, Famous Footwear, Rue21, etc.), with Panera, Wingstop and Me-N-Ed’s Pizza the latest additions to the Marketplace. A prospective tenant is currently evaluating the vacant space between PetSmart and Kohl’s to locate. Applebee’s improved and recently opened in the former Blockbuster video store in the Porterville Town Center, and there continues to be significant interest by national-brand retailers to locate in Porterville, either on the Henderson Avenue, Olive Avenue or Highway 190 commercial corridors. Although the Superior Court resoundingly ruled in favor of the City and the Council’s approval of the Riverwalk Phase II (Super Walmart) EIR, the opponents filed an Appeal to the decision, and the Appellate Court ruled 2-1 against the City, requiring that a limited greenhouse gas emissions analysis be performed, which is currently underway. Although there continues to be incremental development activity (Jimmy John’s Gourmet Sandwiches and AT&T), further development of the Jaye Street Crossings and Riverwalk retail centers will likely be concurrent with Walmart’s future development. Permits issued for new residential construction are anticipated to remain comparatively sluggish, with approximately a quarter of the permits anticipated to be issued (30) that were issued in 2008 (110).



Perhaps no better indicator of the economic downturn and recent stabilization has been the City's General Fund. With Property, Sales & Use, and Utility Users Taxes historically combining to constitute over sixty-five percent (65%) of General Fund revenues, the City had experienced a \$2.4 million decrease since 2008, with General Fund revenues dropping from approximately \$24.1 million in the 2007-08 fiscal year to \$23.3 million estimated in the current 2014-15 fiscal year. As tax revenues have been moderately improving, staff has conservatively estimated General Fund revenues for the coming fiscal year at approximately \$23.5 million.

Conversely to General Fund revenues, expenditures have increased almost \$2.7 million since 2008, increasing from approximately \$19.5 million in the 2007-08 fiscal year to approximately \$22.2 million in the current 2014-15 fiscal year. Expenditures for the coming 2015-16 fiscal year are currently budgeted at \$24.25 million, resulting in an estimated \$750,000 budget shortfall. A budget-balancing solution employed for the past couple of difficult years has been to curtail Departmental spending to either 94% or 95% of budgeted expenditures, which this next year would "save" approximately \$730,000 (97%).

Based on estimates for the fiscal year 2014-15 ending, both the City's Budget Stabilization Reserve Fund (15% of annual budgeted operating expenditures; \$3.5 million) and the Catastrophic/Emergency Reserve Fund (10% of annual budgeted operating expenditures; \$2.4 million) will both be fully-funded.

As the Council is aware, with the State's budgetary situation stabilized, the greatest budgetary threat now looming for the City is the expected double-digit CalPERS employer contribution rate increases recently adopted by the CalPERS Board of Directors, scheduled to take effect July 1, 2016. Based on current payroll, and absent subsequent modifying action by the CalPERS Board, such an increase would likely exceed \$1 million in increased expense to the General Fund. In the coming fiscal year, the City will be experiencing an effective employer contribution rate of 33.306% for Public Safety Tier 1 "Classic" employees (0.80% increase), and 26.074% for Miscellaneous Tier 1 "Classic" employees (1.33% increase), for every \$1.00 of payroll paid.

### RISK MANAGEMENT

Staff has been most concerned by the performance of the Risk Management Fund, and most specifically the Health & Life component of the Fund, with multi-year deficits of at least \$1 million. Although revenues have remained consistent, Health & Life Plan expenditures have steadily increased. To address this continuing shortfall, staff worked this past fiscal year with its employee associations on Health Plan modifications for cost-savings, increased employer and employee contributions to the Fund, as well as increased retired employee contributions.

## MEASURE H

The new Public Safety Station is anticipated to complete construction this coming Fall and become operational by January 1, 2016. With the awarded low bid of \$4,602,270, not including contingencies and inspection services, construction of the facility is expected to be less than \$5 million, which is within the estimated ending 2014-15 fiscal year Fund Reserve. Given the past uncertain economic climate, and to ensure adequate staffing for the Public Safety Station upon construction, the City entered into an Agreement with the Porterville City Firefighters Association to limit the use of vacation to one (1) Fire personnel per shift. With at least \$300,000 in annual surplus forecasted to continue, the increment is proposed to be used in the hiring of three (3) additional Fire Department personnel when the facility becomes operational.

With the City's acquisition of the Centennial Plaza building across Main Street from City Hall, the long-planned development of the Library Literacy Center (\$155,000) is expected to occur, funded by Measure H.

## STREET PROJECTS

With the completion of the Plano Street Bridge, the beginning of the Jaye Street Bridge Widening Project is the primary project anticipated this coming fiscal year. The estimated total project cost is approximately \$12.9 million, of which the City's match is 11.47% (\$1,477,659), which is funded through Certificates of Participation (COP) and Local Transportation Funds (LTF). The project is anticipated to be completed in two construction phases due to the seasonal flow requirements of the Tule River, although, the project could possibly be completed in a single phase should the current drought conditions continue.

Significant previously-appropriated street projects that are anticipated to progress next fiscal year include: 1) Lime Street Reconstruction – Henderson Avenue to former railroad ROW (\$1.25 million); 2) Henderson Avenue Reconstruction – Jaye Street to Indiana Street (\$1.2 million); 3) W. North Grand Avenue Reconstruction, Phase 3 – Newcomb Street to Prospect Street (\$1.1 million); 4) Newcomb Street Shoulder Stabilization/Widening, Phase 2 – Roby Avenue to Olive Avenue (\$983,300); 5) Gibbons Avenue Reconstruction, Phase I – Jaye Street to Indiana Street (\$660,935); 6) Downtown Pedestrian Walkway - Oak Avenue (\$557,000); 7) Putnam Avenue and "D" Street Traffic Signal (\$295,500); and 8) Date Avenue Reconstruction – Jaye Street to "H" Street (\$216,569).

It is projected for the coming fiscal year that the City will have approximately \$1.7 million in Measure R "Local" funds for micro-surfacing projects, including an approximate \$800,000 annual advance from TCAG of 2015-16 estimated local revenues. Consistent with the City's Pavement Condition Index (PCI), staff recommends the micro-surfacing of Plano Street, between Highway 190 and Henderson Avenue, as well as Main Street between Morton and Olive Avenues.

Significant staff time will be spent in continued facilitation with Caltrans on the implementation of the Highway 190 Corridor Study and the immediate term interchange and intersection improvements, with TCAG Measure R "Regional" funds as the source of funding.

#### WATER PROJECTS

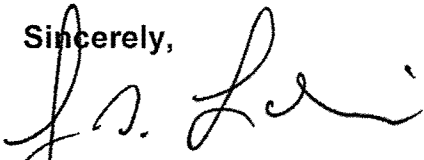
Utilizing the approximate \$820,000 remainder of the CIEDB loan, development of much-needed Well #32 is expected to be completed in the coming months, which is located southwest of the Airport near the Porterville Fairgrounds. As part of the Akin Water Company Services Agreement, the development of Well #33 has begun, located north of Henderson Avenue near the Friant-Kern Canal, with approximately \$2.0 million in funding to be provided by the Department of Water Resources. Significant staff time is also being devoted in coordination with State and County representatives to secure full-funding for a new well in support of the County's Household Tank Program in East Porterville. Staff is also in coordination with State representatives on funding of another well in support of the Beverly/Grand Water Company connection project, as well as the E. Vandalia Avenue water extension project.

#### SEWER PROJECTS

With the third of the Island Annexation Sewer Extension Projects under construction, it is anticipated that more than \$7 million in sewer extension projects will have been constructed during the 2012-2013, 2013-2014, 2014-2015, and 2015-2016 fiscal years, with the objective of connecting to City sewer the approximate 5,000 former County residents that were subject to annexation in 2006.

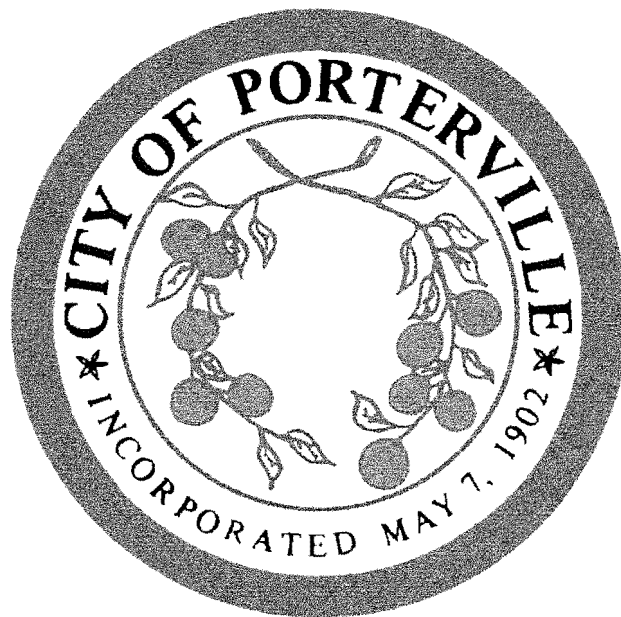
In summary, the Preliminary Budget proposed for the upcoming 2015-16 fiscal year represents the significant activities planned to improve our community, even during a continued improving yet challenged economic environment. Toward ensuring that the City's planned revenues and spending remain in balance, it is recommended that the Council continue its regular quarterly budget review.

Sincerely,



John D. Lollis  
City Manager

# **PRELIMINARY ANNUAL BUDGET**



**FISCAL YEAR  
2015-2016**

**CITY OF PORTERVILLE  
ANNUAL BUDGET  
2015-2016  
GENERAL FUND SUMMARY**

		2014-2015		
	2013-2014	Original	Revised	2015-2016
	Actual	Estimate	Estimate	Estimate
Revenues from:				
Property Taxes	\$ 7,314,932	\$ 7,023,442	\$ 7,215,982	\$ 6,940,354
Sales and Use Taxes	4,015,567	4,266,959	4,226,546	4,630,149
Utility Users Taxes	3,955,357	4,000,000	3,977,307	4,100,000
Other Taxes	2,607,109	2,451,134	2,618,722	2,606,134
Permits	463,677	342,000	497,608	403,000
Other agencies	117,790	92,000	220,535	94,000
Invested assets	271,902	214,401	310,945	388,404
Fines	74,151	65,000	64,093	71,500
Charges for services	3,856,521	3,988,783	3,931,698	4,219,663
Other revenues	83,312	64,500	228,836	70,000
<b>Total operating revenues</b>	<b>22,760,318</b>	<b>22,508,219</b>	<b>23,292,272</b>	<b>23,523,204</b>
Appropriations for:				
Legislation	346,560	436,997	377,297	444,125
Administration	663,988	737,700	749,553	719,572
City Attorney	135,575	180,000	215,551	225,000
Finance	1,423,993	1,558,760	1,477,530	1,596,827
Police Services	8,293,438	8,856,918	8,388,747	9,052,865
Fire Services	3,281,823	3,773,801	3,550,094	3,876,905
Community/Economic Development	726,046	810,527	645,502	821,392
Public Works	2,155,665	2,403,733	2,300,177	2,440,906
Parks and Leisure Services	4,315,724	4,862,807	4,455,033	5,053,570
Parks and Leisure Services - grant prog	14,692	17,000	17,331	20,000
<b>Total departmental expenditures</b>	<b>21,357,504</b>	<b>23,638,243</b>	<b>22,176,815</b>	<b>24,251,162</b>
<b>Revenue over (under) expenditures</b>	<b>1,402,814</b>	<b>(1,130,024)</b>	<b>1,115,457</b>	<b>(727,958)</b>
Other financing sources (uses):				
Transfers:				
Special Gas Tax	861,037	895,975	872,541	908,889
Community Development Block Grant	117,492	104,615	104,615	102,055
Traffic Safety Fund	168,534	150,200	204,553	200,200
Transportation Development	150,000	150,000	38,000	105,000
Park Development	35,204	14,700	54,775	39,750
Building Construction Fund	7,905	4,000	6,000	4,000
Zalud Estate support	(10,000)	(10,000)	(10,000)	(10,000)
Golf Support	(69,000)	(69,000)	(69,000)	(69,000)
Other Transfers	(1,217)	(1,327)	(12,141)	(1,327)
Net transfers	1,259,955	1,239,163	1,189,343	1,279,567
Capital grants / donations	1,242,366	287,500	458,321	178,367
Restricted Fund Balance	338,790	783,707	-	896,597
Special Purpose Reserve	10,000	100,000	51,558	100,000
Interfund Loan	-	-	2,400,000	-
Capital Outlay	(2,008,859)	(1,397,400)	(2,862,836)	(1,247,666)
Debt Service	(1,204,419)	(1,231,178)	(1,233,296)	(1,149,297)
<b>Total other financing sources (uses)</b>	<b>(362,167)</b>	<b>(218,208)</b>	<b>3,090</b>	<b>57,568</b>
<b>Net change in fund balance</b>	<b>1,040,647</b>	<b>(1,348,232)</b>	<b>1,118,547</b>	<b>(670,390)</b>
Available balance, beginning of year	-	559,111	-	114,056
<b>Available balance, end of year</b>	<b>\$ -1-</b>	<b>\$ (789,121)</b>	<b>\$ 1,118,547</b>	<b>\$ (556,334)</b>

**CITY OF PORTERVILLE  
ANNUAL BUDGET  
2015-2016**

**GENERAL FUND REVENUE ESTIMATES**

		2014-2015		
	2013-2014 Actual	Original Estimate	Revised Estimate	2015-2016 Estimate
Property taxes				
Current secured	\$ 2,333,468	\$ 2,180,000	\$ 2,267,198	\$ 2,350,000
Current unsecured	147,455	130,000	132,178	140,000
ERAF Exchange for VLF Backfill	3,305,391	3,263,900	3,460,780	3,400,000
ERAF return for Triple Flip	1,528,618	1,449,542	1,355,826	1,050,354
Total	7,314,932	7,023,442	7,215,982	6,940,354
Other taxes				
Sales & use tax	4,015,567	4,266,959	4,226,546	4,630,149
Utility Users tax	3,955,357	4,000,000	3,977,307	4,100,000
Transient occupancy tax	370,999	350,000	372,975	370,000
Property transfer tax	63,679	50,000	61,662	60,000
Franchises	550,628	475,000	555,477	550,000
Municipal franchises	1,001,134	1,001,134	1,001,134	1,001,134
Sales tax-Public Safety	202,813	165,000	193,431	200,000
Business license tax	417,856	410,000	434,043	425,000
Total	10,578,033	10,718,093	10,822,575	11,336,283
Permits				
Building permits	206,815	175,000	222,158	200,000
Plumbing permits	175,406	100,000	149,975	125,000
Electrical permits	62,942	50,000	107,303	60,000
Other permits	18,514	17,000	18,172	18,000
Total	463,677	342,000	497,608	403,000
Revenue from Other Agencies				
Motor vehicle tax	23,542	23,000	22,825	22,000
Homeowners tax exemption	27,802	27,000	26,936	27,000
Miscellaneous grants	-	-	13,036	-
State & Federal operating grants	37,881	17,000	83,019	20,000
State Reimbursements	28,565	25,000	74,719	25,000
Total	117,790	92,000	220,535	94,000
Use of money & property				
Investment income	163,922	100,000	157,121	100,000
Rental income	107,980	114,401	153,824	288,404
Total	271,902	214,401	310,945	388,404

**CITY OF PORTERVILLE  
ANNUAL BUDGET  
2015-2016**

**GENERAL FUND REVENUE ESTIMATES**

		2014-2015		
	2013-2014 Actual	Original Estimate	Revised Estimate	2015-2016 Estimate
Fines & forfeitures				
Parking fines	13,579	12,000	12,739	13,000
Vehicle code fines	3,688	3,000	3,366	3,500
Other fines	56,884	50,000	47,988	55,000
Total	74,151	65,000	64,093	71,500
Charges for services				
Planning & zoning fees	22,085	35,000	49,052	35,000
Engineering & inspection fees	73,738	60,000	71,558	70,000
Police services	407,366	385,000	393,974	400,000
Fire services	60,172	28,000	47,128	48,000
Library services	42,251	40,000	44,944	42,000
Recreation facility rentals	110,159	112,000	115,224	106,000
Recreation program revenues	1,409,911	1,636,547	1,492,726	1,722,245
Senior program revenues	9,980	12,000	11,445	12,000
Swimming fees	70,937	69,600	74,212	72,600
Interfund services	1,637,849	1,600,000	1,619,587	1,700,000
Other service charges	12,073	10,636	11,848	11,818
Total	3,856,521	3,988,783	3,931,698	4,219,663
Other revenues	83,312	64,500	228,836	70,000
<b>TOTAL GENERAL FUND</b>	<b>\$ 22,760,318</b>	<b>\$ 22,508,219</b>	<b>\$ 23,292,272</b>	<b>\$ 23,523,204</b>

**CITY OF PORTERVILLE  
ANNUAL BUDGET  
2015-2016**

**GENERAL FUND EXPENDITURE ESTIMATES**

	2013-2014	2014-2015		2015-2016
	Actual	Original Estimate	Revised Estimate	Estimate
<b>LEGISLATIVE</b>				
City Council	\$ 122,945	\$ 127,917	\$ 127,547	\$ 127,917
- Special Purpose Reserve	10,000	100,000	51,558	100,000
Community Promotion	213,615	209,080	198,192	216,208
Total	346,560	436,997	377,297	444,125
<b>ADMINISTRATIVE</b>				
City Manager	241,750	252,067	248,948	279,970
City Clerk	146,063	232,101	200,056	169,473
Human Resources	276,175	253,532	300,549	270,129
Total	663,988	737,700	749,553	719,572
<b>CITY ATTORNEY</b>	135,575	180,000	215,551	225,000
<b>FINANCE</b>				
General Accounting	489,563	491,569	470,047	479,804
Information Technology Services	360,319	410,428	379,383	410,708
General Services	313,482	365,036	331,737	372,239
Utility Billing	260,629	291,727	296,363	334,076
Total	1,423,993	1,558,760	1,477,530	1,596,827
<b>POLICE SERVICES</b>	8,293,438	8,856,918	8,388,747	9,052,865
<b>FIRE SERVICE</b>	3,281,823	3,773,801	3,550,094	3,876,905



**CITY OF PORTERVILLE  
ANNUAL BUDGET  
2015-2016**

**GENERAL FUND EXPENDITURE ESTIMATES**

		2014-2015		
	2013-2014 Actual	Original Estimate	Revised Estimate	2015-2016 Estimate
<b>COMMUNITY DEVELOPMENT</b>				
Planning	459,102	516,294	388,169	521,532
Economic Development	266,944	294,233	257,333	299,860
Total	726,046	810,527	645,502	821,392
<b>PUBLIC WORKS</b>				
Engineering	802,027	1,010,254	967,288	1,025,502
Street Maintenance	366,489	411,653	358,349	424,545
Traffic Control	372,258	360,224	360,059	366,188
Street Lighting	494,548	484,322	514,192	484,344
Storm Drain Maintenance	76,027	90,094	54,037	93,119
Parking Lot Maintenance	44,316	47,186	46,252	47,208
Total	2,155,665	2,403,733	2,300,177	2,440,906
<b>PARKS &amp; LEISURE SERVICES</b>				
Parks Maintenance	1,654,085	1,898,923	1,718,273	1,963,530
Community Centers	108,698	109,907	119,250	123,107
Leisure Services	1,623,148	1,889,407	1,716,050	1,963,620
Swimming Pool	151,166	157,119	136,851	157,119
Youth Center	117,603	104,615	104,615	102,055
Library	661,024	702,836	659,994	744,139
Subtotal	4,315,724	4,862,807	4,455,033	5,053,570
Grant-funded Parks programs	14,692	17,000	17,331	20,000
Total	4,330,416	4,879,807	4,472,364	5,073,570
<b>TOTAL GENERAL FUND</b>	<b>\$ 21,357,504</b>	<b>\$ 23,638,243</b>	<b>\$ 22,176,815</b>	<b>\$ 24,251,162</b>

**CITY OF PORTERVILLE  
ANNUAL BUDGET  
2015-2016**

**PUBLIC SAFETY SALES TAX (MEASURE H) FUND**

		2014-2015		
	2013-2014 Actual	Original Estimate	Revised Estimate	2015-2016 Estimate
Available balance, beginning of year	\$ 4,035,573	\$ 4,648,285	\$ 4,319,898	\$ 1,299,382
Add:				
Revenues from:				
Sales tax - Measure H	3,182,807	3,245,254	3,176,219	3,356,126
Interest income	46,498	25,000	25,000	5,000
Police services	427	2,500	2,500	2,500
Total	<u>3,229,732</u>	<u>3,272,754</u>	<u>3,203,719</u>	<u>3,363,626</u>
Transfer from:				
General fund	-	-	11,821	-
Total revenues and transfers	<u>3,229,732</u>	<u>3,272,754</u>	<u>3,215,540</u>	<u>3,363,626</u>
Less:				
Appropriations for:				
Police services	1,335,347	1,452,142	1,340,981	1,463,664
Fire services	903,736	1,012,000	908,356	1,330,723
Library & literacy	405,976	475,000	428,394	493,677
Total	<u>2,645,059</u>	<u>2,939,142</u>	<u>2,677,731</u>	<u>3,288,064</u>
Capital projects				
Public Safety Station - design	300,348	-	-	-
Public Safety Station - construction	-	4,600,000	3,558,325	1,823,000
Library literacy center development	-	100,000	-	100,000
Total	<u>300,348</u>	<u>4,700,000</u>	<u>3,558,325</u>	<u>1,923,000</u>
Available balance, end of year	\$ <u>4,319,898</u>	\$ <u>281,897</u>	\$ <u>1,299,382</u>	\$ <u>(548,056)</u>

**CITY OF PORTERVILLE  
ANNUAL BUDGET  
2015-2016**

**SPECIAL GAS TAX FUND**

		2014-2015		
	2013-2014 <u>Actual</u>	Original Estimate	Revised Estimate	2015-2016 Estimate
Available balance, beginning of year	\$ <u>2,275,914</u>	\$ <u>2,077,185</u>	\$ <u>2,178,139</u>	\$ <u>2,451,864</u>
Add:				
Revenues from:				
State Gas Tax, Section 2105	374,091	264,741	340,125	318,210
State Gas Tax, Section 2107	400,211	325,295	464,370	435,052
State Gas Tax, Section 2107.5	7,500	7,500	7,500	7,500
State Gas Tax, Section 2106	165,031	210,830	197,130	168,856
State Gas Tax, Section 2103	766,362	576,073	577,082	252,284
Grants	557,600	763,000	525,000	763,000
Interest income	<u>34,876</u>	<u>15,000</u>	<u>25,000</u>	<u>20,000</u>
Total	<u>2,305,671</u>	<u>2,162,439</u>	<u>2,136,207</u>	<u>1,964,902</u>
Less:				
Appropriations for:				
Capital projects	<u>1,542,409</u>	<u>3,264,567</u>	<u>989,941</u>	<u>2,228,497</u>
Total	<u>1,542,409</u>	<u>3,264,567</u>	<u>989,941</u>	<u>2,228,497</u>
Transfers to General Fund for:				
Street Maintenance	366,489	411,653	358,349	424,545
Street Lighting	<u>494,548</u>	<u>484,322</u>	<u>514,192</u>	<u>484,344</u>
Total	<u>861,037</u>	<u>895,975</u>	<u>872,541</u>	<u>908,889</u>
Available balance, end of year	\$ <u><u>2,178,139</u></u>	\$ <u><u>79,082</u></u>	\$ <u><u>2,451,864</u></u>	\$ <u><u>1,279,380</u></u>

**CITY OF PORTERVILLE  
ANNUAL BUDGET  
2015-2016**

**LOCAL TRANSPORTATION FUNDS (LTF) FUND**

		2014-2015		
	2013-2014	Original	Revised	2015-2016
	Actual	Estimate	Estimate	Estimate
Available balance, beginning of year	\$ 2,887,093	\$ 2,933,888	\$ 3,163,465	\$ 4,943,648
Add:				
Revenues from:				
State Gas Tax, Section 325	1,015,758	500,000	1,425,222	300,000
Sales Tax - Measure R - Local	982,772	800,000	900,000	800,000
Sales Tax - Measure R - Regional	120,000	1,563,486	461,182	218,818
Sales Tax - Measure R - Alternative	241,360	869,000	3,050,000	677,000
Grants	636,257	2,295,773	1,123,229	584,000
Interest income	41,742	10,000	40,000	35,000
Total	3,037,889	6,038,259	6,999,633	2,614,818
Less:				
Appropriations for:				
Capital projects - LTF	716,343	1,733,794	1,049,502	4,215,994
Capital projects - grants	1,509,400	2,295,773	268,766	584,000
Capital projects - Measure R - Local	174,414	678,560	360,000	800,000
Capital projects - Measure R - Regional	120,000	1,563,486	461,182	218,818
Capital projects - Measure R - Alternative	241,360	869,000	3,080,000	736,000
Total	2,761,517	7,140,613	5,219,450	6,554,812
Available balance, end of year	\$ 3,163,465	\$ 1,831,534	\$ 4,943,648	\$ 1,003,654

**CITY OF PORTERVILLE  
ANNUAL BUDGET  
2015-2016**

**TRAFFIC SAFETY FUND**

		2014-2015		
	2013-2014	Original	Revised	2015-2016
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
Available balance, beginning of year	\$ <u>16,417</u>	\$ <u>-</u>	\$ <u>54,053</u>	\$ <u>-</u>
Add:				
Revenues from:				
Interest Income	370	200	500	200
Vehicle Code Fines	<u>205,800</u>	<u>150,000</u>	<u>150,000</u>	<u>200,000</u>
Total	<u>206,170</u>	<u>150,200</u>	<u>150,500</u>	<u>200,200</u>
Less:				
Transfers to General Fund for:				
Street Maintenance	<u>168,534</u>	<u>150,200</u>	<u>204,553</u>	<u>200,200</u>
Total	<u>168,534</u>	<u>150,200</u>	<u>204,553</u>	<u>200,200</u>
Available balance, end of year	\$ <u><u>54,053</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

**CITY OF PORTERVILLE  
ANNUAL BUDGET  
2015-2016**

**ZALUD ESTATE FUND**

		2014-2015		
	2013-2014 Actual	Original Estimate	Revised Estimate	2015-2016 Estimate
Available balance, beginning of year	\$ <u>88,773</u>	\$ <u>79,805</u>	\$ <u>80,887</u>	\$ <u>78,031</u>
Add:				
Revenues from:				
Interest income	862	500	695	500
User fees	3,090	3,500	5,000	4,500
Other income	<u>348</u>	<u>1,000</u>	<u>100</u>	<u>1,000</u>
Total	4,300	5,000	5,795	6,000
Transfers from:				
General Fund	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
Total Revenues and Transfers	<u>14,300</u>	<u>15,000</u>	<u>15,795</u>	<u>16,000</u>
Less:				
Appropriations for:				
Operations	<u>22,186</u>	<u>27,235</u>	<u>18,651</u>	<u>22,855</u>
Total	<u>22,186</u>	<u>27,235</u>	<u>18,651</u>	<u>22,855</u>
Available balance, end of year	\$ <u><u>80,887</u></u>	\$ <u><u>67,570</u></u>	\$ <u><u>78,031</u></u>	\$ <u><u>71,176</u></u>

**CITY OF PORTERVILLE  
ANNUAL BUDGET  
2015-2016**

**COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

		2014-2015		
	2013-2014 Actual	Original Estimate	Revised Estimate	2015-2016 Estimate
Available balance, beginning of year	\$ 473,778	\$ 1,044,386	\$ 745,650	\$ 656,324
Add:				
Revenues from:				
State grants	52,874	540,000	280,000	260,000
Federal grants	703,300	667,621	667,621	663,697
Interest income	28,218	20,000	21,736	20,000
Other	350,774	232,000	750,514	285,500
Total	1,135,166	1,459,621	1,719,871	1,229,197
Less:				
Appropriations for:				
Operations	152,566	164,956	164,452	162,739
Capital projects	252,041	1,378,956	1,196,080	644,447
Subtotal	404,607	1,543,912	1,360,532	807,186
Debt service	341,195	344,050	344,050	347,887
Total	745,802	1,887,962	1,704,582	1,155,073
Transfer to:				
General Fund for Youth Center	117,492	104,615	104,615	102,055
Total Appropriations and Transfers	863,294	1,992,577	1,809,197	1,257,128
Available balance, end of year	\$ 745,650	\$ 511,430	\$ 656,324	\$ 628,393

**CITY OF PORTERVILLE  
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2015-2016**

**TRANSIT FUND**

		2014-2015		
	2013-2014 Actual	Original Estimate	Revised Estimate	2015-2016 Estimate
Available balance, beginning of year	\$ -	\$ 756,697	\$ -	\$ -
Add:				
Revenues from:				
Gas Tax:				
LTF	882,820	362,762	153,250	1,765,715
STAF	623,029	600,000	660,088	600,000
Sales tax, Measure R	105,000	105,000	105,000	105,000
Farebox	576,760	560,000	574,652	550,000
State and Federal Grants	2,080,361	5,539,658	2,118,017	5,977,654
Other income	52,665	79,026	97,106	96,281
Total	4,320,635	7,246,446	3,708,113	9,094,650
Less:				
Appropriations for:				
Capital outlay	1,797,630	4,768,790	1,063,193	5,772,987
Operations	2,523,005	3,234,353	2,644,920	3,321,663
Total	4,320,635	8,003,143	3,708,113	9,094,650
Available balance, end of year	\$ -	\$ -	\$ -	\$ -



**CITY OF PORTERVILLE  
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2015-2016**

**SPECIAL SAFETY GRANTS**

		2014-2015		
	2013-2014	Original	Revised	2015-2016
	Actual	Estimate	Estimate	Estimate
Available balance, beginning of year	\$ 234,251	\$ 309,920	\$ 169,222	\$ 168,512
Add:				
Revenues from:				
State grants	270,231	196,217	234,100	206,789
Federal grants	37,262	25,100	42,187	20,000
Police services	-	-	66,722	28,000
Other income	2,913	1,500	2,838	2,000
Total	310,406	222,817	345,847	256,789
Less:				
Appropriations for:				
Police services	225,864	212,072	270,000	263,298
Police range	31,536	-	-	-
Fire services	33,266	75,100	75,100	-
Children Zone (HCZ model)	4,769	7,000	1,457	5,822
Total	295,435	294,172	346,557	269,120
Less:				
Transfer to other funds	80,000	-	-	-
Available balance, end of year	\$ 169,222	\$ 238,565	\$ 168,512	\$ 156,181

**CITY OF PORTERVILLE  
ANNUAL BUDGET  
2015-2016**

**SEWER OPERATING FUND**

		2014-2015		
	2013-2014 Actual	Original Estimate	Revised Estimate	2015-2016 Estimate
Available balance, beginning of year	\$ 951,460	\$ 1,817,036	\$ 1,574,969	\$ 2,401,777
Add:				
Revenues from:				
Property assessments	-	-	126,780	126,780
Interest income	42,258	25,000	21,453	25,000
Rental income	77,454	-	150,072	112,596
Sewer user fees	6,096,489	6,110,000	6,056,599	6,068,000
Tank dumping charges	69,997	75,000	50,681	60,000
Laboratory fees	379,559	343,000	368,543	357,500
Other revenues	114,760	187,454	103,714	110,000
Total Revenues	6,780,517	6,740,454	6,877,842	6,859,876
Less:				
Appropriations for:				
Collection system expenses	1,962,870	2,019,151	1,846,171	2,003,894
Treatment plant expense	3,144,705	3,554,364	3,069,508	3,821,022
Industrial monitoring	70,266	86,526	74,342	90,237
Laboratory	339,927	365,604	352,745	395,462
Subtotal	5,517,768	6,025,645	5,342,766	6,310,615
Debt service principal	639,240	708,268	708,268	747,984
Total Appropriations	6,157,008	6,733,913	6,051,034	7,058,599
Less:				
Transfers to:				
Sewer revolving fund	500,000	500,000	500,000	500,000
Wastewater Treatment Capital Reserve	500,000	500,000	500,000	500,000
Total Transfers	1,000,000	1,000,000	1,000,000	1,000,000
Available balance, end of year	\$ 1,574,969	\$ 823,577	\$ 2,401,777	\$ 1,203,054

**CITY OF PORTERVILLE  
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2015-2016**

**SOLID WASTE FUND**

		2014-2015		
	2013-2014 Actual	Original Estimate	Revised Estimate	2015-2016 Estimate
Available balance, beginning of year	\$ 796,396	\$ 1,847,811	\$ 1,490,696	\$ 1,976,019
Add:				
Revenues from:				
Interest income	16,214	12,000	12,906	20,000
Residential charges	2,914,302	2,916,000	2,933,891	2,933,000
Commercial charges	2,117,821	2,100,000	2,138,217	2,140,000
Roll-Off charges	540,028	560,000	555,469	580,000
Recycling charges	19,302	20,000	13,929	-
Other revenues	92,265	90,000	89,071	90,000
Total	5,699,932	5,698,000	5,743,483	5,763,000
Less:				
Appropriations for:				
Refuse collection	3,655,456	3,752,452	3,876,361	3,791,786
Green waste program	738,613	918,030	728,698	952,003
Street sweeping	170,549	201,816	208,565	220,166
Curbside recycling	142,099	249,955	131,823	291,646
Waste recycling	230,796	415,436	241,212	348,109
Graffiti removal	68,119	104,078	71,501	106,552
Total	5,005,632	5,641,767	5,258,160	5,710,262
Less:				
Transfers to:				
Solid Waste Capital Reserve Fund	500,000	500,000	500,000	500,000
Total Transfers	500,000	500,000	500,000	500,000
Available balance, end of year	\$ 1,490,696	\$ 1,404,044	\$ 1,976,019	\$ 1,528,757

**CITY OF PORTERVILLE  
ANNUAL BUDGET  
2015-2016**

**AIRPORT OPERATING FUND**

		2014-2015		
	2013-2014 Actual	Original Estimate	Revised Estimate	2015-2016 Estimate
Available balance, beginning of year	\$ <u>787,377</u>	\$ <u>1,148,692</u>	\$ <u>937,402</u>	\$ <u>1,124,968</u>
Add:				
Revenues from:				
Interest income	9,201	6,000	9,376	8,000
State grants	10,000	10,000	10,000	10,000
Rental income	157,596	150,100	153,946	153,983
Concessions	8,175	8,188	8,188	8,188
Fueling operations	1,198,292	1,200,000	1,182,696	1,280,000
Service fees	45,344	37,100	38,709	39,420
Other revenues	<u>11,213</u>	<u>10,500</u>	<u>11,183</u>	<u>10,600</u>
Total	<u>1,439,821</u>	<u>1,421,888</u>	<u>1,414,098</u>	<u>1,510,191</u>
Less:				
Appropriations for:				
Operations	1,257,414	1,306,976	1,212,274	1,338,310
Debt service	13,552	14,258	14,258	14,545
Capital outlay	<u>18,830</u>	<u>10,000</u>	<u>-</u>	<u>15,000</u>
Total	<u>1,289,796</u>	<u>1,331,234</u>	<u>1,226,532</u>	<u>1,367,855</u>
Available balance, end of year	\$ <u><u>937,402</u></u>	\$ <u><u>1,239,346</u></u>	\$ <u><u>1,124,968</u></u>	\$ <u><u>1,267,304</u></u>

**CITY OF PORTERVILLE  
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2015-2016**

**GOLF COURSE FUND**

		2014-2015		
	2013-2014	Original	Revised	2015-2016
	Actual	Estimate	Estimate	Estimate
Available balance, beginning of year	\$ <u>(717,872)</u>	\$ <u>(805,461)</u>	\$ <u>(798,090)</u>	\$ <u>(873,281)</u>
Add:				
Revenues from:				
Daily green fees	106,001	110,000	100,000	94,000
Membership Fees	49,355	56,000	44,740	44,000
Cart rentals	55,721	52,000	55,580	54,000
Other revenues	<u>2,672</u>	<u>2,700</u>	<u>2,479</u>	<u>2,100</u>
Total	<u>213,749</u>	<u>220,700</u>	<u>202,799</u>	<u>194,100</u>
Transfers from:				
General Fund	<u>69,000</u>	<u>69,000</u>	<u>69,000</u>	<u>69,000</u>
Total Revenues and Transfers	<u>282,749</u>	<u>289,700</u>	<u>271,799</u>	<u>263,100</u>
Less:				
Appropriations for:				
Operations	<u>362,967</u>	<u>366,188</u>	<u>346,990</u>	<u>360,846</u>
Total	<u>362,967</u>	<u>366,188</u>	<u>346,990</u>	<u>360,846</u>
Available balance, end of year	\$ <u><u>(798,090)</u></u>	\$ <u><u>(881,949)</u></u>	\$ <u><u>(873,281)</u></u>	\$ <u><u>(971,027)</u></u>

**CITY OF PORTERVILLE  
ANNUAL BUDGET  
2015-2016**

**WATER OPERATING FUND**

		2014-2015		
	2013-2014 Actual	Original Estimate	Revised Estimate	2015-2016 Estimate
Available balance, beginning of year	\$ 640,737	\$ 453,517	\$ 432,529	\$ (283,568)
Add:				
Revenues from:				
Interest income	15,191	15,000	11,312	15,000
Water sales	4,646,737	4,678,000	4,307,409	5,400,993
Service fees	134,768	104,000	146,769	140,000
Other revenues	234,491	107,000	110,856	95,000
Total	5,031,187	4,904,000	4,576,346	5,650,993
Less:				
Appropriations for:				
Operations	3,811,202	3,771,070	3,903,363	3,926,000
Meter Reading	258,849	267,762	269,991	266,513
Water Quality Assurance	478,732	571,484	397,895	556,681
Hydrant Testing	22,433	29,458	16,160	29,458
Subtotal	4,571,216	4,639,774	4,587,409	4,778,652
Debt service principal	668,179	705,034	705,034	747,147
Total	5,239,395	5,344,808	5,292,443	5,525,799
Available balance, end of year	\$ 432,529	\$ 12,709	\$ (283,568)	\$ (158,374)

**CITY OF PORTERVILLE  
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2015-2016**

**GENERAL GOVERNMENT - DEBT SERVICE FUND**

		2014-2015		
	2013-2014 Actual	Original Estimate	Revised Estimate	2015-2016 Estimate
Available balance, beginning of year	\$ <u>1,557,455</u>	\$ <u>1,817,061</u>	\$ <u>1,814,270</u>	\$ <u>1,744,853</u>
Add:				
Revenues from:				
Interest income	9,406	5,000	5,000	5,000
Interdepartmental service charges	<u>271,880</u>	<u>508,491</u>	<u>521,265</u>	<u>503,280</u>
Total	<u>281,286</u>	<u>513,491</u>	<u>526,265</u>	<u>508,280</u>
Less:				
Appropriations for:				
Administrative expense	2,000	2,500	2,200	2,500
Debt issuance costs	190,273	-	661,741	-
Debt redemption	<u>1,241,955</u>	<u>1,826,778</u>	<u>1,826,778</u>	<u>1,684,019</u>
Total	<u>1,434,228</u>	<u>1,829,278</u>	<u>2,490,719</u>	<u>1,686,519</u>
Other financing sources (uses):				
Proceeds from Refunding	205,338	-	661,741	-
Transfers from General Fund	<u>1,204,419</u>	<u>1,231,178</u>	<u>1,233,296</u>	<u>1,088,344</u>
Total	<u>1,409,757</u>	<u>1,231,178</u>	<u>1,895,037</u>	<u>1,088,344</u>
Available balance, end of year	\$ <u><u>1,814,270</u></u>	\$ <u><u>1,732,452</u></u>	\$ <u><u>1,744,853</u></u>	\$ <u><u>1,654,958</u></u>

**CITY OF PORTERVILLE  
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2015-2016**

**RISK MANAGEMENT**

		2014-2015		
	2013-2014	Original	Revised	2015-2016
	Actual	Estimate	Estimate	Estimate
Available balance, beginning of year	\$ 2,891,114	\$ 493,909	\$ 993,488	\$ 450,101
Add:				
Revenues from:				
Interest income	19,203	15,000	3,575	3,000
Liability Program	514,916	514,816	514,916	514,916
Health and Life	2,504,546	2,500,000	3,116,032	3,500,000
Unemployment	88,089	88,000	91,295	88,000
Worker's Comp	909,313	905,000	953,799	900,000
Automobile/Property	157,712	157,000	162,144	157,000
Other revenues	6,085	40,250	386	250
Total Revenues	4,199,864	4,220,066	4,842,147	5,163,166
Less:				
Appropriations for:				
Liability Program	420,945	533,759	551,133	594,722
Health and Life	4,416,585	3,987,844	3,853,265	4,000,000
Unemployment	56,340	46,000	32,352	35,000
Worker's Comp	829,314	1,236,314	455,467	1,265,828
Automobile/Property	138,674	226,078	212,547	222,061
Employment Practices	90,651	155,015	127,277	152,881
Administration	144,981	172,263	153,493	176,592
Subtotal	6,097,490	6,357,273	5,385,534	6,447,084
Capital Projects	-	105,000	-	75,000
Total Expenditures	6,097,490	6,462,273	5,385,534	6,522,084
Available balance, end of year	\$ 993,488	\$ (1,748,298)	\$ 450,101	\$ (908,817)



**CITY OF PORTERVILLE  
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2015-2016**

**EQUIPMENT MAINTENANCE FUND**

		2014-2015		
	2013-2014	Original	Revised	2015-2016
	Actual	Estimate	Estimate	Estimate
Available balance, beginning of year	\$ <u>120,453</u>	\$ <u>379,956</u>	\$ <u>197,254</u>	\$ <u>497,440</u>
Add:				
Revenues from:				
Interest income	3,003	1,500	3,028	2,500
Rental income	16,431	16,000	16,540	20,000
Fuel sales	1,380,093	1,378,000	1,222,234	1,358,000
Interdepartmental service charges	454,122	475,000	472,471	475,000
Other service charges	<u>1,336,080</u>	<u>1,250,000</u>	<u>1,398,909</u>	<u>1,297,000</u>
Total	<u>3,189,729</u>	<u>3,120,500</u>	<u>3,113,182</u>	<u>3,152,500</u>
Less:				
Appropriations for:				
Equipment maintenance	<u>3,112,928</u>	<u>3,091,857</u>	<u>2,812,996</u>	<u>3,134,475</u>
Total	<u>3,112,928</u>	<u>3,091,857</u>	<u>2,812,996</u>	<u>3,134,475</u>
Available balance, end of year	\$ <u><u>197,254</u></u>	\$ <u><u>408,599</u></u>	\$ <u><u>497,440</u></u>	\$ <u><u>515,465</u></u>

**CITY OF PORTERVILLE  
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2015-2016**

**LANDSCAPE MAINTENANCE DISTRICTS FUND**

		2014-2015		
	2013-2014	Original	Revised	2015-2016
	Actual	Estimate	Estimate	Estimate
Available balance, beginning of year	\$ <u>761,631</u>	\$ <u>655,279</u>	\$ <u>639,763</u>	\$ <u>516,776</u>
Add:				
Revenues from:				
Property assessments	<u>49,924</u>	<u>81,628</u>	<u>73,145</u>	<u>95,500</u>
Total	<u>49,924</u>	<u>81,628</u>	<u>73,145</u>	<u>95,500</u>
Less:				
Appropriations for:				
Maintenance and repair	<u>171,792</u>	<u>214,705</u>	<u>196,132</u>	<u>173,255</u>
Total	<u>171,792</u>	<u>214,705</u>	<u>196,132</u>	<u>173,255</u>
Available balance, end of year	\$ <u><u>639,763</u></u>	\$ <u><u>522,202</u></u>	\$ <u><u>516,776</u></u>	\$ <u><u>439,021</u></u>

**CITY OF PORTERVILLE  
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2015-2016**

**WATER REPLACEMENT FUND**

		2014-2015		
	2013-2014 Actual	Original Estimate	Revised Estimate	2015-2016 Estimate
Available balance, beginning of year	\$ 4,649,622	\$ 4,605,039	\$ 4,294,068	\$ 5,092,094
Add:				
Revenues from:				
Federal & State grants	-	1,400,000	-	4,100,000
Interest income	48,692	40,000	40,000	50,000
Service fees	32,333	10,000	41,643	20,000
Development fees	249,764	40,000	73,586	75,000
Interdepartmental service charges	142,158	146,226	139,138	146,034
Depreciation reserve	155,162	155,162	155,162	155,162
Other revenue	584	-	-	-
Financing revenue	-	820,000	734,497	820,000
Total	628,693	2,611,388	1,184,026	5,366,196
Less:				
Appropriations for:				
Equipment replacement	151,345	206,000	186,000	615,000
Capital projects	130,727	1,806,620	170,000	2,220,508
Capital projects - CIEDB	702,175	820,000	30,000	820,000
Capital projects - grants	-	1,400,000	-	4,100,000
Total	984,247	4,232,620	386,000	7,755,508
Available balance, end of year	4,294,068	2,983,807	5,092,094	2,702,782
Less:				
Equipment replacement fund	1,601,309	1,500,000	1,550,000	1,081,000
Available for capital projects	\$ 2,692,759	\$ 1,483,807	\$ 3,542,094	\$ 1,621,782

**CITY OF PORTERVILLE  
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**SOLID WASTE CAPITAL RESERVE FUND**

		2014-2015		
	2013-2014	Original	Revised	2015-2016
	Actual	Estimate	Estimate	Estimate
Available balance, beginning of year	\$ 2,860,132	\$ 2,317,896	\$ 2,758,686	\$ 3,103,383
Add:				
Revenues				
Federal grants	1,221,313	-	-	1,220,544
Interest income	22,992	20,000	25,342	25,000
Interdepartmental service charges	266,319	412,362	307,622	617,138
Other revenue	5,027	-	-	-
Total	1,515,651	432,362	332,964	1,862,682
Add:				
Transfer from:				
Solid Waste fund	500,000	500,000	500,000	500,000
Total	500,000	500,000	500,000	500,000
Less:				
Appropriations for:				
Equipment replacement	1,617,097	345,000	488,267	1,925,544
Total	1,617,097	345,000	488,267	1,925,544
Available balance, end of year	2,758,686	2,905,258	3,103,383	3,540,521

**CITY OF PORTERVILLE  
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**SEWER REVOLVING FUND**

		2014-2015		
	2013-2014	Original	Revised	2015-2016
	Actual	Estimate	Estimate	Estimate
Available balance, beginning of year	\$ 3,842,984	\$ 3,434,001	\$ 5,079,343	\$ 5,151,827
Add:				
Revenues from:				
Interest income	48,923	40,000	42,567	40,000
Service fees	24,660	15,000	23,820	30,000
Development fees	34,097	25,000	34,962	25,000
Interdepartmental service charges	90,114	90,114	118,569	138,218
Other revenues	4,156	-	-	-
Depreciation reserve	45,000	45,000	45,000	45,000
COP refinancing	2,454,181	3,345,000	754,021	2,925,900
Total	2,701,131	3,560,114	1,018,939	3,204,118
Add:				
Transfer from:				
Sewer operating fund	500,000	500,000	500,000	500,000
Total	500,000	500,000	500,000	500,000
Less:				
Appropriations for:				
Equipment replacement	116,958	110,000	592,434	5,000
Capital projects	1,847,814	1,229,596	100,000	1,696,928
Capital projects - COP refinancing	-	3,345,000	754,021	2,925,900
Total	1,964,772	4,684,596	1,446,455	4,627,828
Available balance, end of year	5,079,343	2,809,519	5,151,827	4,228,117
Less:				
Equipment replacement fund	991,425	880,000	450,000	645,000
Available for capital projects	\$ 4,087,918	\$ 1,929,519	\$ 4,701,827	\$ 3,583,117

**CITY OF PORTERVILLE  
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**TRANSPORTATION DEVELOPMENT FUND**

		2014-2015		
	2013-2014 Actual	Original Estimate	Revised Estimate	2015-2016 Estimate
Available balance, beginning of year	\$ <u>1,022,070</u>	\$ <u>977,418</u>	\$ <u>1,011,566</u>	\$ <u>1,011,566</u>
Add:				
Revenues from:				
Interest income	11,140	8,000	8,000	5,000
Development fees	<u>128,356</u>	<u>150,000</u>	<u>30,000</u>	<u>100,000</u>
Total	<u>139,496</u>	<u>158,000</u>	<u>38,000</u>	<u>105,000</u>
Less:				
Appropriations for:				
Capital projects	<u>-</u>	<u>91,750</u>	<u>-</u>	<u>91,750</u>
Less:				
Transfers to:				
General Fund	<u>150,000</u>	<u>150,000</u>	<u>38,000</u>	<u>105,000</u>
Available balance, end of year	\$ <u><u>1,011,566</u></u>	\$ <u><u>893,668</u></u>	\$ <u><u>1,011,566</u></u>	\$ <u><u>919,816</u></u>

**CITY OF PORTERVILLE  
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**PARK DEVELOPMENT FUND**

		2014-2015		
	2013-2014	Original	Revised	2015-2016
	Actual	Estimate	Estimate	Estimate
Available balance, beginning of year	\$ -	\$ -	\$ -	\$ -
Add:				
Revenues from:				
Interest income	73	-	75	50
Development fees	40,323	20,000	60,000	45,000
Total	40,396	20,000	60,075	45,050
Less:				
Transfers to General Fund:				
Debt Service	35,204	14,700	54,775	39,750
Transfers to Airport Fund:				
Sports Complex Lease	5,192	5,300	5,300	5,300
Total	40,396	20,000	60,075	45,050
Available balance, end of year	\$ -	\$ -	\$ -	\$ -

**CITY OF PORTERVILLE  
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**WASTEWATER TREATMENT FACILITY CAPITAL RESERVE**

		2014-2015		
	2013-2014 Actual	Original Estimate	Revised Estimate	2015-2016 Estimate
Available balance, beginning of year	\$ 8,527,573	\$ 7,615,232	\$ 8,576,894	\$ 8,681,529
Add:				
Revenues from:				
Interest income	85,921	75,000	87,815	100,000
Development fees	248,321	300,000	253,784	300,000
Interdepartmental service charges	34,704	34,704	53,088	53,088
Other revenues	-	53,088	-	-
Depreciation reserve	125,000	125,000	125,000	125,000
Total	493,946	587,792	519,687	578,088
Add:				
Transfer from:				
Sewer operating fund	500,000	500,000	500,000	500,000
Total	500,000	500,000	500,000	500,000
Less:				
Appropriations for:				
Equipment replacement	-	-	15,052	-
Capital projects	944,625	6,663,711	400,000	8,671,524
Total	944,625	6,663,711	415,052	8,671,524
Available balance, end of year	8,576,894	2,039,313	8,681,529	1,088,093
Less:				
Equipment replacement fund	279,126	318,000	320,000	498,000
Available for capital projects	\$ 8,297,768	\$ 1,721,313	\$ 8,361,529	\$ 590,093



**CITY OF PORTERVILLE  
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**STORM DRAIN DEVELOPMENT FUND**

		2014-2015		
	2013-2014 <u>Actual</u>	<u>Original Estimate</u>	<u>Revised Estimate</u>	2015-2016 <u>Estimate</u>
Available balance, beginning of year	\$ <u>2,208,130</u>	\$ <u>2,327,934</u>	\$ <u>2,245,472</u>	\$ <u>2,253,972</u>
Add:				
Revenues from:				
Interest income	26,256	15,000	23,500	20,000
Development fees	<u>188,579</u>	<u>100,000</u>	<u>60,000</u>	<u>100,000</u>
Total	<u>214,835</u>	<u>115,000</u>	<u>83,500</u>	<u>120,000</u>
Less:				
Appropriations for:				
Capital projects	<u>177,493</u>	<u>2,164,971</u>	<u>75,000</u>	<u>2,360,082</u>
Total	<u>177,493</u>	<u>2,164,971</u>	<u>75,000</u>	<u>2,360,082</u>
Available balance, end of year	\$ <u><u>2,245,472</u></u>	\$ <u><u>277,963</u></u>	\$ <u><u>2,253,972</u></u>	\$ <u><u>13,890</u></u>

**CITY OF PORTERVILLE  
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**BUILDING CONSTRUCTION FUND**

		2014-2015		
	2013-2014	Original	Revised	2015-2016
	Actual	Estimate	Estimate	Estimate
Available balance, beginning of year	\$ <u>739,147</u>	\$ <u>717,393</u>	\$ <u>692,451</u>	\$ <u>679,061</u>
Add:				
Revenues from:				
Interest income	7,905	4,000	6,000	4,000
Other revenue	<u>1,640</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>9,545</u>	<u>4,000</u>	<u>6,000</u>	<u>4,000</u>
Less:				
Appropriations for:				
Capital Projects	48,336	500,000	13,390	500,000
Transfers to General Fund	<u>7,905</u>	<u>4,000</u>	<u>6,000</u>	<u>4,000</u>
Total	<u>56,241</u>	<u>504,000</u>	<u>19,390</u>	<u>504,000</u>
Available balance, end of year	\$ <u><u>692,451</u></u>	\$ <u><u>217,393</u></u>	\$ <u><u>679,061</u></u>	\$ <u><u>179,061</u></u>

**CITY OF PORTERVILLE  
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**AIRPORT REPLACEMENT AND DEVELOPMENT FUND**

		2014-2015		
	2013-2014 <u>Actual</u>	<u>Original Estimate</u>	<u>Revised Estimate</u>	2015-2016 <u>Estimate</u>
Available balance, beginning of year	\$ <u>520,984</u>	\$ <u>523,151</u>	\$ <u>547,063</u>	\$ <u>488,641</u>
Add:				
Revenues from:				
Interest income	5,850	3,000	5,500	3,000
State grants	-	8,550	6,662	28,438
Federal grants	34,957	171,000	172,104	561,893
Interdepartmental service charges	24,186	24,186	24,186	24,186
Other revenues	<u>-</u>	<u>-</u>	<u>1,000</u>	<u>-</u>
Total	<u>64,993</u>	<u>206,736</u>	<u>209,452</u>	<u>617,517</u>
Less:				
Appropriations for:				
Special aviation	-	-	45,000	-
Capital projects	<u>38,914</u>	<u>290,000</u>	<u>222,874</u>	<u>689,326</u>
Total	<u>38,914</u>	<u>290,000</u>	<u>267,874</u>	<u>689,326</u>
Available balance, end of year	547,063	439,887	488,641	416,832
Less:				
Equipment replacement fund	<u>154,976</u>	<u>180,000</u>	<u>180,000</u>	<u>208,000</u>
Available for capital projects	\$ <u><u>392,087</u></u>	\$ <u><u>259,887</u></u>	\$ <u><u>308,641</u></u>	\$ <u><u>208,832</u></u>

**CITY OF PORTERVILLE  
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**GOLF COURSE REPLACEMENT FUND**

		2014-2015		
	2013-2014 Actual	Original Estimate	Revised Estimate	2015-2016 Estimate
Available balance, beginning of year	\$ <u>146,500</u>	\$ <u>177,057</u>	\$ <u>156,587</u>	\$ <u>124,669</u>
Add:				
Revenues from:				
Interest income	1,738	1,000	1,471	1,000
Interdepartmental service charges	29,112	29,112	33,823	37,188
Other revenues	<u>200</u>	<u>-</u>	<u>1,012</u>	<u>-</u>
Total	<u>31,050</u>	<u>30,112</u>	<u>36,306</u>	<u>38,188</u>
Less:				
Appropriations for:				
Equipment replacement	<u>20,963</u>	<u>80,000</u>	<u>68,224</u>	<u>-</u>
Total	<u>20,963</u>	<u>80,000</u>	<u>68,224</u>	<u>-</u>
Available balance, end of year	\$ <u><u>156,587</u></u>	\$ <u><u>127,169</u></u>	\$ <u><u>124,669</u></u>	\$ <u><u>162,857</u></u>

**CITY OF PORTERVILLE  
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**EQUIPMENT MAINTENANCE REPLACEMENT FUND**

		2014-2015		
	2013-2014 <u>Actual</u>	<u>Original Estimate</u>	<u>Revised Estimate</u>	2015-2016 <u>Estimate</u>
Available balance, beginning of year	\$ <u>369,018</u>	\$ <u>448,095</u>	\$ <u>440,499</u>	\$ <u>562,904</u>
Add:				
Revenues from:				
Interest income	4,631	2,500	5,000	2,500
Interdepartmental service charges	113,680	133,074	133,074	133,062
Other revenues	<u>521</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>118,832</u>	<u>135,574</u>	<u>138,074</u>	<u>135,562</u>
Less:				
Appropriations for:				
Equipment replacement	<u>47,351</u>	<u>85,000</u>	<u>15,669</u>	<u>98,000</u>
Total	<u>47,351</u>	<u>85,000</u>	<u>15,669</u>	<u>98,000</u>
Available balance, end of year	\$ <u><u>440,499</u></u>	\$ <u><u>498,669</u></u>	\$ <u><u>562,904</u></u>	\$ <u><u>600,466</u></u>

**CITY OF PORTERVILLE  
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**GENERAL FUND EQUIPMENT REPLACEMENT**

		2014-2015		
	2013-2014	Original	Revised	2015-2016
	Actual	Estimate	Estimate	Estimate
Available balance, beginning of year	\$ <u>6,339,551</u>	\$ <u>6,536,384</u>	\$ <u>6,632,056</u>	\$ <u>4,265,584</u>
Add:				
Revenues from:				
Federal and state grants	199,841	-	31,607	-
Interest income	70,709	45,000	45,000	105,953
Interdepartmental service charges	950,392	800,000	800,000	800,000
Other revenues	<u>10,025</u>	<u>-</u>	<u>31,153</u>	<u>15,000</u>
Total	<u>1,230,967</u>	<u>845,000</u>	<u>907,760</u>	<u>920,953</u>
Add:				
Transfer from other funds	<u>80,000</u>	<u>-</u>	<u>930</u>	<u>-</u>
Less:				
Appropriations for:				
Debt redemption	234	184	162	184
Equipment replacement	<u>1,018,228</u>	<u>578,000</u>	<u>875,000</u>	<u>868,000</u>
Total	<u>1,018,462</u>	<u>578,184</u>	<u>875,162</u>	<u>868,184</u>
Less:				
Interfund loan	<u>-</u>	<u>-</u>	<u>2,400,000</u>	<u>-</u>
Available balance, end of year	\$ <u><u>6,632,056</u></u>	\$ <u><u>6,803,200</u></u>	\$ <u><u>4,265,584</u></u>	\$ <u><u>4,318,353</u></u>

**CITY OF PORTERVILLE  
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**PROPOSED EQUIPMENT REPLACEMENT SCHEDULE**

DEPARTMENT	EQUIPMENT DESCRIPTION	ESTIMATED COST
Fire	Fire Engine	380,000
	Radios & Pagers	5,000
	Fire Fighting and Rescue Equipment	35,000
	Station & Grounds	55,000
Police	4 Unmarked Units	200,000
	1 Patrol Unit	50,000
Sports Complex	4WD Mower	91,000
Public Works - Streets	1 ton pickup w/liftbed & crane	52,000
	<b>Total General Fund Equipment Replacement</b>	<b>868,000</b>
Public Works - Sewer	Portable Generator	5,000
	<b>Total Sewer Equipment Replacement</b>	<b>5,000</b>
Public Works - Water Distribution	Self Propelled Spray Rig	90,000
	1 ton 4x4 pickup	30,000
	Portable Generator	5,000
	Utility Trailer	5,000
	Computer/Misc Equipment	5,000
	SCADA System upgrade	420,000
	Chlorine Station upgrades	60,000
	<b>Total Water Equipment Replacement</b>	<b>615,000</b>
Public Works - Solid Waste	Loader	200,000
	(2) CNG Frontloader (CMAQ matching funds)	80,000
	(2) CNG Sideloaders (CMAQ matching funds)	80,000
	CNG Street Sweeper (CMAQ matching funds)	35,000
	Automated Containers	110,000
	Commercial Bins and Rolloff Containers	200,000
	<b>Total Solid Waste Equipment Replacement</b>	<b>705,000</b>
Public Works - Equipment Maint.	Hoist	90,000
	Parts Washer	6,000
	Engine Analyzer Software	2,000
	<b>Total Equipment Maintenance Equipment Replacement</b>	<b>98,000</b>
<b>TOTAL 2015-2016 EQUIPMENT REPLACEMENT</b>		<b>2,291,000</b>

**CITY OF PORTERVILLE  
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**CAPITAL PROJECTS**

PROJECT	ACCOUNT NUMBER	REQUIRED AMOUNTS	FUNDING SOURCE
<b><u>GENERAL GOVERNMENT</u></b>			
<b>GENERAL:</b>			
Analysis of impediments/housing element/consolidated plan	89-9070	\$ 106,809	General Fund
Animal shelter & dog park	89-9015	1,180,690	Building Construction Fund/WWTF/PTAF
Circulation element - transportation update	89-9026	150,000	LTF
Comprehensive impact fee study		100,000	Impact fees (various)
Elderberry mitigation monitoring	89-9073	75,000	LTF
Kiwanis handicap ramp	89-9028	20,000	General Fund carryover
PD training facility ADA bathroom and parking		30,000	Asset forfeiture fund
Porterville Hotel	89-9006	496,979	Gen Fund / RDA bond proceeds / WFH
Public Safety Station	89-9004	1,823,000	Measure H
Resurface drill grounds @ FD training facility	89-9020	32,964	GF carryover
Tule River JPA administration	89-9046	8,000	General Fund
Tule River/Porter Slough clearing	89-9038	20,000	General Fund
Weed abatement - City ROW		25,000	LTF
Wetlands mitigation		100,000	LTF
<b>TOTAL</b>		<b>\$ 4,168,442</b>	
<b><u>STREETS &amp; SIGNALS</u></b>			
Airport toxic remediation site maintenance	89-9107	\$ 18,500	STP
ADA transition plan	89-9029	50,000	Risk Management Fund
City Hall ADA parking spaces w/ sidewalk ramps	89-9464	30,000	LTF
Date Ave widening - 'H' to Jaye	89-9197	216,569	LTF
Gibbons - Jaye to Main (city/county project)	89-9102	69,000	STP
Gibbons Ave street reconstruction	89-9190	111,100	LTF
Granite Hills High School streets record of survey	89-9145	9,218	STP
Henderson Ave - Jaye to Indiana (cold foam)		1,210,000	LTF
Hillside development - standards & specifications	89-9124	78,684	LTF
Indiana Bridge	89-9125	40,361	General Fund carryover
Jaye Street Bridge	85-9703	12,882,813	Highway Bridge Prog / LTF / COP
Lighted crosswalks - collector & arterial		100,000	LTF
Lime St reconstruction	89-9158	1,130,000	LTF
Micro surfacing and rehab - Plano (SR 190 to Henderson)	89-9167	800,000	Measure R Local
Miscellaneous alleys	89-9103	96,526	STP
Miscellaneous City-owned curb, gutter and sidewalk	89-9104	40,000	STP
Miscellaneous curb and gutter	89-9155	105,000	STP
Newcomb Bridge	89-9178	24,500	LTF
Newcomb shoulder stabilization - Roby to Olive	89-9139	983,300	Measure R - Alt / CMAQ / LTF
North Grand reconstruction - Prospect to Newcomb	89-9126	1,100,000	Special gas tax
Oak Ave walkway	89-9146	283,000	Measure R - Alt / TE grant
Overlay program	89-9101	319,753	STP
Parking lots - adjacent alley improvements		50,000	LTF
Pavement mgt program implementation & maintenance	89-9127	125,000	Special gas tax
Plano Bridge - revegetation plan & monitoring	85-9701	10,000	Highway Bridge Prog / LTF
Putnam and D St traffic signal	89-9159	295,500	HSIP / STP



**CITY OF PORTERVILLE  
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**CAPITAL PROJECTS**

PROJECT	ACCOUNT NUMBER	REQUIRED AMOUNTS	FUNDING SOURCE
SR 190 corridor study (incl Main/190 interchange)	89-9160	218,818	Measure R - Regional
Scenic Heights guard rail repair	89-9134	30,000	LTF
Signs and signals upgrade	89-9111	50,000	STP
Vandalia median island	89-9141	67,841	LTF
Westfield / Matthew - Burton traffic mitigation		45,875	Transportation impact fees
Westfield / Westwood - Burton traffic mitigation		45,875	Transportation impact fees
TOTAL		<u>\$ 20,637,233</u>	

**STORM DRAIN**

Drainage reservoir #14 expansion	89-9266	\$ 119,926	Developer Fees
Drainage reservoir #18	89-9270	525,000	Developer Fees
Drainage reservoir #49	89-9271	250,000	Developer Fees
Flood plain management	89-9261	19,000	Developer Fees
Main Street - Westfield pipe (Pond 15 to Pond 19)		221,000	Developer Fees
Master plan payback	89-9208	144,691	Developer Fees
Master plan update	89-9258	199,963	Developer Fees
Mulberry / Second storm drain		15,000	Developer Fees
Municipal Separate Storm Sewer System (MS4) permit	89-9274	28,152	Developer Fees
N Grand reconstruction (Prospect to SR65 pipeline)	89-9267	179,410	Developer Fees
Rails to Trails / Olive storm drain		10,000	Developer Fees
Storm drain #30 and piping (airport industrial development)	89-9273	321,940	Developer Fees
Tomah Ave - Porter Rd to Wisconsin	89-9265	66,000	Developer Fees
Zalud Park storm drain upgrade	89-9229	260,000	Developer Fees
TOTAL		<u>\$ 2,360,082</u>	

**PARKS AND LEISURE SERVICES**

Library literacy center development	89-9495	\$ 155,093	Measure H / GF carryover
Library restroom remodel	89-9460	87,500	GF carryover
Murry Park shade structure		42,267	Housing related parks grant
Murry Park West trail	89-9499	21,100	Housing related parks grant
Program accessibility - ADA self evaluation plan	89-9029	25,000	Risk Management Fund
Sports complex restroom/concession		115,000	Contribution-Porterville Youth Football
Sports complex lighting	89-9452	61,821	CEQA mitigation
Tule River Parkway, Phase III	89-9439	84,000	Measure R - Alt
TOTAL		<u>\$ 591,781</u>	

**CITY OF PORTERVILLE  
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**CAPITAL PROJECTS**

PROJECT	ACCOUNT NUMBER	REQUIRED AMOUNTS	FUNDING SOURCE
<b><u>SEWER</u></b>			
Annexation sewer project - Area 1 (456A & 457)	89-9662	\$ 912,400	Sewer revenue bonds
Annexation sewer project - Area 4 (459A & 459C)	89-9665	1,000,000	Sewer revenue bonds
Annexation sewer project - Area 5 (456B & 456C)	89-9663	913,500	Sewer revenue bonds
Annexation sewer project - Area 6 (455A)		100,000	Sewer revenue bonds
Henderson Ave - Lime to Plano		470,000	Sewer revolving fund
Lift station upgrade	89-9645	75,000	Sewer revolving fund
Lift station #7 upgrade (airport industrial development)	89-9603	73,000	Sewer revolving fund
Lift station #11 - capacity analysis (Matthew reconstruction)	89-9633	15,000	Developer Fees
Lime St - Danner to Mulberry	89-9680	349,909	Sewer revolving fund
Master plan payback	89-9604	324,633	Developer Fees
Master plan update	89-9660	197,386	Developer Fees
Newcomb - North of Mulberry pump upgrade (LS#3)	89-9634	50,000	Developer Fees
Newcomb - W North Grand pump upgrade (LS#4)	89-9653	35,000	Developer Fees
Putnam / Railroad to Plano sewer replacement	89-9697	107,000	Sewer revolving fund
TOTAL		<u>\$ 4,622,828</u>	
<b><u>WATER</u></b>			
Cottage St and Union Ave meter project	89-9719	\$ 100,000	Water replacement fund
Deficient fire flow		100,000	Water replacement fund
Ground water recharge - reservoir #'s 58 & 59	89-9720	117,901	Water replacement fund
Lime St - Mulberry to Henderson pipe	89-9706	125,000	Water replacement fund
Master plan payback	89-9768	400,517	Developer Fees
Master plan update	89-9703	196,000	Developer Fees
Morton - Indiana to Palm - pipe		178,000	Developer Fees
Rehabilitate wells		100,000	Water replacement fund
Rocky Hill cathodic protection	89-9791	50,000	Water replacement fund
Scenic Heights tank coating and repair	89-9790	400,000	Water replacement fund
Scenic Heights tank overflow	89-9790	150,000	Water replacement fund
Scranton Ave water main relocation	89-9797	143,330	Developer Fees
Urban water management plan		50,000	Water replacement fund
Water infrastructure review	89-9798	34,760	Water replacement fund
Water meter radio read (test project)	89-9760	75,000	Water replacement fund
Water well #32	89-9722	820,000	CIEDB
Water well #33 (Akins)	89-9748	1,400,000	Dept of Water Resources
Water well #34 (Beverly / Grand)		1,400,000	Office of Emergency Services
Water well #35 (E Porterville)		1,300,000	OES / USDA
TOTAL		<u>\$ 7,140,508</u>	

**CITY OF PORTERVILLE  
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**CAPITAL PROJECTS**

<u>PROJECT</u>	<u>ACCOUNT NUMBER</u>	<u>REQUIRED AMOUNTS</u>	<u>FUNDING SOURCE</u>
<b><u>WASTEWATER TREATMENT FACILITY</u></b>			
Alternative energy project (solar power)		\$ 300,000	WWTF reserve fund
Blower project & dewatering project	89-9639	4,225,300	WWTF reserve fund
Boiler #2		800,000	WWTF reserve fund
Canopy for vehicles	89-9626	24,964	WWTF reserve fund
Digester cleaning, coating and piping replacement	89-9642	113,243	WWTF reserve fund
Expansion of emergency storage	89-9620	344,197	WWTF impact fees
Headworks grinder/washer/compactor	89-9666	300,000	WWTF reserve fund
Manhole 10A inspection / repair	89-9667	100,000	WWTF reserve fund
Mixing pump for digester #3		60,000	WWTF reserve fund
Odor control project		800,000	WWTF reserve fund
Scada upgrade	89-9650	298,856	WWTF reserve fund
Septic station retrofit	89-9648	350,000	WWTF reserve fund
Sludge / grit staging area		300,000	WWTF reserve fund
Tertiary treatment plant		200,000	WWTF reserve fund
Wastewater needs assessment and master plan	89-9654	99,964	WWTF reserve fund
TOTAL		<u>\$ 8,316,524</u>	
<b><u>TRANSIT</u></b>			
40' electric bus	20-1190-72	\$ 984,270	Air District grant / LTF
Automatic passenger counter system		324,695	Prop 1B
Bus maintenance and admin facility	89-9098	500,000	FTA grant / LTF
Bus stop amenities		40,000	Prop 1B
Bus stop shelters		240,000	FTA grant / LTF
Bus stop signing	89-9303	68,000	FTA grant / LTF
Bus turnouts		94,196	FTA grant / LTF
CNG facility expansion	89-9099	2,510,695	FTA grant / LTF / WWTFRF
Fiber network at Centennial Plaza		50,000	LTF
Furniture for Centennial Plaza offices	20-1170-73	50,000	FTA grant / LTF
Moblie fare payment system		835,183	FTA grant / Prop 1B / LTF
Signal pre-emption	89-9305	105,948	FTA grant / LTF
Transit / corp yard security CCTV	89-9043	200,000	FTA grant / LTF
Vehicle security system		50,000	FTA grant / LTF
Website development		20,000	FTA grant / LTF
TOTAL		<u>\$ 6,072,987</u>	

**CITY OF PORTERVILLE  
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**CAPITAL PROJECTS**

<u>PROJECT</u>	<u>ACCOUNT NUMBER</u>	<u>REQUIRED AMOUNTS</u>	<u>FUNDING SOURCE</u>
<b><u>AIRPORT</u></b>			
Airport layout plan narrative		\$ 34,326	FAA / State grants / Airport Dev Fund
Airport restaurant ADA bathrooms		50,000	Proceeds from land release
Rehabilitate Runway 7-25		590,000	FAA / State grants / Airport Dev Fund
Slurry seal airport parking lots		15,000	Proceeds from land release
		<u>\$ 689,326</u>	
<b><u>CDBG</u></b>			
Hockett / Putnam (NEC, UB) parking lot	89-9877	\$ 45,000	CDBG
Olive / Second (behind Porterville Hotel) parking lot	89-9878	25,000	CDBG
Second / Mill (SEC) parking lot	89-9879	30,000	CDBG
Second / Putnam (NWC) parking lot	89-9880	45,000	CDBG
Murry Park improvement	89-9813	15,351	CDBG
Santa Fe gym floor	89-9405		CDBG
		<u>\$ 160,351</u>	
<b><u>MISCELLANEOUS</u></b>			
CNG refuse trucks (4)	81-3095-72	\$ 1,097,004	CMAQ/Equipment Replacement fund
CNG sweeper	81-3095-72	282,547	CMAQ/Equipment Replacement fund
New public safety station furnishings	03-3095-73	50,000	Equipment Replacement fund
PD portable radios	03-3095-73	40,000	Equipment Replacement fund
		<u>\$ 1,469,551</u>	
<b>TOTAL CAPITAL PROJECTS</b>		<u>\$ 56,229,613</u>	

**CITY OF PORTERVILLE  
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2015 - 2016**

**CAPITAL PROJECTS**

PROJECT	ACCOUNT NUMBER	REQUIRED AMOUNTS	FUNDING SOURCE
<b><u>GENERAL GOVERNMENT</u></b>			
<b>GENERAL:</b>			
Analysis of impediments/housing element/consolidated plan	89-9070	\$ 106,809	General Fund
Animal shelter & dog park	89-9015	1,180,690	Building Construction Fund/WWTF/PTAF
Circulation element - transportation update	89-9026	150,000	LTF
Comprehensive impact fee study		100,000	Impact fees (various)
Elderberry mitigation monitoring	89-9073	75,000	LTF
Kiwanis handicap ramp	89-9028	20,000	General Fund carryover
PD training facility ADA bathroom and parking		30,000	Asset forfeiture fund
Porterville Hotel	89-9006	496,979	Gen Fund / RDA bond proceeds / WFH
Public Safety Station	89-9004	1,823,000	Measure H
Resurface drill grounds @ FD training facility	89-9020	32,964	GF carryover
Tule River JPA administration	89-9046	8,000	General Fund
Tule River/Porter Slough clearing	89-9038	20,000	General Fund
Weed abatement - City ROW		25,000	LTF
Wetlands mitigation		100,000	LTF
<b>TOTAL</b>		<b>\$ 4,168,442</b>	
<b><u>STREETS &amp; SIGNALS</u></b>			
Airport toxic remediation site maintenance	89-9107	\$ 18,500	STP
ADA transition plan	89-9029	50,000	Risk Management Fund
City Hall ADA parking spaces w/ sidewalk ramps	89-9464	30,000	LTF
Date Ave widening - 'H' to Jaye	89-9197	216,569	LTF
Gibbons - Jaye to Main (city/county project)	89-9102	69,000	STP
Gibbons Ave street reconstruction	89-9190	111,100	LTF
Granite Hills High School streets record of survey	89-9145	9,218	STP
Henderson Ave - Jaye to Indiana (cold foam)		1,210,000	LTF
Hillside development - standards & specifications	89-9124	78,684	LTF
Indiana Bridge	89-9125	40,361	General Fund carryover
Jaye Street Bridge	85-9703	12,882,813	Highway Bridge Prog / LTF / COP
Lighted crosswalks - collector & arterial		100,000	LTF
Lime St reconstruction	89-9158	1,130,000	LTF
Micro surfacing and rehab - Plano (SR 190 to Henderson)	89-9167	800,000	Measure R Local
Miscellaneous alleys	89-9103	96,526	STP
Miscellaneous City-owned curb, gutter and sidewalk	89-9104	40,000	STP
Miscellaneous curb and gutter	89-9155	105,000	STP
Newcomb Bridge	89-9178	24,500	LTF
Newcomb shoulder stabilization - Roby to Olive	89-9139	983,300	Measure R - Alt / CMAQ / LTF
North Grand reconstruction - Prospect to Newcomb	89-9126	1,100,000	Special gas tax
Oak Ave walkway	89-9146	283,000	Measure R - Alt / TE grant
Overlay program	89-9101	319,753	STP
Parking lots - adjacent alley improvements		50,000	LTF
Pavement mgt program implementation & maintenance	89-9127	125,000	Special gas tax
Plano Bridge - revegetation plan & monitoring	85-9701	10,000	Highway Bridge Prog / LTF
Putnam and D St traffic signal	89-9159	295,500	HSIP / STP

**CITY OF PORTERVILLE  
ANNUAL BUDGET  
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**CAPITAL PROJECTS**

PROJECT	ACCOUNT NUMBER	REQUIRED AMOUNTS	FUNDING SOURCE
SR 190 corridor study (incl Main/190 interchange)	89-9160	218,818	Measure R - Regional
Scenic Heights guard rail repair	89-9134	30,000	LTF
Signs and signals upgrade	89-9111	50,000	STP
Vandalia median island	89-9141	67,841	LTF
Westfield / Matthew - Burton traffic mitigation		45,875	Transportation impact fees
Westfield / Westwood - Burton traffic mitigation		45,875	Transportation impact fees
TOTAL		<u>\$ 20,637,233</u>	

**STORM DRAIN**

Drainage reservoir #14 expansion	89-9266	\$ 119,926	Developer Fees
Drainage reservoir #18	89-9270	525,000	Developer Fees
Drainage reservoir #49	89-9271	250,000	Developer Fees
Flood plain management	89-9261	19,000	Developer Fees
Main Street - Westfield pipe (Pond 15 to Pond 19)		221,000	Developer Fees
Master plan payback	89-9208	144,691	Developer Fees
Master plan update	89-9258	199,963	Developer Fees
Mulberry / Second storm drain		15,000	Developer Fees
Municipal Separate Storm Sewer System (MS4) permit	89-9274	28,152	Developer Fees
N Grand reconstruction (Prospect to SR65 pipeline)	89-9267	179,410	Developer Fees
Rails to Trails / Olive storm drain		10,000	Developer Fees
Storm drain #30 and piping (airport industrial development)	89-9273	321,940	Developer Fees
Tomah Ave - Porter Rd to Wisconsin	89-9265	66,000	Developer Fees
Zalud Park storm drain upgrade	89-9229	260,000	Developer Fees
TOTAL		<u>\$ 2,360,082</u>	

**PARKS AND LEISURE SERVICES**

Library literacy center development	89-9495	\$ 155,093	Measure H / GF carryover
Library restroom remodel	89-9460	87,500	GF carryover
Murry Park shade structure		42,267	Housing related parks grant
Murry Park West trail	89-9499	21,100	Housing related parks grant
Program accessibility - ADA self evaluation plan	89-9029	25,000	Risk Management Fund
Sports complex restroom/concession		115,000	Contribution-Porterville Youth Football
Sports complex lighting	89-9452	61,821	CEQA mitigation
Tule River Parkway, Phase III	89-9439	84,000	Measure R - Alt
TOTAL		<u>\$ 591,781</u>	

**CITY OF PORTERVILLE  
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**CAPITAL PROJECTS**

PROJECT	ACCOUNT NUMBER	REQUIRED AMOUNTS	FUNDING SOURCE
<b><u>SEWER</u></b>			
Annexation sewer project - Area 1 (456A & 457)	89-9662	\$ 912,400	Sewer revenue bonds
Annexation sewer project - Area 4 (459A & 459C)	89-9665	1,000,000	Sewer revenue bonds
Annexation sewer project - Area 5 (456B & 456C)	89-9663	913,500	Sewer revenue bonds
Annexation sewer project - Area 6 (455A)		100,000	Sewer revenue bonds
Henderson Ave - Lime to Plano		470,000	Sewer revolving fund
Lift station upgrade	89-9645	75,000	Sewer revolving fund
Lift station #7 upgrade (airport industrial development)	89-9603	73,000	Sewer revolving fund
Lift station #11 - capacity analysis (Matthew reconstruction)	89-9633	15,000	Developer Fees
Lime St - Danner to Mulberry	89-9680	349,909	Sewer revolving fund
Master plan payback	89-9604	324,633	Developer Fees
Master plan update	89-9660	197,386	Developer Fees
Newcomb - North of Mulberry pump upgrade (LS#3)	89-9634	50,000	Developer Fees
Newcomb - W North Grand pump upgrade (LS#4)	89-9653	35,000	Developer Fees
Putnam / Railroad to Plano sewer replacement	89-9697	107,000	Sewer revolving fund
TOTAL		<u>\$ 4,622,828</u>	
<b><u>WATER</u></b>			
Cottage St and Union Ave meter project	89-9719	\$ 100,000	Water replacement fund
Deficient fire flow		100,000	Water replacement fund
Ground water recharge - reservoir #'s 58 & 59	89-9720	117,901	Water replacement fund
Lime St - Mulberry to Henderson pipe	89-9706	125,000	Water replacement fund
Master plan payback	89-9768	400,517	Developer Fees
Master plan update	89-9703	196,000	Developer Fees
Morton - Indiana to Palm - pipe		178,000	Developer Fees
Rehabilitate wells		100,000	Water replacement fund
Rocky Hill cathodic protection	89-9791	50,000	Water replacement fund
Scenic Heights tank coating and repair	89-9790	400,000	Water replacement fund
Scenic Heights tank overflow	89-9790	150,000	Water replacement fund
Scranton Ave water main relocation	89-9797	143,330	Developer Fees
Urban water management plan		50,000	Water replacement fund
Water infrastructure review	89-9798	34,760	Water replacement fund
Water meter radio read (test project)	89-9760	75,000	Water replacement fund
Water well #32	89-9722	820,000	CIEDB
Water well #33 (Akins)	89-9748	1,400,000	Dept of Water Resources
Water well #34 (Beverly / Grand)		1,400,000	Office of Emergency Services
Water well #35 (E Porterville)		1,300,000	OES / USDA
TOTAL		<u>\$ 7,140,508</u>	

**CITY OF PORTERVILLE  
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**CAPITAL PROJECTS**

PROJECT	ACCOUNT NUMBER	REQUIRED AMOUNTS	FUNDING SOURCE
<b><u>WASTEWATER TREATMENT FACILITY</u></b>			
Alternative energy project (solar power)		\$ 300,000	WWTF reserve fund
Blower project & dewatering project	89-9639	4,225,300	WWTF reserve fund
Boiler #2		800,000	WWTF reserve fund
Canopy for vehicles	89-9626	24,964	WWTF reserve fund
Digester cleaning, coating and piping replacement	89-9642	113,243	WWTF reserve fund
Expansion of emergency storage	89-9620	344,197	WWTF impact fees
Headworks grinder/washer/compactor	89-9666	300,000	WWTF reserve fund
Manhole 10A inspection / repair	89-9667	100,000	WWTF reserve fund
Mixing pump for digester #3		60,000	WWTF reserve fund
Odor control project		800,000	WWTF reserve fund
Scada upgrade	89-9650	298,856	WWTF reserve fund
Septic station retrofit	89-9648	350,000	WWTF reserve fund
Sludge / grit staging area		300,000	WWTF reserve fund
Tertiary treatment plant		200,000	WWTF reserve fund
Wastewater needs assessment and master plan	89-9654	99,964	WWTF reserve fund
<b>TOTAL</b>		<b>\$ 8,316,524</b>	
<b><u>TRANSIT</u></b>			
40' electric bus	20-1190-72	\$ 984,270	Air District grant / LTF
Automatic passenger counter system		324,695	Prop 1B
Bus maintenance and admin facility	89-9098	500,000	FTA grant / LTF
Bus stop amenities		40,000	Prop 1B
Bus stop shelters		240,000	FTA grant / LTF
Bus stop signing	89-9303	68,000	FTA grant / LTF
Bus turnouts		94,196	FTA grant / LTF
CNG facility expansion	89-9099	2,510,695	FTA grant / LTF / WWTFRF
Fiber network at Centennial Plaza		50,000	LTF
Furniture for Centennial Plaza offices	20-1170-73	50,000	FTA grant / LTF
Moblie fare payment system		835,183	FTA grant / Prop 1B / LTF
Signal pre-emption	89-9305	105,948	FTA grant / LTF
Transit / corp yard security CCTV	89-9043	200,000	FTA grant / LTF
Vehicle security system		50,000	FTA grant / LTF
Website development		20,000	FTA grant / LTF
<b>TOTAL</b>		<b>\$ 6,072,987</b>	



**CITY OF PORTERVILLE  
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**CAPITAL PROJECTS**

<u>PROJECT</u>	<u>ACCOUNT NUMBER</u>	<u>REQUIRED AMOUNTS</u>	<u>FUNDING SOURCE</u>
<b><u>AIRPORT</u></b>			
Airport layout plan narrative		\$ 34,326	FAA / State grants / Airport Dev Fund
Airport restaurant ADA bathrooms		50,000	Proceeds from land release
Rehabilitate Runway 7-25		590,000	FAA / State grants / Airport Dev Fund
Slurry seal airport parking lots		15,000	Proceeds from land release
		<u>\$ 689,326</u>	
<b><u>CDBG</u></b>			
Hockett / Putnam (NEC, UB) parking lot	89-9877	\$ 45,000	CDBG
Olive / Second (behind Porterville Hotel) parking lot	89-9878	25,000	CDBG
Second / Mill (SEC) parking lot	89-9879	30,000	CDBG
Second / Putnam (NWC) parking lot	89-9880	45,000	CDBG
Murry Park improvement	89-9813	15,351	CDBG
Santa Fe gym floor	89-9405		CDBG
		<u>\$ 160,351</u>	
<b><u>MISCELLANEOUS</u></b>			
CNG refuse trucks (4)	81-3095-72	\$ 1,097,004	CMAQ/Equipment Replacement fund
CNG sweeper	81-3095-72	282,547	CMAQ/Equipment Replacement fund
New public safety station furnishings	03-3095-73	50,000	Equipment Replacement fund
PD portable radios	03-3095-73	40,000	Equipment Replacement fund
		<u>\$ 1,469,551</u>	
<b>TOTAL CAPITAL PROJECTS</b>		<u>\$ 56,229,613</u>	



## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** Consideration of How City Employees May Donate and Support Non-Profit Organizations

**SOURCE:** City Manager's Office

**COMMENT:** City Council Member Ward requested, and the City Council approved, the consideration of how City employees may donate and support non-profit organizations.

Currently, the United Way of Tulare County is an authorized vendor of the City, through which employees may make voluntary pre-tax contributions via payroll deduction. Per United Way guidelines, an employee may designate their contribution to a specific non-profit organization if they are registered with the United Way, or an employee may make a general contribution to the United Way, which in turn is distributed equally to the registered organizations.

Not all local non-profit organizations are registered with the United Way of Tulare County, which either they could register to receive employee contributions, or they could submit documentation to be added as an authorized City vendor.

**RECOMMENDATION:** That the City Council consider how City employees may donate and support non-profit organizations, and provide direction as appropriate.

**ATTACHMENTS:**

Appropriated/Funded: MB

Review By:

Department Director:

Final Approver: John Lollis, City Manager



## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** Consideration of Hiring Additional Code Enforcement Officers to Enforce Water Restrictions

**SOURCE:** City Manager's Office

**COMMENT:** City Council Member Ward requested, and the City Council approved, the consideration of hiring additional Code Enforcement Officers to enforce water restrictions.

Beginning June 1st, pursuant to Governor Brown's Executive Order, the State Water Resources Control Board's Regulatory Framework for statewide mandatory water conservation goes into effect. A significant component of the Framework is the active enforcement of conservation measures by responsible water purveyors. In support of this enforcement effort, and in addition to various regular City employees (Field Services, Meter Readers, and Police Officers), the Fire Department will be enlisting its support of Fire Reserves to assist in reviewing the community for compliance. As an extraordinary expense and duties necessitated by the drought, and with its respective Declaration of Local Emergency, the City would be eligible for 75% reimbursement of these part-time employees performing specific enforcement activities. It is anticipated that over the next nine (9) months of the established regulatory timeframe (June 1, 2015 - February 28, 2016), the expense of employing part-time Fire Reserves for water conservation enforcement activities will total approximately \$75,000, of which \$56,250 (75%) would be reimbursable by CalOES.

**RECOMMENDATION:** That the City Council consider hiring additional Code Enforcement Officers to enforce water restrictions, and provide direction as appropriate.

**ATTACHMENTS:**

Appropriated/Funded: MB

Review By:

Department Director:

Final Approver: John Lollis, City Manager



## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** Consideration of Establishing a Moratorium on New Residential Development Exceeding Ten (10) Units, as Well as Commercial Projects That Require Significant Water Usage

**SOURCE:** City Manager's Office

**COMMENT:** City Council Member Ward requested, and the City Council approved, the consideration of establishing a moratorium on new residential development exceeding ten (10) units, as well as commercial projects that require significant water usage.

The recently completed water system hydraulic study commissioned by the City sought to analyze the viability of the City's water distribution system to serve both current and planned future residential development. Addressed in a separate City Council agenda item, the study established that the City currently continues to have the ability to meet current system demands, though with ongoing challenges during periods of elevated temperatures and hours of peak water use. The study also concluded that planned new residential development projects can be served as expected new water sources are connected to the system. However, should the current drought conditions continue into the 2016 calendar year, then the system should again be analyzed.

**RECOMMENDATION:** That the City Council consider establishing a moratorium on new residential development exceeding ten (10) units, as well as commercial projects that require significant water usage.

**ATTACHMENTS:**

Appropriated/Funded: N/A

Review By:

Department Director:

Final Approver: John Lollis, City Manager



## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** Consideration of Prohibiting the Installation of Natural Grass in Commercial and Industrial Zoned Areas, and to Require a Permit for the Installation of Natural Grass Exceeding 300 Square Feet in Residential Zoned Areas

**SOURCE:** City Manager's Office

**COMMENT:** City Council Member Ward requested, and the City Council approved, the consideration of prohibiting the installation of natural grass in commercial and industrial zoned areas, and to require a permit for the installation of natural grass exceeding 300 square feet in residential zoned areas. This Scheduled Matter was continued from the May 19, 2015, Council meeting to this meeting.

As part of Executive Order B-29-15, Governor Brown ordered that the State Model Water Efficient Landscape (MWEL) Ordinance be updated through expedited regulation by the State Water Resources Control Board. The updated Ordinance shall increase water efficiency standards for new and existing landscapes through more efficient irrigation systems, greywater usage, onsite storm water capture, and by limiting the portion of landscapes that can be covered in turf. Local ordinances will be required to implement and update existing ordinances by December 31, 2015. The City of Porterville's Development Ordinance Chapter 303 Landscaping is in compliance with the current State Model Water Efficient Landscape Ordinance.

One of the specific purposes of the City's landscaping regulations is to promote conservation of water resources through the use of native and drought-tolerant plants, and water-conserving irrigation practices. The standards within the chapter apply to: 1) new construction and rehabilitated common area landscapes with more than twenty-five hundred (2,500) square feet of landscaped areas; and 2) new construction landscapes (includes new construction, as well as rehabilitation of existing) of single-unit and multi-unit residential projects with more than five thousand (5,000) square feet of landscaped areas. Throughout the chapter are requirements to use native and drought-resistant plantings. Plant materials shall be selected from those species and varieties known to thrive in the Porterville climate and/or listed in Sunset's Western Garden Book, Region No. 9. Section 303.06 specifically limits lawns or turf in required landscape areas to be less than 25%. Water efficiency is also mandated in Section 303.07, and requires landscaped areas to calculate total water use value. Section 303.08 includes requirements for irrigation specifications, and states that irrigation systems shall be designed, maintained, and managed to meet or exceed 0.71 efficiency.

For the City Council's information and reference, an Ordinance amendment requires a 10-day Notice of Public Hearing and Second Reading, followed by a 30-day implementation period. If a proposed amendment to the Ordinance was considered by the Council at its June 16th meeting, Second Reading could be given at the July 7th meeting, and would become effective August 6, 2015.

RECOMMENDATION: That the City Council provide direction, as appropriate.

ATTACHMENTS: 1. City Landscaping Ordinance

Appropriated/Funded: N/A

Review By:

Department Director:

Final Approver: John Lollis, City Manager

## **ARTICLE 303. LANDSCAPING**

### **303.01: PURPOSE:**

The specific purposes of the landscaping regulations are to:

- A. Improve the appearance of the community by requiring aesthetically pleasing landscaping on public and private sites;
- B. Aid in energy conservation by providing shade from the sun and shelter from the wind;
- C. Soften the appearance of parking lots and other development through landscaping;
- D. Promote conservation of water resources through the use of native and drought tolerant plants, and water conserving irrigation practices; and
- E. Minimize or eliminate conflicts between potentially incompatible but otherwise permitted land uses on adjoining lots through visual screening. (Ord. 1801, 12-3-2013)

### **303.02: APPLICABILITY:**

- A. The standards of this chapter apply to all new development or improvements subject to city review as specified herein.
- B. "Qualified landscape areas" are those areas meeting one or more of the following criteria:
  - 1. New construction and rehabilitated common area landscapes with more than two thousand five hundred (2,500) square feet of landscaped area.

2. New construction landscapes which are homeowner provided and/or homeowner hired in single-unit and multi-unit residential projects with more than five thousand (5,000) square feet of landscaped area. (Ord. 1801, 12-3-2013)

### **303.03: LANDSCAPE DESIGN PRINCIPLES:**

The following design principles are general standards to be used by city staff in evaluating whether landscape plans conform to the requirements of this article:

- A. **Natural Landscapes:** Landscape designs shall incorporate and enhance existing natural landscapes and existing specimen trees and native vegetation (including canopy, understory, and ground cover). Particular care shall be given to preserve intact natural landscapes. Where previous landscaping has dramatically altered natural landscapes, new designs shall seek to reestablish natural landscape patterns and plantings. Natural landscapes and native vegetation do not include weeds.
- B. **Composition:** The quality of a landscape design is dependent not only on the quantity and selection of plant materials but also on how that material is arranged. Landscape materials shall include a combination of ground covers, shrubs, vines and trees with a variety of plant heights and colors.
- C. **Buffering And Screening:** The placement of natural landscape materials (trees, shrubs, and hedges) is the preferred method for buffering differing land uses, for providing a transition between adjacent properties, and for screening the view of any parking or storage area, refuse collection, utility enclosures, or other service area visible from a public street, alley, or pedestrian area. Plants may be used with fences or berms to achieve the desired screening or buffering effect. When used to screen an activity area such as a parking lot, landscaping shall not interfere with public safety.
- D. **Responsive To Local Context And Character:** Landscape designs shall build on the site's and area's unique physical characteristics, conserving and complementing existing natural features. Naturalistic design elements such as irregular plant spacing, undulating berm contours, and mixed proportions of plant species shall be used to ensure that new landscaping blends in and contributes to the quality of the surrounding area. Selection and spacing of plant material shall be reflective of the surrounding area's character.



- E. Use Of Native And Drought Resistant Plants: Landscape designs shall feature native and/or related plant species and avoid invasive species, especially in areas adjacent to existing native vegetation, to take advantage of the unique natural character and diversity of the region and the adaptability of native plants to local environmental conditions. Where feasible, the reestablishment of native habitats shall be incorporated into the landscape design. In the same manner, landscape designs shall utilize drought tolerant plant materials to the maximum extent feasible. The use of drought tolerant plants shall enrich the existing landscape character, conserve water and energy, and provide as pleasant and varied a visual appearance as plants that require more water.
- F. Continuity And Connection: Landscaping shall be designed within the context of the surrounding area, provided that the landscaping is also consistent with these design principles. Where the design intent and the surrounding landscape is naturalistic, plant materials shall blend well with adjacent properties, particularly where property edges meet, to create a seamless and natural landscape. Where the design intent and the surrounding landscape is formal, consistent or similar plant material and spacing shall be utilized. Exceptions shall be made when seeking to create a transition between uses, districts, and tiers.
- G. Enhancing Architecture: Landscape designs shall be compatible with and enhance the architectural character and features of the buildings on site, and help relate the building to the surrounding landscape. Major landscape elements shall be designed to complement architectural elevations and rooflines through color, texture, density, and form on both vertical and horizontal planes. Landscaping shall be in scale with on site and adjacent buildings. Plant material shall be installed at an appropriate size and allowed to accomplish these intended goals. When foundation planting is required, plantings and window boxes shall incorporate artistic elements and be compatible with a building's architectural character. (Ord. 1801, 12-3-2013)

#### **303.04: LANDSCAPE PLANS:**

- A. Information Required: A landscape plan shall be submitted with the permit application for all projects for which landscaping is required. Landscape plans shall be drawn to scale and shall at a minimum indicate: proposed plant locations, species, and sizes; any additional proposed landscape elements; soil preparation measures; and any other measures to facilitate plant growth or control erosion. Landscape plans shall include verification that the soil type, depth, and other characteristics are appropriate for the proposed landscaping and irrigation. Landscape plans shall also indicate the location of any existing trees over six inches (6") in diameter, and whether each such tree is proposed for retention or removal. Each landscape plan shall be accompanied by an irrigation plan that at a minimum indicates the location, type and size of all components

of the irrigation system, including automatic controllers, main and lateral lines, valves, sprinkler heads, moisture sensing devices, rain switches, quick couplers, and backflow prevention devices.

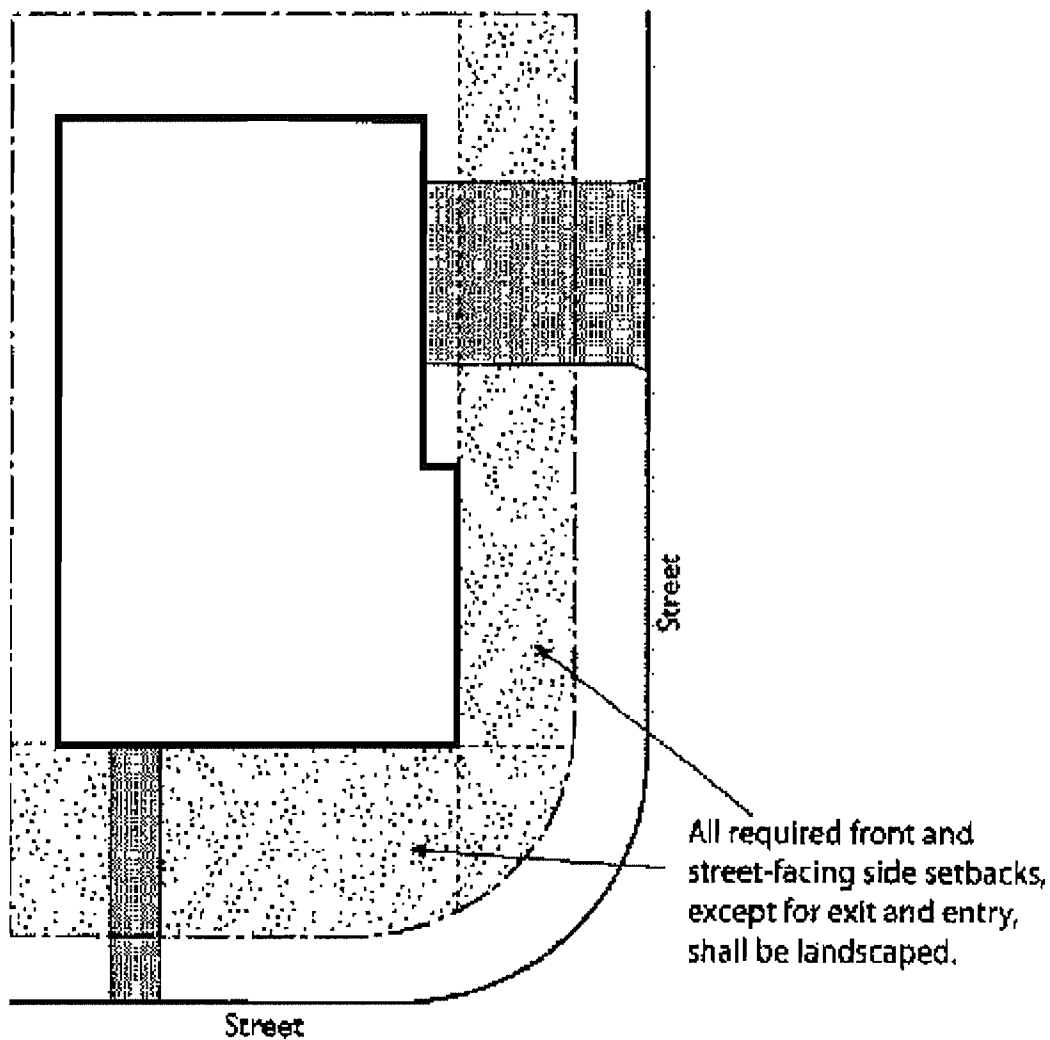
- B. Preparation By Qualified Person: Landscaping for commercial projects, industrial projects, institutional projects, and residential projects consisting of more than twelve (12) units shall be prepared by a California licensed landscape contractor or California registered architect or landscape architect. (Ord. 1801, 12-3-2013)

### **303.05: AREAS TO BE LANDSCAPED:**

The following areas shall be landscaped, and may count toward the total area of site landscaping required by the zoning district regulations:

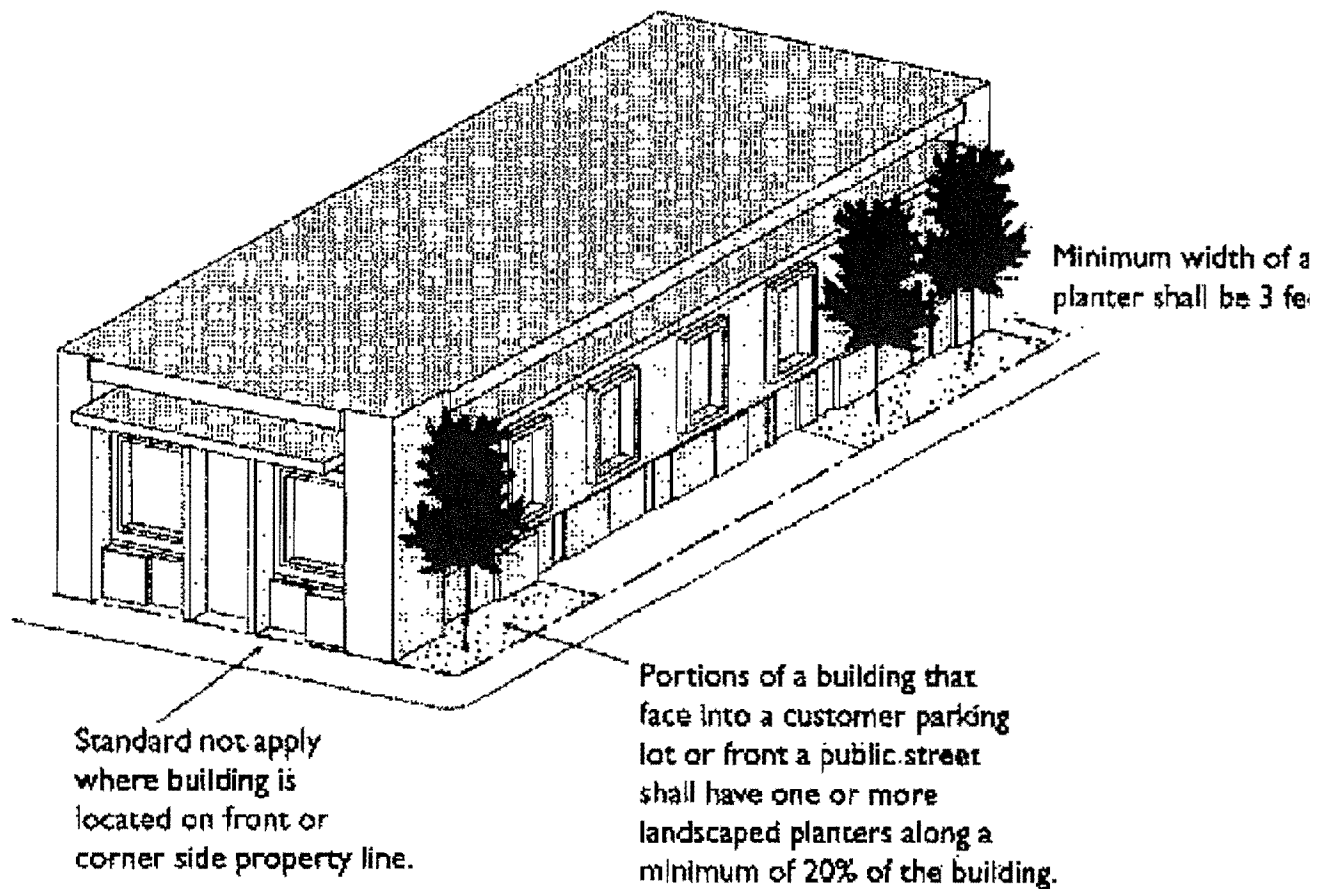
- A. Required Setbacks: All required front and street facing side setbacks, except for areas used for exit and entry, shall be landscaped.

FIGURE 303.05A: REQUIRED SETBACKS



- B. Interior Property Lines Abutting R Districts: A minimum five foot (5') wide landscape buffer shall be provided along interior property lines, where no building abuts a property line, in districts adjacent to an R district.
- C. Building Perimeters: The portions of a building facade that face onto a customer parking lot or front a public street shall have one or more landscape planters installed along a minimum twenty percent (20%) of that building face. The minimum width of the planter shall be three feet (3'). This standard does not apply where a building is located on the front or corner side property line and there is no setback between the building and the property line.

FIGURE 303.05C: BUILDING PERIMETERS



D. Landscaping In Parking Areas: Parking areas shall be landscaped as required by article 304, "On Site Parking And Loading", of this series.

E. Orchards And Gardens: Areas permanently and solely dedicated to edible plants such as orchards and vegetable gardens.

F. Unused Areas: All areas of a project site not intended for a specific use, including areas planned for future phases of a phased development, shall be landscaped or left in a natural state. Access to the unused portion of the site shall be prohibited by a concrete curb, timber barrier or other barrier not less than six inches (6") high. (Ord. 1801, 12-3-2013)

### **303.06: GENERAL LANDSCAPING STANDARDS:**

**A. Materials:**

1. General: Landscaping shall consist of a combination of ground covers, shrubs, vines, and trees. Landscaped areas may include paved or graveled surfaces, provided they do not cover more than ten percent (10%) of the area required to be landscaped. Plant materials shall be selected from those species and varieties known to thrive in the Porterville climate and/or listed in Sunset's "Western Garden Book, Region No. 9". Recirculating water shall be used for decorative water features.
2. Ground Cover Materials: Ground cover shall be of living organic plant material. Ground cover may include grasses. The exclusive or majority use of nonplant materials such as gravel, colored rock, cinder, bark, and similar materials may not be used to meet the minimum planting area requirements required by this article. Mulch is not a substitute for ground cover plants.
3. Turf Allowance/Drought Tolerant Materials: The maximum amount of lawn in required landscape areas shall be twenty five percent (25%) except for turf areas that comprise an essential component of a project (e.g., golf courses or playing fields), which are exempt from this limit. The installation of turf on slopes greater than twenty five percent (25%) is prohibited. The use of drought tolerant or artificial turf plant materials is preferred in these applications to conserve the city's water resources.
4. Mulch: A minimum two inch (2") layer of mulch shall be applied on all exposed soil surfaces of planting areas except in turf areas, creeping or rooting ground covers or other special planting situations where mulch is not recommended. Stabilizing mulching products shall be used on slopes.
5. Size And Spacing: Plant materials shall be grouped in hydrozones in accordance with their respective water, cultural (soil, climate, sun and light) and maintenance needs. Plants shall be of the following size and spacing at the time of installation:
  - a. Ground Covers: Areas planted in ground cover plants other than grass seed or sod shall be planted at a rate of one per twelve inches (12") on center.
  - b. Shrubs: Shrubs shall be a minimum size of one gallon. When planted to serve as a hedge or screen, shrubs shall be planted with two (2) to four feet (4') of spacing, depending on the plant species.
  - c. Trees: Trees shall be a minimum of fifteen (15) gallons in size with a one inch (1") diameter at breast height (dbh) spaced at thirty five feet (35') on center. Newly planted trees shall be supported with stakes or guywires.

**B. Dimension Of Landscaped Areas:** No landscaped area smaller than three feet (3') in any horizontal dimension shall count toward required landscaping.

**C. Drivers' Visibility:** Trees and shrubs shall be planted and maintained so that at maturity they do not interfere with traffic safety sight areas, or public safety. Notwithstanding other

provisions of this section, landscaping must comply with section 300.16, "Visibility At Driveways And Intersections (Sight Distance)", of this series. (Ord. 1801, 12-3-2013)

### 303.07: WATER EFFICIENCY:

- A. Efficiency Requirement: Landscaping shall be designed and plantings selected so that water use is minimized. The total "water use value" of the proposed landscaping on a site, as described in the following subsection, may not exceed the total planting area.
- B. Procedure For Calculating Total Water Use Value: Total water use value shall be calculated as follows:
1. Plants with similar water needs shall be grouped together on the landscape plan. All landscaped areas on a site shall be designated as being in the very low, low, moderate, or high water needs category, according to the California department of water resources study, water use classification of landscape species (WUCOLS). Water bodies and turf shall be classified as high water use.
  2. The total area (either in square feet or acres) in very low, low, moderate or high water use planting types shall be determined.
  3. The area in each planting type shall be multiplied by the "water use value" for that planting type listed in table 303.07B3 of this section, and the products summed to determine total water use value of the landscape plan.

TABLE 303.07B3: WATER USE VALUES OF PLANTING TYPES

Planting Type	Water Use Value
Very low water needs category	0.1
Low water needs category	0.4
Moderate water needs category	1.0
High water needs category	1.6

Calculating Total Water Use Value			
	Area (sq. ft. or acres) in very low water needs category x 0.1	=	
	Area (sq. ft. or acres) in low water needs category x 0.4	=	

	Area (sq. ft. or acres) in moderate water needs category x 1.0	=	
	Area (sq. ft. or acres) in high water needs category x 1.6	=	
	<b>Total water use value for site</b>	=	

4. In order to comply with this water use standard, the total water use value as calculated in subsection B3 of this section for a site shall be less than or equal to the total planting area expressed in square feet or acres. (Ord. 1801, 12-3-2013)

### 303.08: IRRIGATION SPECIFICATIONS:

An irrigation system shall be installed that consists of low volume sprinkler heads, dry emitters, and bubbler emitters with automatic controllers. Each system shall be designed to provide adequate coverage to all plant material. Irrigation systems shall be designed, maintained, and managed to meet or exceed 0.71 efficiency.

- A. Irrigation systems and decorative water features shall use recycled water when made available from the city.
- B. Soil types and infiltration rate shall be considered when designing irrigation systems.
- C. All irrigation systems shall be designed to avoid runoff, low head drainage, overspray, or other similar conditions where water flows onto adjacent property, nonirrigated areas, walks, roadways, or structures.
- D. Proper irrigation equipment and schedules, including features such as repeat cycles, shall be used to closely match application rates to infiltration rates therefore minimizing runoff.
- E. Overhead irrigation shall be scheduled between eight o'clock (8:00) P.M. and ten o'clock (10:00) A.M. unless weather conditions prevent it.
- F. The irrigation plans shall include the following to provide better water efficiency for all landscaped areas:

1. Equipment: Sprinklers and sprays shall not be used in areas less than five feet (5') wide. Drip and bubbler systems shall be used in areas where watering needs do not exceed one and one-half (1.5) gallons per minute per device.
2. Water Meters: Separate landscape water meters shall be installed for all qualified landscape areas.
3. Controllers: Automatic control systems shall be required for all irrigation systems and shall be able to accommodate all aspects of the design. Automatic controllers shall be digital, and shall have multiple programs, multiple cycles, and sensor input capabilities.
4. Valves: Plants which require different amounts of water shall be irrigated by separate valves. If one valve is used for a given area, only plants with similar water use shall be used in that area. Antidrain (check) valves shall be installed in strategic points to minimize or prevent low head drainage.
5. Sprinkler Heads: Heads and emitters shall have consistent application rates within each control valve circuit. Sprinkler heads shall be selected for proper area coverage, application rate, operating pressure, adjustment capability, and ease of maintenance.
6. Rain Or Moisture Sensor Devices: Soil moisture sensors and rain or moisture sensing override devices are required for all qualified landscape areas. (Ord. 1801, 12-3-2013)

### **303.09: MODEL HOMES:**

At least one model home that is landscaped in each project consisting of eight (8) or more homes shall demonstrate via signs and information, the principles of water efficient landscapes described in this chapter.

- A. Front Yard Sign: A four (4) square foot sign shall be located in the front yard of the "water saving" model so that it is clearly visible to buyers. The sign shall indicate that the model features a water saving landscape and irrigation design.
- B. Interior Display: A drawing, or combination of drawings, shall be displayed inside the "water saving" model or the sales office which provides a schematic of the landscape. These drawings shall include a key identifying the common name of the plants used in the "water saving" model distributed with the sales information to potential buyers to satisfy this requirement.



- C. Literature: Additional literature describing water conserving landscaping and irrigation is encouraged to also be made available to the potential buyer or referenced on the interior display or brochure. (Ord. 1801, 12-3-2013)

### **303.10: INSTALLATION AND COMPLETION:**

- A. Consistency With Approved Plans: All landscaping and screening shall be installed consistent with approved plans and specifications, in a manner designed to promote and maintain healthy plant growth.
- B. Timing Of Installation: Required landscaping and screening shall be installed prior to the issuance of a certificate of occupancy for the associated project.
- C. Exception; Assurance Of Landscaping Completion: The zoning administrator may permit the required landscaping to be installed within one hundred twenty (120) days after the issuance of a certificate of occupancy in special circumstances related to weather conditions or plant availability. A surety in the amount equal to one hundred fifty percent (150%) of the estimated cost of landscaping, including materials and labor, as well as an agreement that the required landscaping will be installed within one hundred twenty (120) days, shall be filed with the city to assure completion of landscaping installation within such time. The surety may take the form of cash deposit; and together with the agreement, would provide for payment to the city of any costs incurred in contracting for completion of the required landscaping.
- D. Certification Of Substantial Completion: Upon completion of the installation of the landscaping and irrigation system, a field observation shall be completed by the licensed project contractor. A certificate of substantial completion shall be submitted to the city by the licensed project contractor. The certificate shall specifically indicate that the plants were installed as specified, that the irrigation system was installed as designed, along with a list of any deficiencies. (Ord. 1801, 12-3-2013)



## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** Governor's Executive Order for Statewide Mandatory Water Reductions, Status and Review of Declaration of Local Emergency, and Provision of Water for East Porterville Residents

**SOURCE:** City Manager's Office

**COMMENT:** As previously reported to the City Council, on Wednesday, April 1, 2015, Governor Brown issued Executive Order B-29-15, which established drought-related mandates and restrictions, in addition to those already stipulated in previous Executive Orders B-26-14 and B-28-14. Of significance, the Governor directed the State Water Resources Control Board to impose restrictions to achieve a statewide 25% reduction in potable urban water usage through February 28, 2016, in comparison to the amount used in 2013, and with consideration given to per capita usage as a basis. The Governor further directed the Board to impose additional restrictions on commercial, industrial, and institutional properties with significant landscaping (cemeteries, golf courses, parks, schools, etc.), to also achieve a 25% reduction in potable water usage. Also of significance, the Board is directed to prohibit irrigation with potable water outside of newly constructed homes and buildings that is not delivered by drip or micro-spray systems.

On Wednesday, May 6, 2015, the State Water Resources Control Board approved its Proposed Regulatory Framework for implementation of the Governor's statewide mandatory 25% reduction in potable urban water usage. The Board's Regulatory Framework mandates separate reporting requirements for large water suppliers (at least 3,000 service connections) and small water suppliers, with large suppliers required to provide monthly reports and small suppliers required to provide a single summary report. The Board established June 2013 to February 2014 as the nine (9) month comparison window to evaluate compliance with the mandated conservation measures, as well as established tiers for large suppliers based upon average gallons per capita per day (gpcd) calculations for the months of July through September 2014, toward achieving an overall statewide 25% conservation rate. A total of eight (8) tiers was established, which are as follows: Tier 1 (under 65 gpcd – 8% conservation); Tier 2 (65-80 gpcd – 12% conservation); Tier 3 (80-95 gpcd – 16% conservation); Tier 4 (95-110 gpcd – 20% conservation); Tier 5 (110-130 gpcd – 24% conservation); Tier 6 (130-170 gpcd – 28% conservation); Tier 7 (170-215 – 32% conservation); and Tier 8 (over 215 gpcd – 36% conservation). The city of Porterville is placed in Tier 7 (182 gpcd - 32% conservation), as most central valley cities are in either Tier 7 (32%) or Tier 8 (36%) conservation mandates.

At the City Council's last meeting on May 19th, the City Council took action in

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the continued affirmation of the adoption of a Resolution of Declaration of Local Emergency, due to local residences within the city having been identified as having wells that are now dry as a result of the drought. Although at least five (5) residences along E. Vandalia Avenue have been determined to currently have dry wells, it is anticipated that more could occur as the summer months approach.

At the City Council's meeting of May 5th, given the assurance by CalOES representatives that full-funding for a new well was certain, the City Council reconsidered its decision to delay the availability of water for purchase, and authorized the County to purchase up to 500,000 gallons of City water over the next thirty (30) days in support of the County's Household Tank Program in East Porterville, requiring that the water be drawn exclusively from the City's "Jones Corner" water system. Beginning the week of May 11th, the County began to access water from that designated location. City staff has been in continued coordination with both State and County representatives on the funding and development of the new well, which the consulting firm engaged to facilitate the new well's development has revised the estimated cost of the new well to \$2.4 million. It should be noted that the funding agreement between the County and State states that funding is not to exceed \$1.2 million. The County has also transmitted a draft agreement to the City in regards to the well's future maintenance and responsibilities.

Although no specific request has been received at the time of this report, it is expected that both the County and the State urgently wish to continue the ability to purchase City water from the "Jones Corner" water system in support the County's Household Tank Program in East Porterville.

RECOMMENDATION: That the City Council:

1. Receive the report of status and review of the Declaration of Local Emergency and, determine the need exists to continue said Declaration;
2. Consider the Draft Agreement between the City and the County in regards to new well maintenance and responsibilities; and
3. Provide direction in regards to providing water for purchase in support of the County's Household Tank Program in East Porterville.

ATTACHMENTS:

1. Governor's Executive Order
2. Regulatory Fact Sheet
3. Water Supplier Tiers
4. Resolution 49-2015 - Declaration of Local Emergency
5. County/State New Well Funding Agreement
6. City/County New Well Draft Agreement
7. City/County New Well Draft Agreement Exhibits
8. CalOES Drought Update

Appropriated/Funded: MB

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Review By:

Department Director:

Final Approver: Patrice Hildreth, Administrative Services Dir

**Executive Department**  
**State of California**

**EXECUTIVE ORDER B-29-15**

**WHEREAS** on January 17, 2014, I proclaimed a State of Emergency to exist throughout the State of California due to severe drought conditions; and

**WHEREAS** on April 25, 2014, I proclaimed a Continued State of Emergency to exist throughout the State of California due to the ongoing drought; and

**WHEREAS** California's water supplies continue to be severely depleted despite a limited amount of rain and snowfall this winter, with record low snowpack in the Sierra Nevada mountains, decreased water levels in most of California's reservoirs, reduced flows in the state's rivers and shrinking supplies in underground water basins; and

**WHEREAS** the severe drought conditions continue to present urgent challenges including: drinking water shortages in communities across the state, diminished water for agricultural production, degraded habitat for many fish and wildlife species, increased wildfire risk, and the threat of saltwater contamination to fresh water supplies in the Sacramento-San Joaquin Bay Delta; and

**WHEREAS** a distinct possibility exists that the current drought will stretch into a fifth straight year in 2016 and beyond; and

**WHEREAS** new expedited actions are needed to reduce the harmful impacts from water shortages and other impacts of the drought; and

**WHEREAS** the magnitude of the severe drought conditions continues to present threats beyond the control of the services, personnel, equipment, and facilities of any single local government and require the combined forces of a mutual aid region or regions to combat; and

**WHEREAS** under the provisions of section 8558(b) of the Government Code, I find that conditions of extreme peril to the safety of persons and property continue to exist in California due to water shortage and drought conditions with which local authority is unable to cope; and

**WHEREAS** under the provisions of section 8571 of the California Government Code, I find that strict compliance with various statutes and regulations specified in this order would prevent, hinder, or delay the mitigation of the effects of the drought.

**NOW, THEREFORE, I, EDMUND G. BROWN JR.,** Governor of the State of California, in accordance with the authority vested in me by the Constitution and statutes of the State of California, in particular Government Code sections 8567 and 8571 of the California Government Code, do hereby issue this Executive Order, effective immediately.



**IT IS HEREBY ORDERED THAT:**

1. The orders and provisions contained in my January 17, 2014 Proclamation, my April 25, 2014 Proclamation, and Executive Orders B-26-14 and B-28-14 remain in full force and effect except as modified herein.

**SAVE WATER**

2. The State Water Resources Control Board (Water Board) shall impose restrictions to achieve a statewide 25% reduction in potable urban water usage through February 28, 2016. These restrictions will require water suppliers to California's cities and towns to reduce usage as compared to the amount used in 2013. These restrictions should consider the relative per capita water usage of each water suppliers' service area, and require that those areas with high per capita use achieve proportionally greater reductions than those with low use. The California Public Utilities Commission is requested to take similar action with respect to investor-owned utilities providing water services.
3. The Department of Water Resources (the Department) shall lead a statewide initiative, in partnership with local agencies, to collectively replace 50 million square feet of lawns and ornamental turf with drought tolerant landscapes. The Department shall provide funding to allow for lawn replacement programs in underserved communities, which will complement local programs already underway across the state.
4. The California Energy Commission, jointly with the Department and the Water Board, shall implement a time-limited statewide appliance rebate program to provide monetary incentives for the replacement of inefficient household devices.
5. The Water Board shall impose restrictions to require that commercial, industrial, and institutional properties, such as campuses, golf courses, and cemeteries, immediately implement water efficiency measures to reduce potable water usage in an amount consistent with the reduction targets mandated by Directive 2 of this Executive Order.
6. The Water Board shall prohibit irrigation with potable water of ornamental turf on public street medians.
7. The Water Board shall prohibit irrigation with potable water outside of newly constructed homes and buildings that is not delivered by drip or microspray systems.

8. The Water Board shall direct urban water suppliers to develop rate structures and other pricing mechanisms, including but not limited to surcharges, fees, and penalties, to maximize water conservation consistent with statewide water restrictions. The Water Board is directed to adopt emergency regulations, as it deems necessary, pursuant to Water Code section 1058.5 to implement this directive. The Water Board is further directed to work with state agencies and water suppliers to identify mechanisms that would encourage and facilitate the adoption of rate structures and other pricing mechanisms that promote water conservation. The California Public Utilities Commission is requested to take similar action with respect to investor-owned utilities providing water services.

#### **INCREASE ENFORCEMENT AGAINST WATER WASTE**

9. The Water Board shall require urban water suppliers to provide monthly information on water usage, conservation, and enforcement on a permanent basis.
10. The Water Board shall require frequent reporting of water diversion and use by water right holders, conduct inspections to determine whether illegal diversions or wasteful and unreasonable use of water are occurring, and bring enforcement actions against illegal diverters and those engaging in the wasteful and unreasonable use of water. Pursuant to Government Code sections 8570 and 8627, the Water Board is granted authority to inspect property or diversion facilities to ascertain compliance with water rights laws and regulations where there is cause to believe such laws and regulations have been violated. When access is not granted by a property owner, the Water Board may obtain an inspection warrant pursuant to the procedures set forth in Title 13 (commencing with section 1822.50) of Part 3 of the Code of Civil Procedure for the purposes of conducting an inspection pursuant to this directive.
11. The Department shall update the State Model Water Efficient Landscape Ordinance through expedited regulation. This updated Ordinance shall increase water efficiency standards for new and existing landscapes through more efficient irrigation systems, greywater usage, onsite storm water capture, and by limiting the portion of landscapes that can be covered in turf. It will also require reporting on the implementation and enforcement of local ordinances, with required reports due by December 31, 2015. The Department shall provide information on local compliance to the Water Board, which shall consider adopting regulations or taking appropriate enforcement actions to promote compliance. The Department shall provide technical assistance and give priority in grant funding to public agencies for actions necessary to comply with local ordinances.
12. Agricultural water suppliers that supply water to more than 25,000 acres shall include in their required 2015 Agricultural Water Management Plans a detailed drought management plan that describes the actions and measures the supplier will take to manage water demand during drought. The Department shall require those plans to include quantification of water supplies and demands for 2013, 2014, and 2015 to the extent data is available. The Department will provide technical assistance to water suppliers in preparing the plans.



13. Agricultural water suppliers that supply water to 10,000 to 25,000 acres of irrigated lands shall develop Agricultural Water Management Plans and submit the plans to the Department by July 1, 2016. These plans shall include a detailed drought management plan and quantification of water supplies and demands in 2013, 2014, and 2015, to the extent that data is available. The Department shall give priority in grant funding to agricultural water suppliers that supply water to 10,000 to 25,000 acres of land for development and implementation of Agricultural Water Management Plans.
14. The Department shall report to Water Board on the status of the Agricultural Water Management Plan submittals within one month of receipt of those reports.
15. Local water agencies in high and medium priority groundwater basins shall immediately implement all requirements of the California Statewide Groundwater Elevation Monitoring Program pursuant to Water Code section 10933. The Department shall refer noncompliant local water agencies within high and medium priority groundwater basins to the Water Board by December 31, 2015, which shall consider adopting regulations or taking appropriate enforcement to promote compliance.
16. The California Energy Commission shall adopt emergency regulations establishing standards that improve the efficiency of water appliances, including toilets, urinals, and faucets available for sale and installation in new and existing buildings.

#### **INVEST IN NEW TECHNOLOGIES**

17. The California Energy Commission, jointly with the Department and the Water Board, shall implement a Water Energy Technology (WET) program to deploy innovative water management technologies for businesses, residents, industries, and agriculture. This program will achieve water and energy savings and greenhouse gas reductions by accelerating use of cutting-edge technologies such as renewable energy-powered desalination, integrated on-site reuse systems, water-use monitoring software, irrigation system timing and precision technology, and on-farm precision technology.

#### **STREAMLINE GOVERNMENT RESPONSE**

18. The Office of Emergency Services and the Department of Housing and Community Development shall work jointly with counties to provide temporary assistance for persons moving from housing units due to a lack of potable water who are served by a private well or water utility with less than 15 connections, and where all reasonable attempts to find a potable water source have been exhausted.
19. State permitting agencies shall prioritize review and approval of water infrastructure projects and programs that increase local water supplies, including water recycling facilities, reservoir improvement projects, surface water treatment plants, desalination plants, stormwater capture, and greywater systems. Agencies shall report to the Governor's Office on applications that have been pending for longer than 90 days.





26. For purposes of carrying out directives 2–9, 11, 16–17, 20–23, and 25, Division 13 (commencing with section 21000) of the Public Resources Code and regulations adopted pursuant to that Division are hereby suspended. This suspension applies to any actions taken by state agencies, and for actions taken by local agencies where the state agency with primary responsibility for implementing the directive concurs that local action is required, as well as for any necessary permits or approvals required to complete these actions. This suspension, and those specified in paragraph 9 of the January 17, 2014 Proclamation, paragraph 19 of the April 25, 2014 proclamation, and paragraph 4 of Executive Order B-26-14, shall remain in effect until May 31, 2016. Drought relief actions taken pursuant to these paragraphs that are started prior to May 31, 2016, but not completed, shall not be subject to Division 13 (commencing with section 21000) of the Public Resources Code for the time required to complete them.
27. For purposes of carrying out directives 20 and 21, section 13247 and Chapter 3 of Part 3 (commencing with section 85225) of the Water Code are suspended.
28. For actions called for in this proclamation in directive 20, the Department shall exercise any authority vested in the Central Valley Flood Protection Board, as codified in Water Code section 8521, et seq., that is necessary to enable these urgent actions to be taken more quickly than otherwise possible. The Director of the Department of Water Resources is specifically authorized, on behalf of the State of California, to request that the Secretary of the Army, on the recommendation of the Chief of Engineers of the Army Corps of Engineers, grant any permission required pursuant to section 14 of the Rivers and Harbors Act of 1899 and codified in section 48 of title 33 of the United States Code.
29. The Department is directed to enter into agreements with landowners for the purposes of planning and installation of the Emergency Drought Barriers in 2015 to the extent necessary to accommodate access to barrier locations, land-side and water-side construction, and materials staging in proximity to barrier locations. Where the Department is unable to reach an agreement with landowners, the Department may exercise the full authority of Government Code section 8572.
30. For purposes of this Executive Order, chapter 3.5 (commencing with section 11340) of part 1 of division 3 of the Government Code and chapter 5 (commencing with section 25400) of division 15 of the Public Resources Code are suspended for the development and adoption of regulations or guidelines needed to carry out the provisions in this Order. Any entity issuing regulations or guidelines pursuant to this directive shall conduct a public meeting on the regulations and guidelines prior to adopting them.

31. In order to ensure that equipment and services necessary for drought response can be procured quickly, the provisions of the Government Code and the Public Contract Code applicable to state contracts, including, but not limited to, advertising and competitive bidding requirements, are hereby suspended for directives 17, 20, and 24. Approval by the Department of Finance is required prior to the execution of any contract entered into pursuant to these directives.

This Executive Order is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the State of California, its agencies, departments, entities, officers, employees, or any other person.

**I FURTHER DIRECT** that as soon as hereafter possible, this Order be filed in the Office of the Secretary of State and that widespread publicity and notice be given to this Order.

**IN WITNESS WHEREOF** I have  
hereunto set my hand and caused the  
Great Seal of the State of California to  
be affixed this 1<sup>st</sup> day of April 2015.

\_\_\_\_\_  
EDMUND G. BROWN JR.  
Governor of California

**ATTEST:**

\_\_\_\_\_  
ALEX PADILLA  
Secretary of State





# Fact Sheet

## **NOTICE OF PROPOSED EMERGENCY REGULATION *IMPLEMENTING THE 25% CONSERVATION STANDARD***

On April 1, 2015, Governor Jerry Brown issued the fourth in a series of Executive Orders on actions necessary to address California's severe drought conditions. With snowpack water content at a record low level of 5 percent of average for April 1st, major reservoir storage shrinking each day as a percentage of their daily average measured over the last several decades, and groundwater levels continuing to decline, urgent action is needed. The April 1 Executive Order requires, for the first time in the State's history, mandatory conservation of potable urban water use. Commercial agriculture in many parts of the State has already been notified of severe cutbacks in water supply contracted through the State and Federal Water Projects and is bracing for curtailments of surface water rights in the near-term. Conserving water more seriously now will forestall even more catastrophic impacts if it does not rain next year.

### **Stakeholder Involvement**

To maximize input in a short amount of time, the State Water Board released a proposed regulatory framework for implementing the 25% conservation standard on April 7, 2015 for public input. Over 250 comments were submitted by water suppliers, local government, businesses, individuals, and non-governmental organizations. Draft regulations that considered this input were released on April 18 for informal public comment. Almost 300 comments were received that addressed the methodology for the assignment of conservation standards, the availability of exclusions or adjustments under defined conditions, how to approach the commercial, industrial and institutional (CII) sector, the requirements for smaller water suppliers, and the approach to enforcement. A Notice of Proposed Emergency Regulations, which considers this input and initiates the formal emergency rulemaking process, was released on April 28, 2015. If approved, water savings amounting to approximately 1.3 million acre-feet of water, or nearly as much water as is currently in Lake Oroville, will be realized over the next nine months.

### **What's Next**

The Notice of Proposed Emergency Rulemaking begins a formal comment period that will conclude just prior to the State Water Board's consideration of adoption of the proposed emergency regulation at its May 5-6, 2015 meeting. The formal comment period will conclude on May 4, 2015 at 10:00am. All comments will be immediately provided to the Board Members and posted on the State Water Board's webpage at:

[http://www.waterboards.ca.gov/waterrights/water\\_issues/programs/drought/emergency\\_mandatory\\_regulations.shtml](http://www.waterboards.ca.gov/waterrights/water_issues/programs/drought/emergency_mandatory_regulations.shtml)



During this formal notice period, all **comments must be received by 10:00am on Monday May 4, 2015** and submitted either electronically to: [commentletters@waterboards.ca.gov](mailto:commentletters@waterboards.ca.gov) or in writing to the address in the Notice. All comments should indicate on the subject line: "Comment Letter – Emergency Conservation Regulation."

## **Proposed Emergency Regulation - Key Provisions**

### **Conservation Standard for Urban Water Suppliers**

As drought conditions continue, all water suppliers will need to do more to meet the statewide 25% conservation standard. Since the State Water Board adopted its initial emergency urban conservation regulation in July 2014, statewide conservation has reached 9%. Everyone must do more, but the greatest opportunities to meet the statewide 25% conservation standard exist in those areas with higher water use. Often, but not always, these water suppliers are located in areas where the majority of the water use is directed at outdoor irrigation due to lot size, climate and other factors. As temperatures are forecast to climb to above average for the summer months, it will become even more important to take aggressive actions to reduce outdoor water use. The emergency regulation establishes tiers of required water reductions that emphasize the opportunities to reduce outdoor water use.

Many comments spoke to the question of fairness and equity in the construction of the tiers in earlier drafts of the regulation. Concerns were raised about accounting for factors that influence water use, such as past conservation, climate, lot size, density, and income. Ultimately, the tier structure proposed on April 18, 2015 was maintained as the best way to achieve the 25% water reduction called for by the Governor.

*Feedback is specifically requested on whether the conservation framework should be modified to double the number of tiers and use two percent increments instead of four percent. This change would provide further refinement for water suppliers that find themselves on one side or the other of a tier.*

The conservation savings for all urban water suppliers are allocated across nine tiers of increasing levels of residential water use (R-GPCD) to reach the statewide 25 percent reduction mandate. This approach lessens the disparities in reduction requirements between agencies that have similar levels of water consumption, but fall on different sides of dividing lines between tiers. Suppliers have been assigned a conservation standard that ranges between 8% and 36% based on their R-GPCD for the months of July – September, 2014. These three months reflect the amount of water used for summer outdoor irrigation, which provides the greatest opportunity for conservation savings. Some suppliers may be eligible, under specific conditions, for placement into a lower 4% conservation tier. Water suppliers that reduced their water use prior to the drought will have a lower R-GPCD and thus a lower conservation standard than water suppliers with similar climate and density factors where R-GPCD remains high.

Urban water suppliers (serving more than 3,000 customers or delivering more than 3,000 acre feet of water per year and accounting for more than 90% of urban water use) will be assigned a conservation standard, as shown in the following table:

Tier	R-GPCD Range		# of Suppliers in Range	Conservation Standard
	From	To		
1	reserved		0	4%
2	0	64.9	23	8%
3	65	79.9	24	12%
4	80	94.9	44	16%
5	95	109.9	51	20%
6	110	129.9	48	24%
7	130	169.9	82	28%
8	170	214.9	54	32%
9	215	612.0	85	36%

The Smith family of three learns that their water district must reduce water use by 12 percent. A manufacturing plant uses 20 percent of the water and cannot reduce its use. So, residents are told to reduce their use by 15 percent to meet the overall 12 percent target. The Smith family uses an average of 210 gallons per day (or about 70 gallons per person), 165 gallons for indoor use and 45 gallons for watering their small yard. To meet the 15% reduction requirement they must reduce total water use to about 180 gallons per day. This is equivalent to about 60 gallons per person per day.

The Jones family of four learn that their water district must reduce water use by 32 percent. An oil refinery uses 10 percent of the district's water and cannot reduce its use. Their city also has many small businesses, and a golf course, which can reduce use by more than 10 percent. The residents must now reduce their use by 30 percent to meet the overall 32 percent target. The Jones family uses an average of 1,200 gallons per day (or about 300 gallons per person); 300 gallons for indoor use and 900 gallons outdoors, to irrigate a large yard that includes grass and fruit trees. To cut water use by 30 percent, the Jones' must cut their water use by 360 gallons per day to 840 gallons which is equivalent to 210 gallons per person per day.

## Exceptions

The proposed regulation allows water suppliers to request to modify their total water use or be placed into a lower conservation tier under two situations:

1. Urban water suppliers delivering more than 20 percent of their total water production to commercial agriculture may be allowed to modify the amount of water subject to their conservation standard. These suppliers must provide written certification to the Board to be able to subtract the water supplied to commercial agriculture from their total water production for baseline and conservation purposes.
2. Urban water suppliers that have a reserve supply of surface water that could last at least four years may be eligible for placement into lower conservation tier. Only suppliers meeting the eligibility criteria will be considered. These criteria relate to the source(s) of supply, storage capacity, and the number of years that those supplies could last.

*Feedback is specifically requested on whether the regulation should allow water suppliers whose supplies include groundwater to apply for inclusion the 4% reserve tier if it can be demonstrated that they have a minimum of 4 years of supply, do not rely upon imported water, and their groundwater supplies recharge naturally.*

## **Commercial, Industrial and Institutional Sector Clarification**

There are no specific use reduction targets for commercial, industrial, and institutional users served by urban and all other water suppliers. Water suppliers will decide how to meet their conservation standard through reductions from both residential and non-residential users. Water suppliers are encouraged to look at their commercial, institutional and industrial properties that irrigate outdoor ornamental landscapes with potable water for potential conservation savings.

## **Conservation Standard For All Other Water Suppliers**

Smaller water suppliers (serving fewer than 3,000 connections) will be required to achieve a 25% conservation standard or restrict outdoor irrigation to no more than two days per week. These smaller urban suppliers serve less than 10% of Californians.

## **End-User Requirements**

The new prohibitions in the Executive Order apply to all Californians and will take effect immediately upon approval of the regulation by the Office of Administrative Law. These include:

- Irrigation with potable water of ornamental turf on public street medians is prohibited; and
- Irrigation with potable water outside of newly constructed homes and buildings not in accordance with emergency regulations or other requirements established in the California Building Standards Code is prohibited.

These are in addition to the existing restrictions that prohibit:

- Using potable water to wash sidewalks and driveways;
- Allowing runoff when irrigating with potable water;
- Using hoses with no shutoff nozzles to wash cars;
- Using potable water in decorative water features that do not recirculate the water;
- Irrigating outdoors during and within 48 hours following measureable rainfall; and
- Restaurants from serving water to their customers unless the customer requests it.

Additionally, hotels and motels must offer their guests the option to not have their linens and towels laundered daily, and prominently display this option in each guest room.

It will be very important as these provisions are implemented to ensure that existing trees remain healthy and do not present a public safety hazard. Guidance on the implementation of both prohibitions will be developed.

## **Self-Supplied CII**

Commercial, industrial and institutional properties under Provision 5 of the Executive Order with an independent source of water supply (not served by a water supplier), are required under the proposed emergency regulation to either limit outdoor irrigation to two days per week or achieve a 25% reduction in water use. Often, these properties have large landscapes that would otherwise not be addressed by this regulation.

## **New Reporting Requirements**

Total monthly water production and specific reporting on residential use and enforcement as laid out in the previously adopted emergency regulations will remain in effect. Because the conservation standard applies to total water production, the proposed emergency regulation expands the reporting to include information on water use in the commercial, industrial, and institutional sectors. Small water suppliers with fewer than 3,000 service connections will be required to submit a single report on December 15, 2015 that provides their water production from June-November 2015 and June-November 2013 and the number of days per week outdoor irrigation is allowed.

Commercial, industrial, and institutional facilities with an independent source of supply (they are not served by a water supplier) are not required to submit a report; however they should be prepared to demonstrate their compliance with the two day per week watering restriction or the 25% reduction in water use if requested to do so by the Board.

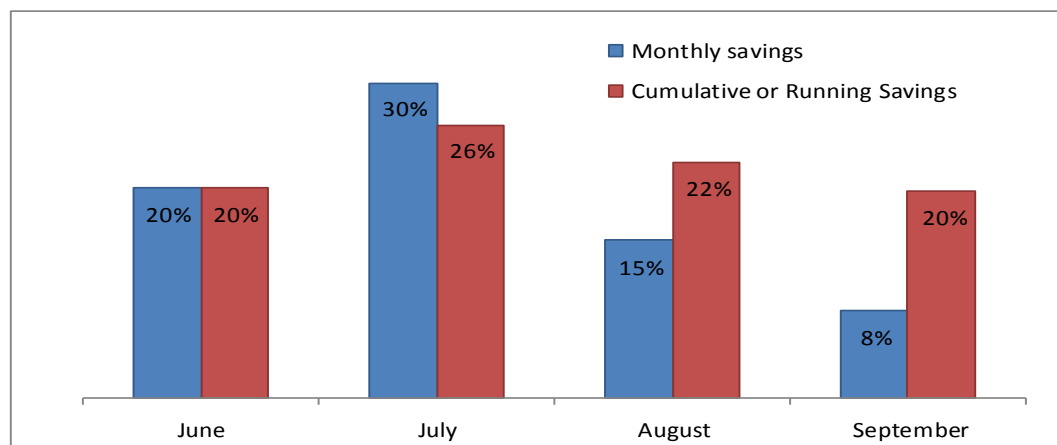
## **Compliance Assessment**

In many communities around the state, over half (and up to 80 percent) of total residential water use is for outdoor irrigation during the summer months. With summer just around the corner, bringing with it the greatest opportunity for making substantial conservation gains, immediate action is essential. As a result, the Board will begin assessing compliance with the submittal of the June monthly report on July 15, 2015. Beyond June, the Board will track compliance on a cumulative basis. Cumulative tracking means that conservation savings will be added together from one month to the next and compared to the amount of water used during the same months in 2013. This tracking will look like the sample graph below.

### **Example Comparison of Monthly Savings and Cumulative Savings**

	<b>2013 Water Use</b>	<b>2015 Water Use</b>	<b>Monthly savings</b>	<b>Cumulative or Running Savings</b>
<b>June</b>	1000	800	20%	20%
<b>July</b>	1500	1050	30%	26%
<b>August</b>	1200	1020	15%	22%
<b>September</b>	900	825	8%	20%





Two additional tools are included in the proposed emergency regulation to both expedite the investigation of water suppliers not meeting their conservation standard and to require the implementation of actions to correct this situation. A proposed informational order would require water suppliers to respond to request for information or face immediate enforcement. The proposed conservation order can be used to direct specific actions to correct non-compliance. Both of these tools are tailored to the emergency circumstances that the State finds itself in as a result of continuing drought conditions. Violation of an information or conservation order carries a penalty of up to \$500 per day.

The Board will work with water suppliers along the way that are not meeting their targets to implement actions to get them back on track. These actions could include changes to rates and pricing, restrictions on outdoor irrigation, public outreach, rebates and audit programs, leak detection and repair, and other measures. The Board may use its enforcement tools to ensure that water suppliers are on track to meet their conservation standards at any point during the 270 days that the emergency regulation is in effect.

## **Conclusion**

No one knows how the future will unfold. While the state may return to “normal,” or even to above average hydrologic water conditions in 2016, such an outcome is far from certain. If there is a fifth, or even sixth, year of water scarcity the emergency regulation will have contributed to safeguarding the state’s future water supplies, thereby forestalling potentially dramatic economic consequences. An example of the challenge facing the State comes from Australia, which experienced persistent and severe drought across most of its continent between 2002 and 2012. Over the full course of the 10 years of drought, half a percentage point may have been shaved from Australia’s GDP growth rate due to water curtailments, lowered productivity, unemployment and reduced exports. A half-point reduction in GDP growth is significant: if this were to occur in California, cumulative state output would be reduced by close to half a trillion dollars over the same 10-year span of time.

The State Water Board is committed to working with water suppliers around the State on implementation of the emergency regulation to reduce the risk that the State faces if drought conditions do not abate. A workshop to discuss implementation of the emergency regulation will be scheduled for October 2015, and the Board will continue to receive monthly updates and hear public comment as it has been doing since adopting its initial emergency regulation in July 2014.

As Governor Brown said on April 1, 2015, when announcing his fourth Executive Order since the drought began, “All of us in so many different parts of California, doing so many different things, have to now pull together in our own different contexts to do what is required.”

*(This fact sheet was last updated on April 28, 2015)*

## Urban Water Suppliers and Regulatory Framework Tiers to Achieve 25% Use Reduction

Supplier Name	Total Water Production		Total Water Saved (Jun-14 - Feb-15, compared to 2013, gallons)	Percent Saved (Jun-14 - Feb-15, compared to 2013)	Jul-Sep 2014 R- GPCD	Tier	Conservation Standard
	2013 (Jun - Feb)	2014/15 (Jun-14 - Feb-15)					
Westborough Water District	257,568,499	213,776,790	43,791,709	17%	40.6	2	8%
Arcata City of	499,104,000	495,047,000	4,057,000	1%	43.5	2	8%
San Francisco Public Utilities Commission	20,365,410,000	18,717,900,000	1,647,510,000	8%	45.4	2	8%
Santa Cruz City of	2,527,700,000	1,933,400,000	594,300,000	24%	47.3	2	8%
California Water Service Company South San Francisco	2,075,673,590	1,907,534,254	168,139,336	8%	48.8	2	8%
California-American Water Company Monterey District	2,903,844,543	2,590,336,368	313,508,175	11%	51.3	2	8%
California Water Service Company East Los Angeles	3,998,522,861	3,819,956,279	178,566,582	4%	51.4	2	8%
California-American Water Company San Diego District	2,795,094,888	2,578,195,144	216,899,744	8%	51.9	2	8%
Cambria Community Services District	166,216,813	95,513,570	70,703,243	43%	54.3	2	8%
East Palo Alto, City of	409,886,088	454,911,335	-45,025,247	-11%	55.6	2	8%
Park Water Company	2,833,164,110	2,598,821,539	234,342,571	8%	55.6	2	8%
San Bruno City of	929,865,974	849,620,197	80,245,777	9%	55.7	2	8%
Daly City City of	1,888,066,301	1,622,632,784	265,433,517	14%	58.8	2	8%
North Coast County Water District	809,332,364	713,333,361	95,999,003	12%	59.5	2	8%
Golden State Water Company Florence Graham	1,246,577,219	1,227,482,326	19,094,894	2%	59.7	2	8%
Golden State Water Company Bell-Bell Gardens	1,279,423,043	1,208,354,847	71,068,196	6%	60.8	2	8%
Coastside County Water District	565,550,000	524,430,000	41,120,000	7%	61.9	2	8%
Hayward City of	4,474,967,937	3,957,222,483	517,745,455	12%	62.1	2	8%
Grover Beach City of	352,828,667	208,202,769	144,625,897	41%	62.3	2	8%
Redwood City City of	2,525,846,774	2,179,170,327	346,676,447	14%	63.4	2	8%
Compton City of	1,858,895,919	1,837,323,747	21,572,172	1%	63.6	2	8%
Soquel Creek Water District	1,046,626,000	826,889,000	219,737,000	21%	64.2	2	8%
Seal Beach City of	905,215,264	856,337,550	48,877,714	5%	64.7	2	8%
Inglewood City of	2,457,964,645	2,284,776,001	173,188,643	7%	65.1	3	12%
Goleta Water District	3,523,431,480	3,053,227,871	470,203,609	13%	65.5	3	12%
Oxnard City of	5,742,131,037	5,086,123,686	656,007,351	11%	66.6	3	12%
Paramount City of	1,628,999,712	1,623,382,034	5,617,679	0%	67.0	3	12%
California Water Service Company King City	428,820,478	403,729,918	25,090,560	6%	67.7	3	12%
Golden State Water Company Southwest	7,303,405,789	6,894,299,322	409,106,467	6%	68.2	3	12%
Golden State Water Company Bay Point	512,238,443	452,672,802	59,565,641	12%	69.2	3	12%
San Luis Obispo City of	1,387,716,506	1,278,706,170	109,010,336	8%	69.9	3	12%
Morro Bay City of	316,836,255	281,236,756	35,599,499	11%	70.0	3	12%
South Gate City of	2,066,696,383	2,017,629,675	49,066,708	2%	70.1	3	12%
Vernon City of	1,907,061,769	1,788,380,162	118,681,607	6%	70.6	3	12%
Huntington Park City of	1,171,761,731	1,128,423,492	43,338,240	4%	71.3	3	12%
Golden State Water Company Norwalk	1,214,317,928	1,131,519,080	82,798,848	7%	72.2	3	12%
Milpitas City of	2,719,687,979	2,424,775,231	294,912,748	11%	72.3	3	12%
Estero Municipal Improvement District	1,137,677,797	1,077,438,670	60,239,127	5%	72.8	3	12%

## Urban Water Suppliers and Regulatory Framework Tiers to Achieve 25% Use Reduction

Supplier Name	Total Water Production		Total Water Saved (Jun-14 - Feb-15, compared to 2013, gallons)	Percent Saved (Jun-14 - Feb-15, compared to 2013)	Jul-Sep 2014 R- GPCD	Tier	Conservation Standard
	2013 (Jun - Feb)	2014/15 (Jun-14 - Feb-15)					
Golden State Water Company S San Gabriel	664,867,252	637,528,317	27,338,935	4%	73.6	3	12%
Sweetwater Authority	5,185,495,337	4,886,767,783	298,727,554	6%	75.0	3	12%
City of Big Bear Lake, Dept of Water & Power	610,520,000	590,469,860	20,050,140	3%	75.8	3	12%
La Palma City of	545,401,972	497,342,471	48,059,501	9%	75.9	3	12%
Marina Coast Water District	1,063,425,908	946,396,368	117,029,540	11%	76.0	3	12%
Lompoc City of	1,253,200,000	1,106,800,000	146,400,000	12%	76.6	3	12%
San Lorenzo Valley Water District	416,952,583	335,050,267	81,902,316	20%	77.9	3	12%
Santa Ana City of	9,729,076,397	9,323,684,636	405,391,760	4%	78.3	3	12%
Port Hueneme City of	500,546,894	456,100,759	44,446,135	9%	78.9	3	12%
Santa Fe Springs City of	1,526,056,730	1,408,567,739	117,488,991	8%	80.1	4	16%
Crestline Village Water District	185,010,871	167,499,027	17,511,844	9%	80.3	4	16%
McKinleyville Community Service District	344,448,000	300,869,000	43,579,000	13%	80.5	4	16%
Montebello Land and Water Company	859,407,071	791,398,619	68,008,451	8%	80.5	4	16%
Sweetwater Springs Water District	208,544,913	177,491,272	31,053,641	15%	80.8	4	16%
Santa Barbara City of	3,348,530,727	2,632,951,217	715,579,509	21%	80.9	4	16%
Rohnert Park City of	1,267,000,000	1,124,000,000	143,000,000	11%	81.0	4	16%
Lake Arrowhead Community Services District	440,648,885	386,238,213	54,410,671	12%	81.5	4	16%
Valley County Water District	2,033,127,821	1,853,913,772	179,214,049	9%	81.6	4	16%
San Diego City of	47,355,303,598	46,452,597,390	902,706,208	2%	82.0	4	16%
Mountain View City of	2,967,854,797	2,531,213,885	436,640,912	15%	82.5	4	16%
Golden State Water Company Artesia	1,402,138,690	1,348,796,812	53,341,879	4%	83.4	4	16%
California Water Service Company Dominguez	8,444,765,582	8,077,205,172	367,560,410	4%	83.7	4	16%
Greenfield, City of	573,049,890	501,684,126	71,365,764	12%	83.8	4	16%
Long Beach City of	14,658,100,592	13,842,168,619	815,931,973	6%	83.8	4	16%
Dublin San Ramon Services District	2,779,417,000	1,959,505,000	819,912,000	29%	84.7	4	16%
Golden State Water Company Culver City	1,415,824,450	1,344,756,254	71,068,196	5%	84.8	4	16%
Sunnyvale City of	4,612,426,949	3,920,970,221	691,456,728	15%	85.2	4	16%
California Water Service Company Salinas District	4,612,101,098	4,065,974,106	546,126,992	12%	86.0	4	16%
Lynwood City of	1,264,349,156	1,237,371,916	26,977,240	2%	86.3	4	16%
Santa Rosa City of	5,454,466,874	4,447,473,373	1,006,993,501	18%	86.7	4	16%
Hawthorne City of	1,070,747,789	1,135,592,223	-64,844,434	-6%	86.7	4	16%
California Water Service Company Mid Peninsula	3,986,792,209	3,551,780,554	435,011,655	11%	87.4	4	16%
San Gabriel Valley Water Company	9,747,519,587	9,124,165,807	623,353,780	6%	88.3	4	16%
Alameda County Water District	10,539,100,000	8,458,900,000	2,080,200,000	20%	88.3	4	16%
Santa Clara City of	5,338,900,000	4,749,500,000	589,400,000	11%	88.3	4	16%
Menlo Park City of	1,058,240,665	769,095,397	289,145,268	27%	88.6	4	16%
Millbrae City of	668,885,610	603,267,242	65,618,369	10%	89.2	4	16%
Petaluma City of	2,407,770,000	2,071,485,000	336,285,000	14%	89.6	4	16%

## Urban Water Suppliers and Regulatory Framework Tiers to Achieve 25% Use Reduction

Supplier Name	Total Water Production		Total Water Saved (Jun-14 - Feb-15, compared to 2013, gallons)	Percent Saved (Jun-14 - Feb-15, compared to 2013)	Jul-Sep 2014 R- GPCD	Tier	Conservation Standard
	2013 (Jun - Feb)	2014/15 (Jun-14 - Feb-15)					
Hi-Desert Water District	744,117,577	733,074,472	11,043,105	1%	90.2	4	16%
Burlingame City of	1,288,363,748	1,075,113,151	213,250,598	17%	90.4	4	16%
Los Angeles Department of Water and Power	139,452,680,105	130,343,503,463	9,109,176,642	7%	90.9	4	16%
Vallejo City of	4,410,308,000	4,020,375,000	389,933,000	9%	91.3	4	16%
San Buenaventura City of	4,446,346,994	3,813,888,925	632,458,069	14%	91.3	4	16%
Pico Rivera City of	1,267,056,981	1,099,162,034	167,894,948	13%	91.6	4	16%
Scotts Valley Water District	311,979,632	253,857,835	58,121,797	19%	91.6	4	16%
Irvine Ranch Water District	15,406,744,246	15,015,266,341	391,477,904	3%	91.7	4	16%
Santa Maria City of	3,370,607,161	3,257,210,864	113,396,297	3%	93.0	4	16%
Windsor, Town of	963,136,985	817,896,531	145,240,453	15%	93.0	4	16%
California Water Service Company Redwood Valley	108,182,674	82,440,411	25,742,263	24%	93.3	4	16%
American Canyon, City of	915,968,361	777,155,653	138,812,708	15%	93.5	4	16%
Golden State Water Company West Orange	4,000,477,969	3,830,090,258	170,387,711	4%	94.2	4	16%
East Bay Municipal Utilities District	52,390,500,000	46,127,500,000	6,263,000,000	12%	94.2	4	16%
Crescent City City of	583,110,000	710,650,000	-127,540,000	-22%	94.5	4	16%
Martinez City of	1,027,679,751	871,695,210	155,984,540	15%	95.5	5	20%
Pomona City of	5,817,361,333	5,468,536,077	348,825,256	6%	95.9	5	20%
San Jose City of	5,294,000,000	4,707,000,000	587,000,000	11%	96.0	5	20%
Bellflower-Somerset Mutual Water Company	1,350,031,789	1,268,477,694	81,554,095	6%	96.2	5	20%
California Water Service Company Hermosa/Redondo	2,984,799,071	2,983,495,666	1,303,406	0%	96.4	5	20%
Azusa City of	5,165,530,597	4,670,763,054	494,767,543	10%	97.3	5	20%
California Water Service Company Stockton	6,808,665,567	6,318,910,872	489,754,695	7%	97.6	5	20%
El Segundo City of	1,692,179,532	1,788,496,457	-96,316,925	-6%	97.9	5	20%
Westminster City of	3,064,371,990	2,956,971,359	107,400,630	4%	98.0	5	20%
Carpinteria Valley Water District	1,160,826,158	1,028,941,051	131,885,107	11%	98.2	5	20%
Lomita City of	591,013,026	547,632,425	43,380,600	7%	98.2	5	20%
Norwalk City of	559,456,000	511,830,000	47,626,000	9%	98.6	5	20%
Mesa Water District	4,434,609,825	4,283,056,327	151,553,499	3%	99.0	5	20%
Moulton Niguel Water District	7,135,207,799	6,864,125,480	271,082,319	4%	99.2	5	20%
Santa Monica City of	3,462,200,000	3,321,100,000	141,100,000	4%	99.2	5	20%
Rowland Water District	2,857,000,142	2,756,214,295	100,785,846	4%	99.2	5	20%
Livermore City of Division of Water Resources	1,642,615,000	1,199,514,000	443,101,000	27%	100.1	5	20%
Fountain Valley City of	2,438,968,604	2,305,516,153	133,452,452	5%	100.2	5	20%
Watsonville City of	2,045,660,752	1,803,744,576	241,916,176	12%	100.3	5	20%
Lathrop, City of	1,149,290,000	990,960,000	158,330,000	14%	100.3	5	20%
Pittsburg City of	2,481,549,000	2,226,323,000	255,226,000	10%	100.4	5	20%
El Monte City of	328,279,000	312,936,000	15,343,000	5%	100.6	5	20%
Tahoe City Public Utilities District	372,523,331	326,265,848	46,257,483	12%	100.9	5	20%

Urban Water Suppliers and Regulatory Framework Tiers to Achieve 25% Use Reduction

Supplier Name	Total Water Production		Total Water Saved (Jun-14 - Feb-15, compared to 2013, gallons)	Percent Saved (Jun-14 - Feb-15, compared to 2013)	Jul-Sep 2014 R- GPCD	Tier	Conservation Standard
	2013 (Jun - Feb)	2014/15 (Jun-14 - Feb-15)					
Mid-Peninsula Water District	823,925,361	712,822,442	111,102,919	13%	101.4	5	20%
Mammoth Community Water District	499,483,000	447,407,000	52,076,000	10%	102.9	5	20%
San Gabriel County Water District	1,612,133,643	1,485,957,453	126,176,190	8%	102.9	5	20%
Helix Water District	8,454,736,636	8,067,103,778	387,632,858	5%	103.6	5	20%
Whittier City of	2,041,957,743	2,084,064,264	-42,106,521	-2%	104.2	5	20%
Great Oaks Water Company Incorporated	2,641,791,567	2,210,783,322	431,008,244	16%	104.2	5	20%
Hollister City of	832,612,930	742,476,980	90,135,950	11%	104.4	5	20%
Calexico City of	1,524,360,000	1,440,570,000	83,790,000	5%	104.6	5	20%
Lakewood City of	2,086,631,973	1,856,580,866	230,051,107	11%	105.0	5	20%
Oceanside City of	6,988,111,948	6,765,555,423	222,556,525	3%	105.1	5	20%
San Jose Water Company	36,046,000,000	31,608,300,000	4,437,700,000	12%	105.7	5	20%
Valley of the Moon Water District	800,300,880	646,691,259	153,609,621	19%	106.5	5	20%
Escondido City of	4,625,134,351	4,059,907,513	565,226,838	12%	106.7	5	20%
Fairfield City of	5,435,000,000	4,853,000,000	582,000,000	11%	106.7	5	20%
Downey City of	4,090,256,554	3,834,059,128	256,197,426	6%	106.9	5	20%
Glendale City of	6,839,188,070	6,346,086,881	493,101,189	7%	107.1	5	20%
Otay Water District	8,209,272,756	7,888,634,952	320,637,804	4%	107.1	5	20%
Marin Municipal Water District	7,006,662,670	5,966,662,221	1,040,000,448	15%	107.4	5	20%
Camarillo City of	2,747,943,839	2,399,416,293	348,527,546	13%	107.5	5	20%
California-American Water Company Sacramento District	8,801,191,649	7,285,565,423	1,515,626,225	17%	107.8	5	20%
Adelanto city of	1,091,834,544	993,603,394	98,231,150	9%	108.5	5	20%
Anaheim City of	16,337,538,847	15,992,788,037	344,750,810	2%	108.6	5	20%
Ukiah City of	678,601,000	551,722,000	126,879,000	19%	108.6	5	20%
Huntington Beach City of	7,506,541,568	7,116,888,432	389,653,136	5%	109.0	5	20%
Napa City of	3,605,871,891	3,247,435,321	358,436,570	10%	109.2	5	20%
Lakeside Water District	1,064,566,388	977,942,044	86,624,343	8%	109.3	5	20%
Padre Dam Municipal Water District	2,952,148,758	2,752,858,026	199,290,733	7%	109.4	5	20%
Crescenta Valley Water District	1,200,433,997	1,043,760,838	156,673,159	13%	109.4	5	20%
Torrance City of	3,906,665,343	3,703,464,394	203,200,950	5%	111.0	6	24%
Big Bear City Community Services District	266,135,894	256,898,007	9,237,888	3%	111.0	6	24%
Vista Irrigation District	4,896,569,394	4,632,303,886	264,265,507	5%	111.1	6	24%
Perris, City of	437,809,090	430,597,020	7,212,070	2%	111.9	6	24%
Pismo Beach City of	434,216,578	359,495,587	74,720,991	17%	113.1	6	24%
Vallecitos Water District	4,390,033,350	4,037,168,840	352,864,510	8%	116.1	6	24%
Soledad, City of	581,571,300	531,785,500	49,785,800	9%	116.7	6	24%
Manhattan Beach City of	1,219,661,891	1,153,188,200	66,473,691	5%	116.7	6	24%
Palo Alto City of	3,180,440,852	2,685,999,460	494,441,392	16%	116.8	6	24%
Gilroy City of	2,328,666,000	1,995,678,000	332,988,000	14%	117.5	6	24%

Urban Water Suppliers and Regulatory Framework Tiers to Achieve 25% Use Reduction

Supplier Name	Total Water Production		Total Water Saved (Jun-14 - Feb-15, compared to 2013, gallons)	Percent Saved (Jun-14 - Feb-15, compared to 2013)	Jul-Sep 2014 R- GPCD	Tier	Conservation Standard
	2013 (Jun - Feb)	2014/15 (Jun-14 - Feb-15)					
Humboldt Community Service District	610,120,000	573,669,000	36,451,000	6%	117.9	6	24%
Alhambra City of	2,575,148,433	2,329,573,763	245,574,669	10%	118.3	6	24%
Golden State Water Company S Arcadia	908,701,874	851,189,098	57,512,777	6%	118.5	6	24%
Orchard Dale Water District	589,289,272	550,757,340	38,531,931	7%	118.6	6	24%
Buena Park City of	3,777,921,445	3,441,805,698	336,115,747	9%	118.9	6	24%
Golden State Water Company Placentia	1,868,334,327	1,778,757,770	89,576,557	5%	118.9	6	24%
Pico Water District	1,029,001,320	960,057,631	68,943,690	7%	119.1	6	24%
Delano City of	2,386,120,000	2,229,650,000	156,470,000	7%	119.4	6	24%
El Centro City of	1,978,323,000	1,910,544,000	67,779,000	3%	119.5	6	24%
Pleasanton City of	4,439,552,000	3,099,891,000	1,339,661,000	30%	119.8	6	24%
Woodland City of	2,938,159,020	2,454,292,204	483,866,816	16%	119.8	6	24%
El Toro Water District	2,331,141,109	2,239,576,858	91,564,251	4%	119.9	6	24%
San Fernando City of	839,719,127	786,931,196	52,787,931	6%	120.3	6	24%
Suburban Water Systems San Jose Hills	7,160,122,399	6,833,016,444	327,105,955	5%	120.3	6	24%
Sunny Slope Water Company	1,052,785,122	950,022,234	102,762,888	10%	120.5	6	24%
California Water Service Company Livermore	2,781,467,781	1,909,163,511	872,304,270	31%	120.5	6	24%
Laguna Beach County Water District	872,082,691	867,064,579	5,018,112	1%	121.0	6	24%
Fortuna City of	303,008,000	276,986,000	26,022,000	9%	121.2	6	24%
Amador Water Agency	899,761,000	773,623,400	126,137,600	14%	121.5	6	24%
South Coast Water District	1,639,847,306	1,549,814,557	90,032,749	5%	121.7	6	24%
Alco Water Service	1,156,954,000	1,028,617,000	128,337,000	11%	124.2	6	24%
Monte Vista Water District	2,603,464,922	2,359,464,115	244,000,807	9%	125.0	6	24%
Golden State Water Company Barstow	1,595,531,512	1,445,509,515	150,021,997	9%	125.4	6	24%
California Water Service Company Marysville	575,127,769	496,597,575	78,530,194	14%	125.5	6	24%
Coachella City of	1,395,900,000	1,294,010,000	101,890,000	7%	125.5	6	24%
Brea City of	2,826,761,129	2,727,376,444	99,384,685	4%	125.9	6	24%
Colton, City of	2,519,711,330	2,487,549,794	32,161,536	1%	126.3	6	24%
Chino City of	3,332,449,959	3,123,999,542	208,450,416	6%	126.7	6	24%
Santa Margarita Water District	7,105,190,366	6,932,489,109	172,701,256	2%	126.8	6	24%
Reedley City of	1,302,000,000	1,109,000,000	193,000,000	15%	126.9	6	24%
Ontario City of	8,782,999,363	8,499,508,622	283,490,741	3%	126.9	6	24%
Valencia Water Company	7,817,224,611	6,780,899,767	1,036,324,844	13%	127.0	6	24%
Groveland Community Services District	127,297,632	96,625,396	30,672,236	24%	127.5	6	24%
Eureka City of	860,874,000	799,778,000	61,096,000	7%	128.1	6	24%
North Marin Water District	2,457,000,000	1,986,810,000	470,190,000	19%	129.1	6	24%
City of Newman Water Department	559,946,000	448,854,000	111,092,000	20%	129.2	6	24%
Tuolumne Utilities District	1,441,240,862	992,152,425	449,088,437	31%	129.3	6	24%
Golden State Water Company Simi Valley	1,830,698,487	1,657,215,187	173,483,300	9%	129.9	6	24%



Urban Water Suppliers and Regulatory Framework Tiers to Achieve 25% Use Reduction

Supplier Name	Total Water Production		Total Water Saved (Jun-14 - Feb-15, compared to 2013, gallons)	Percent Saved (Jun-14 - Feb-15, compared to 2013)	Jul-Sep 2014 R- GPCD	Tier	Conservation Standard
	2013 (Jun - Feb)	2014/15 (Jun-14 - Feb-15)					
Twentynine Palms Water District	666,765,336	641,552,256	25,213,080	4%	130.5	7	28%
Eastern Municipal Water District	22,059,815,756	21,154,600,492	905,215,264	4%	130.7	7	28%
South Pasadena City of	1,045,005,526	935,193,595	109,811,931	11%	131.0	7	28%
California Water Service Company Oroville	830,595,287	682,007,037	148,588,251	18%	131.6	7	28%
Healdsburg City of	540,150,000	446,810,000	93,340,000	17%	131.9	7	28%
Burbank City of	4,712,137,486	4,362,205,638	349,931,847	7%	132.2	7	28%
Arroyo Grande City of	776,210,684	654,635,517	121,575,167	16%	132.4	7	28%
San Juan Capistrano City of	2,040,416,466	1,962,283,810	78,132,655	4%	133.3	7	28%
Garden Grove City of	6,584,316,860	6,185,605,054	398,711,806	6%	133.6	7	28%
Del Oro Water Company	369,631,917	306,051,990	63,579,927	17%	134.3	7	28%
Humboldt Bay Municipal Water District	146,056,000	148,820,000	-2,764,000	-2%	134.5	7	28%
Tracy City of	4,529,625,694	3,497,663,768	1,031,961,925	23%	134.6	7	28%
Riverside City of	17,427,511,870	15,956,944,380	1,470,567,490	8%	135.3	7	28%
West Kern Water District	4,045,106,581	3,679,048,346	366,058,235	9%	135.4	7	28%
Fullerton City of	7,215,373,767	6,969,105,034	246,268,733	3%	136.8	7	28%
Lincoln Avenue Water Company	613,030,807	557,668,649	55,362,157	9%	137.2	7	28%
La Habra City of Public Works	2,397,728,848	2,535,032,864	-137,304,016	-6%	137.5	7	28%
Newport Beach City of	4,220,349,478	3,924,557,845	295,791,633	7%	137.8	7	28%
Carlsbad Municipal Water District	4,342,002,850	4,259,269,173	82,733,677	2%	138.6	7	28%
Pasadena City of	8,349,297,631	7,614,975,148	734,322,483	9%	139.0	7	28%
Truckee-Donner Public Utilities District	1,264,764,466	1,144,274,188	120,490,278	10%	139.4	7	28%
Contra Costa Water District	8,855,338,380	7,547,370,752	1,307,967,628	15%	139.9	7	28%
Shasta Lake City of	309,004,338	258,461,000	50,543,338	16%	140.2	7	28%
Suburban Water Systems Whittier/La Mirada	5,584,910,982	5,234,793,399	350,117,583	6%	141.1	7	28%
Antioch City of	4,642,068,000	4,042,923,000	599,145,000	13%	141.9	7	28%
South Tahoe Public Utilities District	1,641,227,000	1,550,474,000	90,753,000	6%	141.9	7	28%
Sonoma City of	583,798,675	494,362,234	89,436,441	15%	142.7	7	28%
San Gabriel Valley Fontana Water Company	10,907,224,816	10,188,722,419	718,502,397	7%	142.9	7	28%
West Sacramento City of	3,567,747,274	2,941,460,832	626,286,443	18%	143.0	7	28%
Tehachapi, City of	582,624,632	536,291,818	46,332,814	8%	143.7	7	28%
Davis City of	3,023,400,000	2,527,400,000	496,000,000	16%	143.9	7	28%
Benicia City of	1,543,102,018	1,217,315,761	325,786,257	21%	143.9	7	28%
California Water Service Company Dixon, City of	382,549,575	346,705,918	35,843,657	9%	144.3	7	28%
Sunnyslope County Water District	694,319,032	596,249,460	98,069,572	14%	144.6	7	28%
Roseville City of	8,448,024,096	6,930,859,852	1,517,164,244	18%	145.1	7	28%
Elk Grove Water Service	1,982,552,982	1,615,618,816	366,934,166	19%	145.3	7	28%
Paso Robles City of	1,705,474,000	1,511,094,000	194,380,000	11%	146.1	7	28%
Elsinore Valley Municipal Water District	6,567,437,756	6,285,445,931	281,991,825	4%	146.3	7	28%



Urban Water Suppliers and Regulatory Framework Tiers to Achieve 25% Use Reduction

Supplier Name	Total Water Production		Total Water Saved (Jun-14 - Feb-15, compared to 2013, gallons)	Percent Saved (Jun-14 - Feb-15, compared to 2013)	Jul-Sep 2014 R- GPCD	Tier	Conservation Standard
	2013 (Jun - Feb)	2014/15 (Jun-14 - Feb-15)					
Sacramento City of	28,979,000,000	23,440,000,000	5,539,000,000	19%	146.4	7	28%
Walnut Valley Water District	5,119,451,770	4,877,344,159	242,107,610	5%	146.4	7	28%
Rialto City of	2,544,482,555	2,596,683,954	-52,201,399	-2%	146.8	7	28%
Diablo Water District	1,487,225,000	1,338,770,000	148,455,000	10%	147.7	7	28%
Patterson City of	1,040,156,104	948,595,320	91,560,784	9%	148.3	7	28%
San Dieguito Water District	1,583,703,106	1,621,176,020	-37,472,914	-2%	148.4	7	28%
Orange City of	7,732,617,288	7,437,395,896	295,221,393	4%	148.7	7	28%
California Water Service Company Kern River Valley	222,882,376	201,376,182	21,506,194	10%	148.9	7	28%
San Bernardino City of	11,535,034,614	10,722,937,586	812,097,028	7%	149.1	7	28%
Suisun-Solano Water Authority	1,038,300,000	918,300,000	120,000,000	12%	150.0	7	28%
Cerritos City of	2,219,233,953	1,991,297,621	227,936,332	10%	153.6	7	28%
Sanger City of	1,552,776,000	1,422,246,000	130,530,000	8%	153.7	7	28%
Fresno City of	36,603,191,424	30,513,707,650	6,089,483,774	17%	154.2	7	28%
Monrovia City of	1,885,000,000	1,673,000,000	212,000,000	11%	154.6	7	28%
Covina City of	1,500,350,310	1,393,914,200	106,436,110	7%	154.7	7	28%
Lake Hemet Municipal Water District	2,880,852,466	2,579,961,258	300,891,208	10%	154.9	7	28%
Stockton City of	8,304,530,000	7,263,300,000	1,041,230,000	13%	155.0	7	28%
Jurupa Community Service District	6,546,170,411	6,107,698,865	438,471,545	7%	155.5	7	28%
Ventura County Waterworks District No. 8	5,424,122,854	4,896,895,245	527,227,609	10%	156.1	7	28%
Tustin City of	2,984,049,613	2,895,189,929	88,859,684	3%	156.5	7	28%
California-American Water Company Los Angeles District	5,579,752,754	5,179,473,602	400,279,151	7%	156.8	7	28%
San Clemente City of	2,270,663,084	2,331,434,375	-60,771,291	-3%	157.7	7	28%
Chino Hills City of	3,952,965,804	3,587,674,904	365,290,900	9%	157.8	7	28%
Rubidoux Community Service District	1,400,190,000	1,335,510,000	64,680,000	5%	157.9	7	28%
Arvin Community Services District	740,072,884	667,768,501	72,304,383	10%	157.9	7	28%
Rosamond Community Service District	719,200,000	712,000,000	7,200,000	1%	158.1	7	28%
Golden State Water Company San Dimas	3,063,589,946	2,950,649,842	112,940,105	4%	159.0	7	28%
Apple Valley Ranchos Water Company	4,101,713,205	3,942,264,436	159,448,769	4%	159.8	7	28%
Hanford City of	3,229,776,700	2,793,029,816	436,746,884	14%	160.0	7	28%
Santa Paula City of	1,218,270,506	1,081,725,724	136,544,782	11%	160.2	7	28%
Morgan Hill City of	2,262,311,000	1,786,089,000	476,222,000	21%	161.3	7	28%
North Tahoe Public Utility District	350,120,000	332,141,000	17,979,000	5%	161.7	7	28%
Atascadero Mutual Water Company	1,291,000,000	1,056,900,000	234,100,000	18%	163.0	7	28%
Thousand Oaks City of	3,106,634,920	2,792,709,655	313,925,265	10%	163.7	7	28%
Victorville Water District	4,985,852,685	4,486,322,447	499,530,238	10%	164.4	7	28%
Fillmore City of	482,079,202	446,216,000	35,863,202	7%	165.6	7	28%
Nipomo Community Services District	665,258,273	527,032,098	138,226,175	21%	165.6	7	28%
Ramona Municipal Water District	1,087,105,531	1,049,746,665	37,358,866	3%	165.9	7	28%

## Urban Water Suppliers and Regulatory Framework Tiers to Achieve 25% Use Reduction

Supplier Name	Total Water Production		Total Water Saved (Jun-14 - Feb-15, compared to 2013, gallons)	Percent Saved (Jun-14 - Feb-15, compared to 2013)	Jul-Sep 2014 R- GPCD	Tier	Conservation Standard
	2013 (Jun - Feb)	2014/15 (Jun-14 - Feb-15)					
Ceres City of	1,985,969,000	1,848,968,000	137,001,000	7%	166.1	7	28%
El Dorado Irrigation District	10,044,044,386	7,600,810,386	2,443,234,000	24%	166.2	7	28%
Newhall County Water District	2,611,216,927	2,326,139,289	285,077,638	11%	166.5	7	28%
California Water Service Company Willows	364,301,895	318,682,696	45,619,200	13%	168.6	7	28%
East Valley Water District	5,405,695,956	4,782,879,831	622,816,125	12%	169.4	7	28%
Joshua Basin Water District	409,078,118	382,604,644	26,473,473	6%	169.5	7	28%
Imperial, City of	687,420,000	671,127,000	16,293,000	2%	171.6	8	32%
Manteca City of	3,844,580,000	3,212,645,000	631,935,000	16%	172.0	8	32%
Ventura County Waterworks District No 1	2,688,665,294	2,241,890,403	446,774,892	17%	172.0	8	32%
Dinuba City of	1,126,830,000	977,550,000	149,280,000	13%	172.3	8	32%
Madera City of	2,268,235,000	2,115,715,000	152,520,000	7%	173.5	8	32%
California Water Service Company Los Altos/Suburban	3,714,706,268	3,136,645,836	578,060,431	16%	173.8	8	32%
Hesperia Water District City of	3,676,581,651	3,538,094,794	138,486,856	4%	174.6	8	32%
Castaic Lake Water Agency Santa Clarita Water Division	7,358,051,073	6,493,567,237	864,483,836	12%	174.8	8	32%
Brentwood City of	3,038,220,000	2,663,210,000	375,010,000	12%	174.9	8	32%
San Jacinto City of	756,372,530	651,046,816	105,325,714	14%	176.1	8	32%
La Verne City of	2,094,159,141	1,955,656,970	138,502,171	7%	176.5	8	32%
Rincon Del Diablo Municipal Water District	1,766,766,437	1,514,883,284	251,883,153	14%	179.2	8	32%
Mission Springs Water District	2,072,832,166	1,979,439,888	93,392,277	5%	179.4	8	32%
Banning City of	2,219,758,574	2,058,002,667	161,755,907	7%	179.4	8	32%
Brawley City of	1,842,390,000	1,088,690,000	753,700,000	41%	179.5	8	32%
Cucamonga Valley Water District	12,916,078,335	12,778,430,872	137,647,463	1%	180.0	8	32%
Calaveras County Water District	1,468,843,000	1,200,100,000	268,743,000	18%	180.1	8	32%
Phelan Pinon Hills Community Services District	635,139,826	675,206,517	-40,066,691	-6%	181.6	8	32%
Porterville City of	3,123,277,400	2,849,237,200	274,040,200	9%	182.0	8	32%
Sacramento County Water Agency	9,991,675,171	8,451,666,395	1,540,008,776	15%	184.3	8	32%
California-American Water Ventura District	4,397,006,571	3,988,454,052	408,552,519	9%	184.6	8	32%
Blythe City of	806,370,000	811,680,000	-5,310,000	-1%	186.1	8	32%
Yreka, City of	593,290,000	519,800,000	73,490,000	12%	186.4	8	32%
Palmdale Water District	5,291,175,472	5,010,063,446	281,112,026	5%	187.2	8	32%
Yuba City City of	4,215,490,000	3,629,080,000	586,410,000	14%	188.2	8	32%
California Water Service Company Selma	1,492,399,536	1,239,212,977	253,186,559	17%	189.2	8	32%
Western Municipal Water District of Riverside	5,887,379,311	5,683,989,367	203,389,944	3%	189.2	8	32%
Riverbank City of	860,786,846	737,503,990	123,282,856	14%	191.2	8	32%
California Water Service Company Visalia	8,033,215,230	7,144,292,537	888,922,693	11%	191.7	8	32%
Hemet City of	1,116,063,947	1,045,970,047	70,093,900	6%	192.8	8	32%
Turlock City of	5,571,505,100	4,909,059,441	662,445,659	12%	193.9	8	32%
Corona City of	8,699,410,000	8,297,070,000	402,340,000	5%	194.3	8	32%

Urban Water Suppliers and Regulatory Framework Tiers to Achieve 25% Use Reduction

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	2013 (Jun - Feb)	2014/15 (Jun-14 - Feb-15)					
Trabuco Canyon Water District	764,121,596	767,705,962	-3,584,366	0%	194.9	8	32%
Triunfo Sanitation District / Oak Park Water Service	687,285,830	597,937,369	89,348,461	13%	195.6	8	32%
Lamont Public Utility District	993,121,000	914,688,000	78,433,000	8%	197.4	8	32%
California Water Service Company Bakersfield	18,863,864,960	16,841,305,153	2,022,559,807	11%	197.6	8	32%
Lemoore City of	1,967,044,000	1,783,354,000	183,690,000	9%	198.9	8	32%
Golden State Water Company Orcutt	1,941,781,239	1,705,636,709	236,144,529	12%	199.8	8	32%
Vacaville City of	4,536,829,418	3,868,833,993	667,995,425	15%	199.9	8	32%
Citrus Heights Water District	3,723,178,405	3,023,575,391	699,603,014	19%	201.4	8	32%
Poway City of	2,984,245,124	2,893,299,991	90,945,133	3%	201.7	8	32%
Livingston City of	1,870,481,000	1,810,513,000	59,968,000	3%	204.2	8	32%
Los Angeles County Public Works Waterworks District 40	12,870,711,018	11,980,791,220	889,919,798	7%	205.5	8	32%
Galt City of	1,302,667,000	1,052,546,000	250,121,000	19%	207.1	8	32%
Placer County Water Agency	7,686,123,771	6,395,079,193	1,291,044,578	17%	207.2	8	32%
Lee Lake Water District	760,491,304	738,717,756	21,773,548	3%	208.1	8	32%
San Bernardino County Service Area 70	457,322,702	431,251,330	26,071,373	6%	209.6	8	32%
California Water Service Company Chico District	6,759,462,002	5,680,893,778	1,078,568,223	16%	210.4	8	32%
Linda County Water District	971,706,000	880,037,000	91,669,000	9%	211.0	8	32%
West Valley Water District	5,029,549,361	4,747,557,536	281,991,825	6%	212.3	8	32%
Golden State Water Company Claremont	2,873,781,490	2,604,204,605	269,576,886	9%	213.2	8	32%
Folsom City of	5,476,678,514	4,592,545,306	884,133,208	16%	213.7	8	32%
Sierra Madre City of	616,142,059	546,575,118	69,566,941	11%	214.5	8	32%
Tulare, City of	4,805,328,900	4,324,313,800	481,015,100	10%	214.8	8	32%
Indio City of	5,340,000,000	5,006,100,000	333,900,000	6%	215.7	9	36%
Oakdale City of	1,417,000,000	1,139,000,000	278,000,000	20%	215.9	9	36%
Fallbrook Public Utility District	3,340,661,415	3,012,268,347	328,393,068	10%	217.3	9	36%
Kerman, City of	880,465,000	769,624,000	110,841,000	13%	217.9	9	36%
Exeter City of	600,332,681	535,287,408	65,045,273	11%	218.8	9	36%
Georgetown Divide Public Utilities District	512,901,000	410,416,000	102,485,000	20%	219.7	9	36%
Yorba Linda Water District	5,380,523,933	5,128,021,662	252,502,271	5%	220.2	9	36%
Rubio Canyon Land and Water Association	561,116,157	508,002,375	53,113,783	9%	220.8	9	36%
Sacramento Suburban Water District	9,630,759,000	8,318,514,000	1,312,245,000	14%	222.5	9	36%
Corcoran City of	1,162,447,000	950,206,000	212,241,000	18%	223.7	9	36%
Norco City of	2,009,949,357	1,856,691,656	153,257,702	8%	224.2	9	36%
Golden State Water Company Cordova	4,051,962,495	3,483,514,680	568,447,814	14%	224.5	9	36%
Monterey Park City of	649,960,000	594,880,000	55,080,000	8%	224.9	9	36%
Winton Water & Sanitary District	432,243,000	400,904,000	31,339,000	7%	228.3	9	36%
Montecito Water District	1,577,349,003	836,688,709	740,660,294	47%	228.9	9	36%
Camrosa Water District	2,469,015,365	2,141,221,863	327,793,502	13%	229.3	9	36%

## Urban Water Suppliers and Regulatory Framework Tiers to Achieve 25% Use Reduction

Supplier Name	Total Water Production		Total Water Saved (Jun-14 - Feb-15, compared to 2013, gallons)	Percent Saved (Jun-14 - Feb-15, compared to 2013)	Jul-Sep 2014 R- GPCD	Tier	Conservation Standard
	2013 (Jun - Feb)	2014/15 (Jun-14 - Feb-15)					
Wasco City of	1,096,680,000	952,170,000	144,510,000	13%	231.1	9	36%
Olivenhain Municipal Water District	5,326,497,766	5,149,755,952	176,741,814	3%	232.4	9	36%
Upland City of	5,523,683,657	5,024,215,355	499,468,301	9%	234.9	9	36%
Clovis City of	6,737,008,000	6,080,852,000	656,156,000	10%	235.2	9	36%
Beverly Hills City of	2,984,049,613	2,900,957,499	83,092,114	3%	235.9	9	36%
Lodi City of Public Works Department	3,904,230,000	3,932,720,000	-28,490,000	-1%	235.9	9	36%
Los Angeles County Public Works Waterworks District 29	2,383,427,229	2,356,081,777	27,345,452	1%	236.0	9	36%
Loma Linda City of *	1,379,990,569	1,323,839,525	56,151,044	4%	236.0	9	36%
Shafter City of	1,350,000,000	1,154,000,000	196,000,000	15%	236.5	9	36%
Fruitridge Vista Water Company	1,000,084,300	823,053,400	177,030,900	18%	238.3	9	36%
Paradise Irrigation District	1,721,400,000	1,355,900,000	365,500,000	21%	240.8	9	36%
Glendora City of	3,108,798,089	3,089,127,284	19,670,805	1%	242.0	9	36%
Carmichael Water District	2,598,570,000	2,107,250,000	491,320,000	19%	242.5	9	36%
Rainbow Municipal Water District	3,976,593,060	3,760,749,074	215,843,985	5%	243.0	9	36%
Modesto, City of	15,589,770,183	13,698,086,925	1,891,683,258	12%	245.9	9	36%
Pinedale County Water District	267,792,348	224,289,932	43,502,416	16%	247.1	9	36%
Lincoln City of	2,592,190,000	2,158,050,000	434,140,000	17%	251.0	9	36%
California Water Service Company Bear Gulch	3,623,142,017	3,228,861,790	394,280,227	11%	252.5	9	36%
Los Banos, City of	2,053,870,000	1,905,101,000	148,769,000	7%	253.0	9	36%
Redding City of	7,109,010,000	5,934,100,000	1,174,910,000	17%	253.8	9	36%
Riverside Highland Water Company	971,591,200	889,248,544	82,342,656	8%	253.8	9	36%
California Water Service Company Palos Verdes	5,184,622,055	4,979,661,507	204,960,548	4%	255.4	9	36%
Olivehurst Public Utility District	1,161,641,529	959,245,393	202,396,137	17%	256.0	9	36%
San Bernardino County Service Area 64	758,722,238	679,807,540	78,914,699	10%	257.8	9	36%
Anderson, City of	572,342,000	498,676,000	73,666,000	13%	260.0	9	36%
Rio Vista, city of	641,312,000	606,333,000	34,979,000	5%	260.9	9	36%
Golden State Water Company Ojai	564,830,864	487,636,661	77,194,203	14%	261.0	9	36%
Indian Wells Valley Water District	1,861,884,000	1,789,365,000	72,519,000	4%	263.5	9	36%
Yucaipa Valley Water District	2,981,840,000	2,837,629,000	144,211,000	5%	265.1	9	36%
Casitas Municipal Water District	777,155,653	678,096,820	99,058,834	13%	265.7	9	36%
Nevada Irrigation District	2,750,729,000	2,339,997,000	410,732,000	15%	267.8	9	36%
Beaumont-Cherry Valley Water District	3,172,199,486	3,139,252,648	32,946,838	1%	269.7	9	36%
East Niles Community Service District	2,504,168,216	2,213,508,744	290,659,473	12%	271.8	9	36%
Fair Oaks Water District	3,068,959,978	2,450,034,519	618,925,459	20%	274.1	9	36%
Discovery Bay Community Services District	986,000,000	808,000,000	178,000,000	18%	276.3	9	36%
Rio Linda - Elverta Community Water District	770,017,391	629,595,315	140,422,076	18%	278.1	9	36%
East Orange County Water District	247,060,552	225,554,358	21,506,194	9%	278.2	9	36%
Bakersfield City of	11,705,594,680	10,744,390,565	961,204,114	8%	279.9	9	36%

## Urban Water Suppliers and Regulatory Framework Tiers to Achieve 25% Use Reduction

Supplier Name	Total Water Production		Total Water Saved (Jun-14 - Feb-15, compared to 2013, gallons)	Percent Saved (Jun-14 - Feb-15, compared to 2013)	Jul-Sep 2014 R- GPCD	Tier	Conservation Standard
	2013 (Jun - Feb)	2014/15 (Jun-14 - Feb-15)					
Valley Center Municipal Water District	6,829,813,325	6,798,466,417	31,346,907	0%	291.2	9	36%
Red Bluff City of	904,393,249	764,891,212	139,502,037	15%	294.3	9	36%
California Water Service Company Antelope Valley	186,061,165	216,691,199	-30,630,034	-16%	296.7	9	36%
Merced City of	6,872,130,000	6,271,910,000	600,220,000	9%	298.8	9	36%
Bakman Water Company	1,032,655,497	893,235,946	139,419,551	14%	302.2	9	36%
Las Virgenes Municipal Water District	5,714,163,209	5,470,784,778	243,378,431	4%	304.8	9	36%
Oildale Mutual Water Company	2,485,920,537	2,317,129,497	168,791,039	7%	306.4	9	36%
California City City of	1,192,746,563	1,264,824,899	-72,078,336	-6%	307.0	9	36%
Atwater City of	2,358,960,000	1,821,770,000	537,190,000	23%	308.1	9	36%
Redlands City of	7,033,861,488	6,969,114,810	64,746,679	1%	313.2	9	36%
Ripon City of	1,431,002,833	1,223,409,134	207,593,699	15%	316.1	9	36%
Arcadia City of	4,352,404,027	4,033,916,843	318,487,185	7%	318.5	9	36%
Hillsborough Town of	877,331,034	658,647,771	218,683,262	25%	324.5	9	36%
Quartz Hill Water District	1,430,054,382	1,276,190,597	153,863,785	11%	326.9	9	36%
Madera County	891,468,716	660,496,910	230,971,806	26%	328.1	9	36%
Orange Vale Water Company	1,274,470,101	1,008,190,832	266,279,269	21%	332.3	9	36%
Kingsburg, City of	1,009,319,000	825,793,000	183,526,000	18%	332.5	9	36%
California Water Service Company Westlake	2,085,449,133	1,928,388,745	157,060,388	8%	336.7	9	36%
Rancho California Water District	16,377,618,572	16,074,902,597	302,715,976	2%	349.1	9	36%
Susanville City of	560,250,000	602,070,000	-41,820,000	-7%	382.7	9	36%
Bella Vista Water District	3,596,422,200	1,864,847,717	1,731,574,483	48%	386.3	9	36%
Valley Water Company	999,093,060	898,861,161	100,231,899	10%	401.2	9	36%
Golden State Water Company Cowan Heights	703,676,157	691,163,462	12,512,695	2%	401.6	9	36%
Desert Water Agency	8,823,730,792	8,310,188,943	513,541,849	6%	416.0	9	36%
South Feather Water and Power Agency	1,435,400,000	1,292,100,000	143,300,000	10%	466.1	9	36%
Coachella Valley Water District	28,323,853,249	27,188,261,025	1,135,592,223	4%	475.1	9	36%
San Juan Water District	3,594,268,324	2,773,624,539	820,643,785	23%	476.8	9	36%
Vaughn Water Company	3,206,837,858	2,989,389,519	217,448,339	7%	507.0	9	36%
Serrano Water District	829,682,903	749,230,186	80,452,717	10%	539.2	9	36%
Santa Fe Irrigation District	2,820,156,121	2,869,480,251	-49,324,131	-2%	604.7	9	36%
Myoma Dunes Mutual Water Company	757,700,108	707,153,944	50,546,164	7%	613.7	9	36%

RESOLUTION NO. 49-2015

A RESOLUTION OF THE CITY COUNCIL OF  
THE CITY OF PORTERVILLE DECLARING A DROUGHT EMERGENCY  
WITHIN THE CITY OF PORTERVILLE

WHEREAS: in response to the ongoing severe drought, the State Water Resources Control Board approved an emergency regulation to ensure water agencies, their customers, and state residents increase water conservation in urban settings or face possible fines or other enforcement; and

WHEREAS: as we enter the fourth year of severe drought, long-term forecasts indicate no relief of the current drought conditions, and suggest a warmer-than-average summer, resulting in increased domestic demand for water; and

WHEREAS: public and private potable water supplies continue to be threatened due to decreasing supplies of groundwater caused by the precipitation deficit and an extended state of groundwater overdraft; and

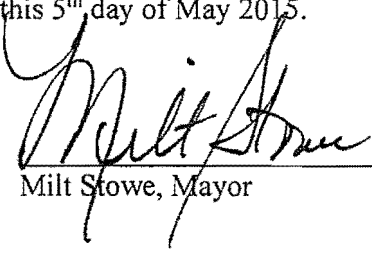
WHEREAS: the long-term ramifications of the current drought will have a significant impact on the city of Porterville and potentially pose a danger to the health and welfare of its residents; and

NOW, THEREFORE, BE IT RESOLVED: that the City Council of the City of Porterville does hereby proclaim that, due to drought conditions, a Local Emergency now exists in the city of Porterville and shall remain in effect for the duration of the emergency; and

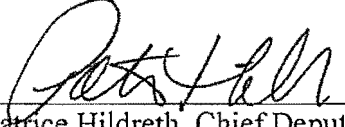
BE IT FURTHER RESOLVED: that the City Council of the City of Porterville requests the Governor and California Department of Water Resources make available California Disaster Assistance Act funding for the State of Local Emergency proclaimed on May 5, 2015, and seek all available forms of Federal assistance, to include a Presidential Declaration of Emergency and Individual Assistance and Public Assistance programs as applicable; and

BE IT FURTHER RESOLVED: that a copy of this resolution be forwarded to the State Director of the Office of Emergency Services.

PASSED, APPROVED, AND ADOPTED this 5<sup>th</sup> day of May 2015.

  
Milt Stowe, Mayor

ATTEST:  
John D. Lollis, City Clerk

  
By: Patrice Hildreth, Chief Deputy City Clerk



**COUNTY ADMINISTRATION  
OFFICE  
COUNTY OF TULARE  
AGENDA ITEM**

**BOARD OF SUPERVISORS**

ALLEN ISHIDA  
District One

PETE VANDER POEL  
District Two

PHILLIP A. COX  
District Three

J. STEVEN WORTHLEY  
District Four

MIKE ENNIS  
District Five

**AGENDA DATE:** June 2, 2015

Public Hearing Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Scheduled Public Hearing w/Clerk	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Published Notice Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Advertised Published Notice	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Meet & Confer Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Electronic file(s) has been sent	Yes	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Budget Transfer (Aud 308) attached	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Personnel Resolution attached	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Agreements are attached and signature line for Chairman is marked with tab(s)/flag(s)	Yes	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>

CONTACT PERSON: Denise England PHONE: 636-5005

**SUBJECT:** Approve an Agreement with the California Department of Water Resources

**REQUEST(S):**

That the Board of Supervisors:

1. Approve an agreement with the California Department of Water Resources for a Drought Emergency Response Program Grant for Porterville Water Well Drilling in an amount not to exceed \$1,200,000; and
2. Authorize the Chairman to sign three (3) copies of the Grant Agreement; and
3. Approve the attached AUD 308 (4/5ths vote required); and
4. Find the project is exempt from the California Environmental Quality Act pursuant to Public Resources Code Section 21080, subdivision(b)(2) through (4) (Emergency), and State CEQA Guidelines Section 15269, subdivisions (a) thru (c) (Emergency); and State CEQA Guidelines Section 15303 (New Construction or Conversion of Small Structures; and
6. Direct the Environmental Assessment Officer to sign and file the Notice of Exemption with the Tulare County Clerk.

**SUMMARY:**

On February 4, 2014 your Board passed Resolution Number 2014-0090 declaring a local emergency due to extreme drought conditions. This Resolution has been reaffirmed approximately every 30 days by your Board since that date. Through the Summer of 2014 reports of dry domestic wells rapidly rose to more than 400 dry wells



**SUBJECT:** Approve an Agreement with the California Department of Water Resources  
**DATE:** June 2, 2015

throughout Tulare County, with more than 50% being located in the community of East Porterville.

To date, there are more than 1,100 dry domestic wells in Tulare County with more than 750 of those located in East Porterville. Since October of 2014 staff has been meeting with the City of Porterville to identify immediate, mid-term, and long-term solutions to address residences without water in East Porterville. These solutions include individual household tanks, connections to the City's water system that are adjacent to existing water mains, and expansion of the City's water distribution system. However, to utilize any of the aforementioned solutions the City of Porterville needs additional water supply.

In late 2014 CalOES approved a household tank program. This program places large potable tanks and a pressurized distribution system at homes without water. The County has partnered with Self Help Enterprises, CSET, and United Way to implement this program. A household survey was developed and 538 surveys have been completed to date. The survey determines household size, status of property occupancy (tenant or owner-occupied), and provides information on tank installation priority. At this time, staff and non-profit partners are not authorized to place tanks at rental properties. If a landlord is willing to pay for the tank and installation, hauled water can be provided.

The most pressing issue for placing tanks in East Porterville is the lack of water supply in the region. The City of Porterville and several small water systems have been approached about selling water to fill household tanks. The City has authorized temporary sales, but will discontinue those sales without a commitment for a new well. The other systems' Boards will need to take action to authorize such sales.

On May 6, 2015 County staff met with the State of California Department of Water Resources (DWR) and City of Porterville staff to discuss a new supply well. The DWR has agreed to fund construction of the new well. The cost of the new well is estimated to be \$1.2 million for design, plans, specs, and construction of the new well.

The new well will be located on one of three possible parcels, two of which are owned by the City of Porterville and one owned by the County. The County's property has been identified as the first choice location. The project will move forward on that site and the other locations will be used as alternates should any issues arise at the first location.

In order to start work on this emergency project immediately a budget adjustment as described in the attached AUD 308 is necessary.

The Project is exempt from CEQA, specifically, this project intends to construct new well sources to increase capacity within the existing City of Porterville water distribution system to provide water for East Porterville residents directly resulting from emergency conditions as a result of severe drought effects on water supply.

Pursuant to State CEQA Guidelines Section 15359, an "Emergency" applies when a project is necessary "...to prevent or mitigate loss of or damage to life, health, property or essential public services."

Applied here, the proposed improvements to the water supply source are intended to protect the public health, safety and welfare of the residents of East Porterville, particularly in light of the Drought Emergency declared by the California Governor and Tulare County Board of Supervisors. The residents of East Porterville are suffering from a lack of water and this project will help to address this emergency condition. These improvements will respond to this emergency and such improvements can be considered new construction of small structures. Hence, the project is statutorily



**SUBJECT:** Approve an Agreement with the California Department of Water Resources

**DATE:** June 2, 2015

excluded and categorically exempt from CEQA.

**FISCAL IMPACT/FINANCING:**

The costs associated with this project will be reimbursed by the grant.

**LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:**

**Organizational Performance:** Partnering with other jurisdictions to address common goals improves the quality of efforts and is economically advantageous to all jurisdictions.

**ADMINISTRATIVE SIGN-OFF:**

---

Denise England  
Water Resources Programs Manager

Cc: Auditor-Controller  
County Counsel  
County Administrative Office (2)

Attachment Agreement  
AUD 308

**BEFORE THE BOARD OF SUPERVISORS  
COUNTY OF TULARE, STATE OF CALIFORNIA**

IN THE MATTER OF APPROVE AN )  
AGREEMENT WITH THE CALIFORNIA ) Resolution No. \_\_\_\_\_  
DEPARTMENT OF WATER RESOURCES ) Agreement No. \_\_\_\_\_

UPON MOTION OF SUPERVISOR \_\_\_\_\_, SECONDED BY  
SUPERVISOR \_\_\_\_\_, THE FOLLOWING WAS ADOPTED BY THE  
BOARD OF SUPERVISORS, AT AN OFFICIAL MEETING HELD \_\_\_\_\_  
\_\_\_\_\_, BY THE FOLLOWING VOTE:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

ATTEST: JEAN M. ROUSSEAU  
COUNTY ADMINISTRATIVE OFFICER/  
CLERK, BOARD OF SUPERVISORS

BY: \_\_\_\_\_  
Deputy Clerk

\* \* \* \* \*

1. Approved an agreement with the California Department of Water Resources for a Drought Emergency Response Program Grant for Porterville Water Well Drilling in an amount not to exceed \$1,200,000; and
2. Authorized the Chairman to sign three (3) copies of the Grant Agreement; and
3. Approved the attached AUD 308 (4/5ths vote required) ); and
4. Found the project is exempt from the California Environmental Quality Act pursuant to Public Resources Code Section 21080, subdivision(b)(2) through (4) (Emergency), and State CEQA Guidelines Section 15269, subdivisions (a) thru (c) (Emergency); and State CEQA Guidelines Section 15303 (New Construction or Conversion of Small Structures; and
5. Directed the Environmental Assessment Officer to sign and file the Notice of Exemption with the Tulare County Clerk.

## AUD-308 - Budget Adjustment Form

11:48 AM

06/02/15								7/14				2015	
Date				Document ID Number				Accounting Period				Budget Fiscal Year	
				CAO				Denise England		636-5000			
				Agency Name				Contact Person		Phone		Extension	
Action** A,C,D	Fund	Dept	Appr #	LEVEL 1 Finish Here				Current Amount	Revised Amount	Inc / Dec Amt			
C	001	085	085SSUP					1,237,899	1,491,251	253,352			
Appropriations Total								Need Not Equal Zero	1,237,899	1,491,251	253,352		
Action** A,C,D	Fund	Dept	Appr #	Unit	Object	Rev	LEVEL 2 Start Here	Current Amt	Revised Amount	Inc / Dec Amt			
A	001	085	085SSUP	3030	7043				250,000	250,000			
A	001	085	085SSUP	3030	7047				3,352	3,352			
A	001	085		3030		5065			253,352	(253,352)			
Line Total								Must Equal Zero	\$ -	\$ 506,704	\$ -		
Reason for Adjustment (To Avoid Correspondence, State Reason in Detail)													
To bring in funds for a new grant to fund a new well to provide water for East Porterville													
Affected Dept Head Signature								Other Affected Dept Head Signature					
Checked By: _____								Entered By: _____					
County Executive Office Action: No. _____ Date: _____								Date: _____					
( ) Approved ( ) Disapproved								Distribution: 1: BOS/CAO/Auditor					
By: _____													
Board of Supervisors Action: No. _____ Date: _____													
** Action Codes: A=Add, C=Change, D=Deactivate													
* Whenever a 93XX account budget is adjusted, a corresponding 94XX account budget must be adjusted in the billing agency, except for ISFs													
* Whenever a 95XX account budget is adjusted, a corresponding 96XX account budget must be adjusted in the billing agency, and vice versa													
* Whenever a 97XX account budget is adjusted, a corresponding 98XX account budget must be adjusted in the billing agency, and vice versa													

## **AGREEMENT**

**THIS AGREEMENT** is entered into as of \_\_\_\_\_, between the **COUNTY OF TULARE** ("COUNTY"), and **CITY OF PORTERVILLE** ("CITY"), with reference to the following:

- A. COUNTY wishes to address water needs in the East Porterville / Doyle Colony area within COUNTY's jurisdiction and within CITY's Urban Development Boundary; and
- B. COUNTY wishes to provide a new well to CITY for the purposes of:
  - (1) providing short-term emergency water supply for COUNTY's Household Tank Program; and
  - (2) providing long-term source capacity to CITY to enable connection and service of residences in COUNTY's jurisdiction via extraterritorial service agreements; and
- C. CITY and COUNTY are collaborating to obtain funding and jointly develop the new well; and
- D. CITY operates an existing municipal water system, with limited infrastructure already established in the East Porterville / Doyle Colony area, and has the experience and qualifications necessary to provide such services; and
- E. CITY and COUNTY mutually agree that a regional, collaborative solution to leverage and expand CITY's municipal water system into the East Porterville / Doyle Colony area is the most feasible means to address the area's water needs; and
- F. CITY is willing to enter into this Agreement with COUNTY upon the terms and conditions set forth herein.

### **ACCORDINGLY, IT IS AGREED:**

1. **TERM:** This Agreement shall become effective as of June 2, 2015 and shall expire at 11:59PM on June 30, 2018.
2. **SERVICES TO BE PERFORMED & PAYMENT FOR SERVICES – WELL CONSTRUCTION:** See attached **EXHIBIT A**
3. **SERVICES TO BE PERFORMED IN PERPETUITY:** See attached **EXHIBIT B**

4. **INDEPENDENT CONTRACTOR STATUS:**

(a) This Agreement is entered into by both PARTIES with the express understanding that both parties will perform all services required under this Agreement as independent contractors. Nothing in this Agreement shall be construed to constitute either party or any of its agents, employees or officers as an agent, employee or officer of the other party.

(b) Each party agrees to advise everyone it assigns or hires to perform any duty under this agreement that they are not employees of the other party. Subject to any performance criteria contained in this Agreement, parties will jointly agree on the means and methods of performing the specified services; neither party shall have any right to control or exercise any supervision over the other party as to how the services will be performed. As CITY is not COUNTY'S employee, CITY is responsible for paying all required state and federal taxes. In particular, COUNTY will not:

1. Withhold FICA (Social Security) from CITY'S payments.
2. Make state or federal unemployment insurance contributions on CITY'S behalf.
3. Withhold state or federal income tax from payments to CITY.
4. Make disability insurance contributions on behalf of CITY.
5. Obtain unemployment compensation insurance on behalf of CITY.

(c) Notwithstanding this independent contractor relationship, CITY and COUNTY shall have the right to monitor and evaluate the performance of the other party to assure compliance with this Agreement.

6. **COMPLIANCE WITH LAW:**

(a) CITY and COUNTY shall provide services in accordance with applicable Federal, State, and local laws, regulations and directives. With respect to employees, both parties shall comply with all laws and regulations pertaining to wages and hours, state and federal income tax, unemployment insurance, Social Security, disability insurance, worker's compensation insurance, and discrimination in employment.

(b) Both parties shall comply with ALL provisions under 44 CFR Part 13, Subpart C, Section 13.36(i) as it applies. Both PARTIES shall take notice of the following specific provisions for services supported with federal funds:

**Comment [AGL1]:** Need to review to make sure this revised wording is OK.

- a. Both parties shall take notice of awarding agency requirements and regulations pertaining to reporting.
- b. Both parties shall take notice of awarding agency requirements and regulations pertaining to patent rights with respect to any discovery or invention which arises or is developed in the course of or under such contract.
- c. Both parties shall take notice of awarding agency requirements and regulations pertaining to copyrights and rights in data.
- d. Both parties shall take notice of mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with Energy Policy and Conservation Act.

7. **GOVERNING LAW:** This Agreement shall be interpreted and governed under the laws of the State of California without reference to California conflicts of law principles. The parties agree that this contract is made in and shall be performed in Tulare County, California.

8. **RECORDS AND AUDIT:** Both PARTIES shall maintain complete and accurate records with respect to the services rendered and the costs incurred under this Agreement. In addition, both PARTIES shall maintain complete and accurate records with respect to any payments to employees or contractors. All such records shall be prepared in accordance with generally accepted accounting procedures, shall be clearly identified, and shall be kept readily accessible. Upon request, CITY shall make such records available within Tulare County to the Auditor of Tulare County and to his agents and representatives, for the purpose of auditing and/or copying such records for a period of five (5) years from the date of final payment under this Agreement.

9. **CONFLICT OF INTEREST:**

(a) Both parties agree to, at all times during the performance of this Agreement, comply with the law of the State of California regarding conflicts of interests and appearance of conflicts of interests, including, but not limited to Government Code Section 1090 et seq., and the Political Reform Act, Government Code Section 81000 et seq. and regulations promulgated pursuant thereto by the California Fair Political Practices Commission. The statutes, regulations and laws previously referenced include, but are not limited to, prohibitions against any public officer or employee, including CITY for this purpose, from making any decision on behalf of COUNTY in which such officer, employee or consultant/CITY has a direct or indirect financial interest. A violation can occur if the public officer, employee or consultant/CITY participates in or influences any COUNTY decision which has the potential to confer any pecuniary

benefit on CITY or any business firm in which CITY has an interest, with certain narrow exceptions.]

(b) Both parties agree that if any facts come to its attention which raise any questions as to the applicability of conflicts of interests laws, it will immediately inform the other party's designated representative and provide all information needed for resolution of this question.

10. **INSURANCE:** Both parties mutually agree that each is self-insured and maintains adequate insurance coverages for the activities described herein.]

11. **INDEMNIFICATION:** Each party shall hold harmless, defend and indemnify the other party, its agents, officers and employees from and against any liability, claims, actions, costs, damages or losses of any kind, including death or injury to any person and/or damage to property, including CITY and COUNTY property, arising from, or in connection with, the performance by either party or its agents, officers and employees under this Agreement. This indemnification specifically includes any claims that may be made against either party by any taxing authority asserting that an employer-employee relationship exists by reason of this Agreement, and any claims made against either party alleging civil rights violations by the other party under Government Code sections 12920 et seq. (California Fair Employment and Housing Act), and any fines or penalties imposed on either party for the other party's failure to provide form DE-542, when applicable. This indemnification obligation shall continue beyond the term of this Agreement as to any acts or omissions occurring under this Agreement or any extension of this Agreement.

12. **TERMINATION:**

(a) With Cause: This Agreement may be terminated by either party should the other party:

- (1) be adjudged a bankrupt, or
- (2) become insolvent or have a receiver appointed, or
- (3) make a general assignment for the benefit of creditors, or
- (4) suffer any judgment which remains unsatisfied for 30 days, and which would substantively impair the ability of the judgment debtor to perform under this Agreement, or
- (5) materially breach this Agreement.

In addition, either party may terminate this Agreement based on:

**Comment [AGL2]:** Need to look at how this pertains to a joint agreement in which we're both making decisions ...

**Comment [AGL3]:** Replace with the formal verbiage for this.

- (1) material misrepresentation, by either party or anyone acting on the party's behalf, as to any matter related in any way to **COUNTY's retention of CITY**, or
- (2) other misconduct or circumstances which, in the sole discretion of the party, either impair the ability of the other party to competently provide the services under this Agreement, or expose the party to an unreasonable risk of liability.

COUNTY will pay to the CITY the compensation earned for work performed and not previously paid for to the date of termination. The payment of such compensation is subject to the restrictions on payment of compensation otherwise provided in this Agreement, and is conditioned upon receipt from CITY of any and all plans, specifications and estimates, and other documents prepared by CITY by the date of termination in accordance with this Agreement. COUNTY will not pay lost anticipated profits or other economic loss, nor will COUNTY pay compensation or make reimbursement to cure a breach arising out of or resulting from such termination. **If this Agreement is terminated and the expense of finishing the CITY's scope of work exceeds the unpaid balance of the agreement, the CITY must pay the difference to the COUNTY. Sanctions taken will be possible rejection of future proposals based on specific causes of non performance.**

(b) **Effects of Termination:** **Expiration or termination of this Agreement shall not terminate any obligations to indemnify, to maintain and make available any records pertaining to the Agreement, to cooperate with any audit, to be subject to offset, or to make any reports of pre-termination contract activities. Where CITY's services have been terminated by COUNTY, said termination will not affect any rights of COUNTY to recover damages against the CITY.**

(c) **Suspension of Performance:** Independent of any right to terminate this Agreement, the authorized representative of either party may immediately suspend performance by the other party, in whole or in part, in response to health, safety or financial emergency, or a failure or refusal by the other to comply with the provisions of this Agreement, until such time as the cause for suspension is resolved, or a notice of termination becomes effective.

13. **LOSS OF FUNDING:** **It is understood and agreed that if the funding is either discontinued or reduced for this project for the COUNTY, that the COUNTY shall have the right to terminate this Agreement. In such event, the affected party shall provide the other party with at least thirty (30) days prior written notice of such termination.**

14. **FORM DE-542:** If CITY is an individual, CITY acknowledges that this Agreement is subject to filing obligations pursuant to Unemployment Insurance Code

**Comment [AGL4]:** Not sure if/how this needs to be adjusted

**Comment [AGL5]:** DENISE: We need to evaluate this and probably re-word it somehow to accurately reflect the nature of our cooperation.

**Comment [AGL6]:** Not sure this applies or is appropriate for gov-to-gov agreement.

**Comment [AGL7]:** Need to add language about continuing to provide services once the well is online, in perpetuity, to the ESA clients.

**Comment [AGL8]:** Need to review/revise – should this go both ways?

**Comment [AGL9]:** Need to think about how to reword this, or eliminate it entirely.



Section 1088.8. Accordingly, COUNTY has an obligation to file a report with the Employment Development Department, which report will include the CITY's full name, social security number, address, the date this contract was executed, the total amount of the contract, the contract's expiration date or whether it is ongoing. CITY agrees to cooperate with COUNTY to make such information available and to complete Form DE-542. Failure to provide the required information may, at COUNTY's option, prevent approval of this Agreement, or be grounds for termination by COUNTY.

**Comment [AGL10]:** City is obviously not an individual, can we delete this entirely?

**Comment [AGL11]:** Removed the successor-in-interest language. Not sure if we need something along the lines of "parties will engage sub-contractors as established within Exhibit \_\_ and mutually agreed to be beneficial and appropriate by both parties." ?

15. **NOTICES:**

(a) Except as may be otherwise required by law, any notice to be given shall be written and shall be either personally delivered, sent by facsimile transmission or sent by first class mail, postage prepaid and addressed as follows:

**COUNTY:**

Water Resources Program Manager  
Tulare County Administrative Office  
2800 W. Burrell Ave.  
Visalia, CA 93291  
**Fax No.:** 559-733-6318  
**Phone No.:** 559-636-5005

**CITY:**

Public Works Director  
City of Porterville  
291 N. Main St.  
Porterville, CA 93257  
**Fax No.:** 559-781-6437  
**Phone No.:** 559-782-7462

(b) Notice personally delivered is effective when delivered. Notice sent by facsimile transmission is deemed to be received upon successful transmission. Notice sent by first class mail shall be deemed received on the fifth day after the date of mailing. Either party may change the above address by giving written notice pursuant to this paragraph.

16. **ASSIGNMENT/SUBCONTRACTING:** Unless otherwise provided in this Agreement, parties are relying on the personal skill, expertise; training and experience of the other party and its employees, and no part of this Agreement may be assigned or subcontracted without the prior written consent of the other party.

17. **DISPUTE RESOLUTION:** If a dispute arises out of or relating to this Agreement, or the breach thereof, and if said dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by non-binding mediation before resorting to litigation or some other dispute resolution procedure, unless the parties mutually agree otherwise. The mediator shall be mutually selected by the parties, but in case of disagreement, the mediator shall be selected by lot from among two nominations provided by each party. All costs and fees required by the mediator shall be split equally by the parties; otherwise each party shall bear its own costs of mediation. If mediation fails to resolve the dispute within 30 days, either party may pursue litigation to resolve the dispute.

18. **FURTHER ASSURANCES:** Each party will execute any additional documents and perform any further acts that may be reasonably required to effect the purposes of this Agreement.

19. **CONSTRUCTION:** This Agreement reflects the contributions of all undersigned parties and accordingly the provisions of Civil Code section 1654 shall not apply to address and interpret any alleged uncertainty or ambiguity.

20. **HEADINGS:** Section headings are provided for organizational purposes only and do not in any manner affect the scope, meaning or intent of the provisions under the headings.

20. **NO THIRD-PARTY BENEFICIARIES INTENDED:** Unless specifically set forth, the parties to this Agreement do not intend to provide any other party with any benefit or enforceable legal or equitable right or remedy.

21. **WAIVERS:** The failure of either party to insist on strict compliance with any provision of this Agreement shall not be considered a waiver of any right to do so, whether for that breach or any subsequent breach. The acceptance by either party of either performance or payment shall not be considered to be a waiver of any preceding breach of the Agreement by the other party.

22. **EXHIBITS AND RECITALS:** The recitals and the exhibits to this Agreement are fully incorporated into and are integral parts of this Agreement.

23. **CONFLICT WITH LAWS OR REGULATIONS/SEVERABILITY:** This Agreement is subject to all applicable laws and regulations. If any provision of this Agreement is found by any court or other legal authority, or is agreed by the parties to be, in conflict with any code or regulation governing its subject matter, only the conflicting provision shall be considered null and void. If the effect of nullifying any conflicting

provision is such that a material benefit of the Agreement to either party is lost, the Agreement may be terminated at the option of the affected party. In all other cases the remainder of the Agreement shall continue in full force and effect.

24. **ENTIRE AGREEMENT REPRESENTED:** This Agreement represents the entire agreement between CITY and COUNTY as to its subject matter and no prior oral or written understanding shall be of any force or effect. No part of this Agreement may be modified without the written consent of both PARTIES.

25. **ASSURANCES OF NON-DISCRIMINATION:** Both parties shall not discriminate in employment or in the provision of services on the basis of any characteristic or condition upon which discrimination is prohibited by state or federal law or regulation.

(a) It is recognized that both CITY and COUNTY have the responsibility to protect employees and clients from unlawful activities, including discrimination and sexual harassment in the workplace. Accordingly, each party agrees to provide appropriate training to its employees regarding discrimination and sexual harassment issues, and to promptly and appropriately investigate any allegations that any of its employees may have engaged in improper discrimination or harassment activities. Each party, in its sole discretion, has the right to require the other party to replace any employee who provides services of any kind to the other party pursuant to this Agreement with other employees where the party is concerned that its employees or clients may have been or may be the subjects of discrimination or harassment by such employees. The right to require replacement of employees as aforesaid shall not preclude either party from terminating this Agreement with cause as provided for herein.

///

**THE PARTIES**, having read and considered the above provisions, indicate their agreement by their authorized signatures below.

**COUNTY OF TULARE**

Date: \_\_\_\_\_ BY \_\_\_\_\_  
Chairman, Board of Supervisors

ATTEST: JEAN M. ROUSSEAU  
County Administrative Officer/Clerk of the Board  
of Supervisors of the County of Tulare

By \_\_\_\_\_  
Deputy Clerk

**CITY OF PORTERVILLE**

Date: \_\_\_\_\_ BY \_\_\_\_\_  
Milt Stowe, Mayor

ATTEST:  
John D. Lollis, City Clerk

By \_\_\_\_\_  
Patrice Hildreth, Chief Deputy City Clerk

Approved as to Form  
County Counsel

By \_\_\_\_\_  
Deputy

Date \_\_\_\_\_

**EXHIBIT A**  
**SERVICES TO BE PERFORMED & PAYMENT FOR SERVICES**  
**WELL CONSTRUCTION**

(insert Dee Jaspar work plan, add City/County division of responsibilities)

**CITY Scope of Work**

<b>Task</b>	<b>Description</b>	<b>Cost</b>
1.2	Review prepared Well Drilling Plans, Specifications, and Estimates	\$468.00
3.2	Review prepared Well Equipping Plans, Specifications, and Estimates	\$1,526.00
5	Construction Management	\$1,357.43
<b>CITY Total:</b>		<b>\$3,351.43</b>

Consulting Engineering work will be reimbursed directly to **Dee Jaspar & Associates** under Tulare County Agreement No. #####, including the following tasks:

**Dee Jaspar & Associates Fiscal Year 2015 Scope of Work**

<b>Task</b>	<b>Description</b>	<b>Cost</b>
1.1	Project Evaluation and Pre-Design Engineering	\$6,168.00
1.2	Prepare Well Drilling Plans, Specifications, and Estimates	\$9,360.00
3.1	Project Evaluations and Field Surveying	\$3,298.00
3.2	Prepare Well <i>Equipping</i> Plans, Specifications, and Estimates	\$30,520.00
3.3	Prepare and Assist with SCE Application & Telephone Service	\$2,114.00
3.4	Bid Assistance	\$4,332.00
5.1	Ph. 1 Preconstruction Meeting	\$1,114.00
5.2	Ph. 1 Construction Surveying	\$1,932.00
5.3	Ph. 1 Construction Inspection & Administration	\$33,342.00
<b>FY 2015 Total:</b>		<b>\$92,180.00</b>

**Deliverables**

1.1	Pre-Design
1.2	Plans, Specs, & Estimates
3.1	Field Logs, Notes, or Reports
3.2	Plans, Specs, & Estimates
3.3	SCE Application & Telephone Service Application
5.2	Field Logs, Notes, or Reports

**Dee Jaspar & Associates Fiscal Year 2016 Scope of Work**

Task	Description	Cost
5.4	Ph. 1 Water Quality Testing	\$7,000.00
5.5	Ph. 1 Project Close Out	\$1,346.00
5.6	Ph. 2 Project Meetings and Correspondence	\$18,876.00
5.7	Ph. 2 Submittal Review, RFI Responses, Change Order Review, & Progress Payment Review	\$14,304.00
5.8	Ph. 2 Construction Surveying	\$3,864.00
5.9	Ph. 2 Construction Inspection and Quality Control	\$47,931.00
5.10	Ph. 2 Start-up, Testing, and Troubleshooting	\$3,864.00
5.11	Ph. 2 Project Close Out and As-Builts	\$2,754.00

Contingency	\$61.00
Task Total	\$99,939.00
<b>Total FY 2016 Contract: \$100,000.00</b>	

**Deliverables**

5.3	Field Reports
5.4	Test Results
5.5	Close Out Documents
5.9	Field Logs, Notes, or Reports
5.10	Field Logs, Notes, or Reports
5.11	As Builts

The COUNTY will be the lead agency on the project. The COUNTY has executed State of California Department of Water Resources Grant Agreement No. 20150518-1 to be reimbursed for the work described herein as well as work to be performed by a well drilling contractor.

**EXHIBIT B**  
**SERVICES TO BE PERFORMED IN PERPETUITY**

1. The services described in this EXHIBIT shall be performed in perpetuity upon completion of all tasks enumerated in EXHIBIT A.
  - a. CITY shall sell to COUNTY, upon COUNTY's request, water from the well provided under this Agreement, for purposes of meeting emergency water needs in COUNTY's jurisdiction. CITY shall charge COUNTY its then-current water rate for all water sold to COUNTY. CITY shall make available no less than 50% of the current amount of water produced by the well ("capacity") for this purpose, except as such capacity is reduced pursuant to subparagraph (b) below.
  - b. CITY shall utilize water produced by the well provided under this Agreement as source capacity for new extraterritorial residential service connections and agreements in the East Porterville / Doyle Colony area. CITY agrees to provide source water to a minimum of one hundred (100) new extraterritorial residential service connections in the East Porterville / Doyle Colony area, up to a maximum number of new connections as can be supported by 50% of the well's total capacity. CITY shall have sole discretion to determine the number of connections, if any, above the minimum number provided herein.
2. CITY expressly agrees to own, operate, maintain, repair, and otherwise care for the well provided under this Agreement, in the same fashion as CITY's other wells, for the duration of the well's useful service life.
3. CITY shall not be entitled to compensation by COUNTY, or any State or Federal agency providing funding for the activities enumerated in EXHIBIT A, for any ongoing costs related to owning, operating, maintaining, repairing, or replacing of this well. CITY and COUNTY expressly agree that CITY's ongoing compensation for such ongoing costs shall be the use of no less than 50% of the water produced by this well for CITY's unrestricted use within its water system. No part of this paragraph shall be construed to limit or restrict in any way CITY's ability to seek any grant funding or collect rates and fees from users of CITY's water system.

4. If the well provided under this agreement is situated on COUNTY property, COUNTY shall lease the relevant portion of said property to CITY under separate agreement for a rate of \$1 per annum.





## Drought Update

### Tuesday, May 26, 2015

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#### **KEY ACTION ITEMS FROM THIS WEEK**

- **State Water Board Approves Voluntary Cutback Program for Delta Riparian Water Rights:** On May 22, the State Water Board approved a program that allows riparian water rights holders in the Delta to [voluntarily cut back water use by 25%](#) in exchange for assurances they will not face deeper curtailments during the June-September growing season. Riparian water rights are among the most secure in the state's water rights system and are curtailed only when natural stream flow is inadequate to serve the reasonable uses of all riparian water rights holders.
- **USBR and Water Users Reach Agreement to Provide CVP Water to Friant Area:** On May 14, the U.S. Bureau of Reclamation (USBR), in partnership with water users in the Central Valley, [announced](#) that they have developed an agreement that will provide about 60,000 acre-feet of Central Valley Project (CVP) water to growers in the CVP's Friant Division this summer. The agreement would leave water that the Exchange Contractors would be entitled to in Millerton Lake, making it available for Friant Division contractors, rather than having USBR make equivalent releases down the San Joaquin River, as was done last year to provide a partial supply to the Exchange Contractors. This agreement is the result of weeks of negotiations among members of the San Joaquin River Exchange Contractors Water Authority, Friant Division contractors, Westlands Water District, USBR and other agencies.
- **Governor's May Budget Revision Considered by Legislature:** The May Revision to the Governor's proposed budget for the coming fiscal year was considered by legislative budget subcommittees this week. The [May Revision](#) includes over \$2.2 billion in new or expedited funding for drought response which will protect and expand local water supplies, conserve water and respond to emergency conditions.
- **State Water Board Approves \$19 Million for Interim Emergency Drinking Water and Drought-Related Projects:** On May 19, the State Water Board approved guidelines for \$19 million in funding to help public agencies, community water systems, non-profit organizations and tribal governments meet [emergency drinking water needs](#). This \$19 million in funding allows the Water Board's emergency drinking water program to continue help public drinking water systems vulnerable to running out of water. The approved guidelines for this funding will streamline the process of identifying communities with the most immediate need.
- **USDA to Expand Investment in Water Conservation:** On May 18, USDA [announced](#) that the Natural Resources Conservation Service (NRCS) will invest approximately \$21 million in additional Farm Bill dollars to help farmers and ranchers apply science-based solutions to mitigate the short and long term effects of drought. These investments will focus financial and technical assistance in the most severely drought-stricken areas in eight states to help crop and livestock producers apply conservation practices that increase irrigation efficiency, improve soil health and productivity, and ensure reliable water sources for livestock operations.

- **Funding Opportunity for Regional Coastal Resilience Grants:** On May 19, the National Oceanic and Atmospheric Administration (NOAA) [announced](#) \$5 million in funding for the [2015 Regional Coastal Resilience Grant Program](#) that was requested and appropriated as part of NOAA's fiscal year 2015 budget. The coastal resilience grants program will support regional approaches to activities that build resilience of coastal regions, communities, and economic sectors to the negative impacts from extreme weather events, climate hazards, and changing ocean conditions.
- **DOI Announces Comprehensive Rangeland Fire Strategy:** On May 20, the U.S. Department of the Interior (DOI) [released a comprehensive, science-based strategy](#) to address the increasing threat of wildfires that are damaging vital sagebrush landscapes and productive rangelands in the West. The [Strategy](#) provides a more focused, coordinated and collaborative approach for rangeland fire management, particularly in the Great Basin region of Idaho, Utah, Nevada, Oregon and California. The final report delineates a series of actions that federal and state wildland fire managers and their partners can take to improve efforts to prevent and suppress rangeland fires as well as restore burned rangelands to healthy landscapes.
- **Bureau of Reclamation Water Efficiency and Conservation Funds:** On May 20, the U.S. Department of the Interior (DOI) [announced](#) that the Bureau of Reclamation (USBR) will invest almost \$50 million to improve water efficiency and conservation in California and 11 other western states through the [WaterSMART Program](#) in a continued effort to bring relief to western communities suffering from the historic drought.

According to DOI, [26 California water projects](#) will receive a combined total of approximately \$33 million be invested in water and energy efficient projects, water reclamation and reuse projects and feasibility studies in California. For descriptions of the approved water and energy efficient projects, please visit the USBR Water & Energy Efficiency Grants [webpage](#).

- **Webinar Provides Information on Water Conservation, Tools and Assistance for Local Agencies:** On May 21, the Governor's Office co-hosted the first [drought webinar series](#) with the Association of California Water Agencies (ACWA), the California State Association of Counties (CSAC) and the League of Cities and provided information on new state conservation funding and rebate programs, outdoor irrigation regulations, streamlining efforts for critical water supply projects and technical tools available to water agencies. On May 26, the [final webinar series](#) will highlight the state's emergency regulations and restrictions for water usage and regulations for small systems.
- **Irrigation Workshops Will Help Landscape Professionals Use Water Efficiently Amid New Restrictions:** On May 21, the Department of Water Resources (DWR) and the California Center for Urban Horticulture (CCUH) will hold three workshops at UC Davis over the next few weeks to help professional landscapers improve water use efficiency. For more information on the workshops, please visit the [CCUH website](#).
- **Emergency Food Aid Assistance:** The Department of Social Services (CDSS) has provided to date over 654,000 boxes of food to community food banks in drought-impacted counties. Approximately 591,575 boxes of food have been picked up by 311,936 households. By May 29, an additional 8,400 boxes will be delivered to Fresno, Kern, Stanislaus, and Tulare counties.

- **Utility, Rental and Relocation Assistance:** The Department of Community Services and Development (CSD) allocated an additional \$600,000, under the federally-funded Community Services Block Grant (CSBG), to continue the [Drought Water Assistance Program \(DWAP\)](#) pilot project which provides financial assistance to help low-income families pay their water bills. As of May 14, CSD has reported that a total of \$61,643 has been issued to 278 households.

The non-profit group La Cooperativa continues to distribute the \$10 million state-funded emergency rental assistance to families and individuals across counties most impacted by the drought. As of May 7, the Department of Housing and Community Development (HCD) has reported that a total of \$8,748,670 have been issued to 5,909 applicants in 21 counties, with \$8,330 remaining in assistance funds.

HCD and the Office of Emergency Services continue to work with households connected to water systems that are less than 15 units or private wells that no longer have access to potable water. This new program will provide residents with relocation and temporary rental assistance. If enacted into law, this program will be funded through the emergency drought package included in the Governor's May Revision proposal. HCD is currently reaching out to all stakeholders to determine the best program design and will be preparing draft program guidelines in June.

- **California's Water Conservation Education Program Campaign:** The Save Our Water team has started work on planning and implementing the 2015 summer campaign. This month, Save Our Water featured an updated section on tree-care during the drought. In addition, a public opinion survey and various public service announcements (PSAs) are being explored to help guide future outreach to further promote Save Our Water messaging which will feature prominent Californians. For easy-to-use water saving tips visit [saveourwater.com](http://saveourwater.com), and connect with us on [Facebook](#), [Twitter](#) and [Instagram](#).
- **Drought Response Funding:** The \$687 million in state drought funding that was appropriated last March through emergency legislation, as well as \$142 million provided in the 2014 Budget Act, continues to advance toward meeting critical needs. To date, \$468 million has been committed, and nearly \$625 million of the emergency funds appropriated in March came from sources dedicated to capital improvements to water systems. Since March, the Department of Water Resources has expedited grant approvals, getting \$21 million immediately allocated to grantees that were pre-approved for certain projects.

As planned in March, the next \$200 million of expedited capital funding was awarded in October, and the remaining \$250 million will be granted by fall 2015. The 2014 Budget Act appropriated an additional \$53.8 million to CAL FIRE over its typical budget to enhance firefighter surge capacity and retain seasonal firefighters beyond the typical fire season.

As a result of continuing drought conditions, emergency legislation was enacted in March 2015 that appropriated over \$1 billion of additional funds for drought-related projects and activities. The Administration's May Revision proposal includes an additional \$2.2 billion for programs that protect and expand local water supplies, improve water conservation, and provide immediate relief to impacted communities.

- **Governor's Drought Task Force:** The Task Force continues to take actions that conserve water and coordinate state response to the drought. On May 21, updates on drought response, water operations and environmental habitat, and external outreach were provided. The Task Force continues to work on campaigns to support and fund water conservation efforts, promote water conservation and water efficiency projects at state facilities through a \$10.0 million grant. In addition, the California Department of Public Health provided an update on the drought impacts to public health such as the recent rise in West Nile Virus across the state.

## **CURRENT CONDITIONS**

**Fire Activity:** Since the beginning of the year, CAL FIRE has responded to over 1,533 wildfires across the state, burning 6,195 acres in the State Responsibility Area. This fire activity is above the five year average for the same time period with 969 fires and 6,089 acres burned. CAL FIRE will continue to augment resources throughout the state in preparation for peak fire season.

As the state transitions to the dry season, open burn bans are once again being implemented in many counties. Recently, [burn bans were instituted](#) in Fresno, King, Monterey, San Benito, Tulare County and Marin County.

**Dry Well Reports:** As California enters the fourth consecutive summer of drought, Cal OES continues to monitor and identify communities and local water systems in danger of running out of water. Approximately 1,982 wells statewide have been identified as critical or dry, which affects an estimated 9,910 residents. As of May 20, Cal OES has reported that 1,681 of the 1,982 dry wells are concentrated in the inland regions within the Central Valley.

**Vulnerable Water Systems:** The State Water Board continues to provide technical and funding assistance to several communities facing drinking water shortages, and is monitoring water systems across the state. Since January 2014, 81 out of the 103 projects approved to receive emergency funding for interim replacement drinking water have been executed. On May 19, the State Water Board adopted Guidelines for administering the latest emergency drought appropriations of \$19 million announced this past March. To date, the State Water Board has received requests for \$1.1 million of those funds.

**Reservoir Levels (% capacity):** Since May 22, reservoirs around the State are drawing down storage for irrigation, water supply, water quality, and Delta salinity control. Shasta has dropped 53,000 acre-feet, Oroville has dropped 53,000 acre-feet, Trinity Lake has dropped 25,000 acre-feet, Folsom has dropped 10,000 acre-feet, and San Luis has dropped 38,000 acre-feet. A few Tulare Basin reservoirs have increased storage: Pine Flat +9,000 acre-feet, Terminus +2,000 acre-feet, and Lake McClure +4,000 acre-feet.

[Reservoir Levels](#) as of May 25 remain low, including: Castaic Lake 33% of capacity (37% of year to date average); Don Pedro 41% of capacity (54% of average); Exchequer 12% of capacity (18% of average); Folsom Lake 56% of capacity (68% of average); Lake Oroville 45% of capacity (54% of average); Lake Perris 40% (48% of average); Millerton Lake 35% of capacity (46% of average); New Melones 19% of capacity (30% of average); Pine Flat 25% of capacity (36% of average); San Luis 55% of capacity (68% of average); Lake Shasta 54% of capacity (63% of average); and Trinity Lake 43% of capacity (50% of average). An update of water levels at [other smaller reservoirs](#) is also available.

**Recent Precipitation:** Over the last week, most of the State was dry. Areas experiencing precipitation included the Sierras (1 to 2 inches), Northern California near Shasta (1 to 3 inches) and the coastal mountains in Southern California (0.5 to 1.5 inches).

**Precipitation Forecast:** For the coming week, higher elevations may experience similar precipitation amounts expected due to the low pressure system. High pressure and warming temperatures are likely to return at the end of next week.

### **Local Government**

- **Local Emergency Proclamations:** A total of 57 local Emergency Proclamations have been received to date from city, county, and tribal governments, as well as special districts:
  - **26 Counties:** El Dorado, Fresno, Glenn, Inyo, Humboldt, Kern, Kings, Lake, Madera, Mariposa, Merced, Modoc, Plumas, San Bernardino, San Joaquin, San Luis Obispo, Santa Barbara, Shasta, Siskiyou, Sonoma, Sutter, Trinity, Tulare, Tuolumne, and Yuba.
  - **11 Cities:** City of Live Oak (Sutter County), City of Lodi (San Joaquin County), City of Manteca (San Joaquin County), City of Montague (Siskiyou County), City of Porterville (Tulare County), City of Portola (Plumas County), City of Ripon (San Joaquin County), City of San Juan Bautista (San Benito County), City of Santa Barbara (Santa Barbara County), and City of West Sacramento (Yolo County), and City of Willits (Mendocino County).
  - **9 Tribes:** Cortina Indian Rancheria (Colusa County), Hoopa Valley Tribe (Humboldt County), Karuk Tribe (Siskiyou/Humboldt Counties), Kashia Band of Pomo Indians of the Stewarts Point Rancheria (Sonoma County), Picayune Rancheria of Chukchansi Indians (Madera County) Sherwood Valley Pomo Indian Tribe (Mendocino County), Tule River Indian Tribe (Tulare County), Yocha Dehe Wintun Nation (Yolo County), and Yurok Tribe (Humboldt County).
  - **12 Special Districts:** Carpinteria Valley Water District (Santa Barbara County), Goleta Water District (Santa Barbara County), Groveland Community Services District (Tuolumne County), Lake Don Pedro Community Services District (Mariposa Stanislaus County), Mariposa Public Utility District (Mariposa County), Meiners Oaks Water District (Ventura County), Montecito Water District (Santa Barbara County), Mountain House Community Service District (San Joaquin County), Nevada Irrigation District (Nevada County), Placer County Water Agency (Placer County), Tuolumne Utilities District (Tuolumne County), and Twain Harte Community Services District (Tuolumne County).
- **Water Agency Conservation Efforts:** The Association of California Water Agencies (AWCA) [has identified](#) several hundred local water agencies that have implemented water conservation actions. These water agencies [are responding to the drought](#) by implementing conservation programs, which include voluntary calls for reduced water usage and mandatory restrictions where water shortages are worst.



- **County Drought Taskforces:** A total of 31 counties have established drought task forces to coordinate local drought response. These counties include: Butte, Glenn, Humboldt, Imperial, Kern, Kings, Lake, Madera, Mendocino, Merced, Modoc, Monterey, Napa, Nevada, Orange, Placer, Plumas, Sacramento, San Francisco, San Joaquin, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, Siskiyou, Stanislaus, Sutter, Tehama, Tulare, Tuolumne, and Yolo.
- **Tribal Taskforce:** A total of 4 tribes have established drought task forces to coordinate tribal drought response. These tribes include: Hoopa Valley Tribe (Humboldt County), Kashia Band of Pomo Indians (Sonoma County), Sherwood Valley Tribe (Mendocino County), and Yurok Tribe (Humboldt and Del Norte County).

#### **DROUGHT RELATED WEBSITES FOR MORE INFORMATION**

##### **[Drought.CA.Gov](#): California's Drought Information Clearinghouse**

State's Water Conservation Campaign, [Save our Water](#)  
Local Government, [Drought Clearinghouse and Toolkit](#)

California Department of Food and Agriculture, [Drought information](#)  
California Department of Water Resources, [Current Water Conditions](#)  
California Data Exchange Center, [Snow Pack/Water Levels](#)  
California State Water Resources Control Board, Water Rights, [Drought Info and Actions](#)  
California Natural Resources Agency, [Drought Info and Actions](#)  
State Water Resources Control Board, Drinking Water, [SWRCB Drinking Water Program](#)  
California State Water Project, [Information](#)

[U.S. Drought Monitor](#) for Current Conditions throughout the Region  
[U.S. Drought Portal](#), National Integrated Drought Information System (NIDIS)  
National Weather Service [Climate Predictor Center](#)  
USDA Drought Designations by County [CA County Designations](#)  
USDA Disaster and Drought Assistance Information [USDA Programs](#)  
U.S. Small Business Administration Disaster Assistance Office: [www.sba.gov/disaster](http://www.sba.gov/disaster)



## CITY COUNCIL AGENDA – JUNE 2, 2015

**SUBJECT:** Prepayment of 2013 Rabobank Lease Agreement and Refinancing of the 2002 Certificates of Participation

**SOURCE:** City Manager's Office

**COMMENT:** In June 1998, the City issued \$20 million in tax-exempt Certificates of Participation (COP) for the purposes of financing the widening of bridges and streets. In November 2005, the City refunded the 1998 COP issue for debt service savings, with the preclusion that the new tax-exempt COP issue could not be again refunded “tax-exempt” sooner than July 1, 2015. However, the 2005 COP could be refunded with a taxable bond issue. Given the favorable financing the City received in the refinancing of its 1997 Sewer Bond issue to initiate the current Annexation Sewer Districts Project, the City began to evaluate the potential advantage of the favorable financing environment to achieve debt service savings on the 2005 COP issue.

At its meeting on September 18, 2012, the City Council approved proceeding with a recommended financing approach to issue a taxable revenue bond, utilizing a Variable Rate Demand Obligation (VRDO) bond structure. One of the requirements of the VRDO refinance was to secure a bank Letter of Credit (LOC). During the course of meeting with banking institutions to secure the LOC, several banks declined to provide a LOC either because they have been (or potentially were to be) “burned” in several municipal bankruptcies (San Bernardino, Stockton, and Vallejo) or that the refinance amount was either too small or beyond their capacity. However, Rabobank indicated significant interest to work with the City, but rather in a direct lending relationship instead of a VRDO financing structure.

Rabobank is one of the highest rated banks internationally and, given their business model emphasis on agriculture, was interested in increasing its presence in the Central Valley, including the South Tulare County/Porterville area. Rabobank completed its due diligence of the City’s finances, and satisfied with its review, offered a Term Sheet for the City Council’s consideration and approval at its meeting on April 2, 2013.

Under the Rabobank financing effective July 1, 2013, the City defeased the 2005 COP issue with a total lease amount of \$21.06 million, and is making interest-only payments for up to three years based upon a fixed 3.3% interest rate, followed by a 17-year term at United States Dollar (USD) 1-month Libor +2.125% with a “floor” of 3.3%. Currently, USD Libor is 0.17925%, and over the past two years has not exceeded 0.208%. The City is projected to have saved

\$1,198,207 in debt service payments through July 1, 2015.

With current instability and weakness of international economies and finances, as well as domestic inflation not meeting the annual target of two percent (2%) given only moderate economic growth and significantly reduced oil prices, the Federal Reserve has indicated that the federal funds rate may continue to be held near zero through 2015 (currently 0.12%) and potentially into early 2016, placing the City in an optimum position with the option to switch from the direct loan to either a variable or fixed rate tax exempt bond issue, affording the City with the most financing flexibility and options given historical low interest rates.

Given current bond financing rates, the City could refund the Rabobank loan with an annual debt service estimated savings of between \$300,000 and \$400,000 over the remaining 21 years of the lease term, for a total savings value of approximately \$1.4 million, and a net savings of approximately \$2.6 million including the 2 years of reduced debt service under the lease. In addition, due to estimated savings of approximately \$500,000, it is proposed to also refund the remaining four (4) years of the City's 2002 COP issue, which financed the construction of the Police Department.

At its meeting on April 7, 2015, the recommended financing approach presented to City Council was to issue new Certificates of Participation through a public offering. Standard & Poor's was assigned the bond rating, which they designated an "A+" rating on April 16, 2015, indicating strong capacity to meet financial commitments, but somewhat susceptible to adverse economic conditions and changes in circumstances.

Public pricing of the new issue was expected to occur between April 24 and 28, 2015, however, market forces saw 20-year bond coupon rates rise to at least four percent (4%) with a 4.1% yield. Given the City's strong bond rating, Capital One Financial Corporation has approached the City about privately financing the bond issue in lieu of a public offering, offering a 3.85% coupon rate with a 3.6% yield. Historically, Capital One has not funded issues longer than fifteen years, however, they are now beginning to fund up to twenty years.

To proceed with the prepayment of the 2013 Rabobank Lease Agreement and the refinancing of the 2002 Certificates of Participation through private placement financing with Capital One, separate Resolutions and supporting documents have been prepared for adoption by the City Council, also serving as the Board of Directors for the Porterville Public Improvement Corporation (PPIC) and Porterville Public Financing Authority (PPFA).

**RECOMMENDATION:** That the City Council, also meeting as the Board of Directors for the Porterville Public Improvement Corporation and Porterville Public Financing Authority, consider and approve prepayment of the 2013 Rabobank Lease Agreement and refinancing of the 2002 Certificates of Participation, and authorize the Mayor (Chair) and City Manager (Executive Director) to sign all draft



resolutions, agreements, and documents as may be required.

ATTACHMENTS:

1. Draft Resolution
2. Restructuring Analysis
3. Standars & Poors Rating Report
4. Certificate Purchase Agreement
5. Site and Facility Lease
6. Lease Agreement
7. Memorandum of Lease
8. Assignment Agreement
9. Trust Agreement
10. Escrow Agreement
11. Special Counsel Opinion
12. Termination Agreement
13. Insurance Agreement
14. Specimen Certificate
15. Final Numbers Worksheet

Appropriated/Funded: MB

Review By:

Department Director:

Final Approver: John Lollis, City Manager

RESOLUTION NO. \_\_-2015

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTERVILLE  
AMENDING AND RESTATING RESOLUTION NO. 40-2015,  
ADOPTED ON APRIL 7, 2015, APPROVING THE FORM AND AUTHORIZING  
THE EXECUTION OF CERTAIN LEASE FINANCING DOCUMENTS IN  
CONNECTION WITH THE OFFERING AND SALE OF CERTIFICATES OF  
PARTICIPATION RELATING THERETO TO REFINANCE CAPITAL  
IMPROVEMENTS THROUGHOUT THE GEOGRAPHIC BOUNDARIES OF THE  
CITY, AND AUTHORIZING AND DIRECTING CERTAIN ACTIONS WITH  
RESPECT THERETO

RESOLVED, by the City Council (the "Council") of the City of Porterville, California (the "City"):

WHEREAS, the City has determined, due to prevailing interest rates in the municipal bond market and for other reasons, to (a) provide for the defeasance of the City's outstanding Certificates of Participation (2002 Public Building Refunding Project) (the "2002 Certificates"), and (b) provide for the prepayment of a lease agreement, dated as of April 1, 2013, by and between the Porterville Public Improvement Corporation (the "Corporation") and the City, which has been assigned to Rabobank, N.A. (the "2013 Lease"), and to implement a lease financing for such purposes;

WHEREAS, on April 7, 2015, the Council adopted its Resolution No. 40-2015 (the "Original Resolution") authorizing the execution and delivery of certificates of participation (the "Certificates") to provide for the defeasance of the 2002 Certificates and to prepay the 2013 Lease and approved the form and authorized the execution of documents relating thereto;

WHEREAS, at the time of adoption of the Original Resolution, it was expected that the Certificates would be sold to Wulff Hansen & Co. and Gates Capital Corporation, as underwriters, in a public offering;

WHEREAS, following adoption of the Original Resolution, it was determined that the Certificates could be sold on a private placement basis at a net interest costs lower than if sold as a public offering;

WHEREAS, Wulff Hansen & Co. and Gates Capital Corporation, as placement agents and not as underwriters, have solicited potential purchasers of the Certificates and Capital One Public Funding, LLC (the "Purchaser") has agreed to purchase the Certificates at an interest rate of 3.85% per annum;

WHEREAS, it is in the public interest and for the public benefit that the City amend and restate the Original Resolution, authorize and direct execution of the Lease Agreement (hereinafter defined) and certain other financing documents in connection therewith and approve the private sale of the Certificates to the Purchaser; and

WHEREAS, the documents below specified shall be filed with the City and the members of the Council, with the aid of its staff, shall review said documents;

NOW, THEREFORE, BE IT RESOLVED, as follows:

*Section 1.* The Original Resolution is hereby amended and restated in full by this Resolution.

*Section 2.* The Certificates are hereby authorized to be executed and delivered pursuant to the provisions of the Trust Agreement, as hereinafter defined, for the purpose of providing for the defeasance of the 2002 Certificates and the prepayment of the 2013 Lease.

*Section 3.* The below-enumerated documents, in the forms on file with the City Clerk, be and are hereby approved, and the Mayor, the City Manager, the Finance Director or the assignee of any such official (each, a "Designated Officer"), are hereby authorized and directed to execute said documents, with such changes, insertions, and omissions as may be approved by such official, and the City Clerk or any deputy to the City Clerk is hereby authorized and directed to attest to such official's signature:

(a) a termination agreement, by and among the City, the Porterville Public Financing Authority and U.S. Bank National Association, as successor to State Street Bank and Trust Company of California, N.A., trustee for the 2002 Certificates (the "2002 Trustee"), terminating the lease agreement and certain other documents relating to the 2002 Certificates;

(b) a site and facility lease, between the City, as lessor, and the Corporation, as lessee, pursuant to which the City will lease certain property (the "Property") to the Corporation;

(c) a lease agreement, by and between the Corporation, as lessor, and the City, as lessee (the "Lease Agreement"), pursuant to which the Corporation will lease the Property back to the City, so long as the principal amount of the Lease Agreement is not greater than \$24,000,000, the final maturity date of the Lease Agreement is not later than June 1, 2035, and the maximum annual lease payments to be paid under the Lease Agreement are not greater than \$1,750,000;

(d) a trust agreement, by and among the Corporation, the City and U.S. Bank National Association, as trustee, relating to the financing, and the execution and delivery of the Certificates evidencing the direct, undivided fractional interests of the owners thereof in lease payments to be made by the City under the Lease Agreement; and

(e) an escrow deposit and trust agreement, by and between the City and the 2002 Trustee, as escrow bank, relating to the defeasance of the 2002 Certificates.

*Section 4.* A certificate purchase agreement, by and between the Purchaser and the City, relating to the purchase by the Purchaser of the Certificates, in the form on file with the City Clerk, be and is hereby approved, and any Designated Officer is hereby authorized and directed

to execute said document, with such changes, insertions and omissions as may be approved by such official.

*Section 5.* The Mayor, the City Manager, the Finance Director, the City Clerk, any deputy to the City Clerk and all other appropriate officials of the City are hereby authorized and directed to execute such other agreements, documents and certificates as may be necessary to effect the purposes of this resolution and the financing herein authorized.

*Section 6.* This Resolution shall take effect upon its adoption by this Council.

PASSED, APPROVED, AND ADOPTED this 2<sup>nd</sup> day of June 2015.

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Milt Stowe, Mayor

ATTEST:  
John D. Lollis, City Clerk

By: \_\_\_\_\_  
Patrice Hildreth, Chief Deputy City Clerk

A thick dark gray vertical bar runs down the left side of the page. To its right, an orange arrow-shaped graphic points to the right, containing the date. Further down, several thin, curved, light gray lines sweep upwards from the bottom left corner.

May 18. 2015

# City of Porterville

2013 Rabo Bank Taxable Loan &  
2002 Certificates of Participation

**RESTRUCTURING ANALYSIS**

Ben Levine  
Wulff Hansen & Co.

John Fitzgerald  
Gates Capital Corporation

**CERTIFICATES OF PARTICIPATION**  
**(2015 Refinancing Project)**  
**CITY OF PORTERVILLE, CALIFORNIA**  
**Porterville Public Improvement Corporation**

**PROJECTED COMPARISON OF 2013 BANK LOAN @ AVERAGE 4.80.% WITH 2015 REFUNDING COPs**

2013 Taxable Rabo Bank Loan <sup>(1)</sup>					2015 Refunding Certificates of Participation					Installment
Date	Principal	Coupon	Interest	Debt Service	Date	Principal	Coupon	Interest	Installment Payments	Payments Savings
10/1/2015	0	3.30	347,490	347,490	12/1/2015	0	0.000	368,424	368,424	(20,934)
4/1/2016	0	3.30	347,490	347,490	6/1/2016	0	0.000	406,849	406,849	(59,359)
10/1/2016	0	4.80 *	505,440	505,440	12/1/2016	0	0.000	406,849	406,849	98,591
4/1/2017	235,000	4.80 *	505,440	740,440	6/1/2017	300,000	3.850	406,849	706,849	33,591
10/1/2017	340,000	4.80 *	499,800	839,800	12/1/2017	305,000	3.850	401,074	706,074	133,726
4/1/2018	345,000	4.80 *	491,640	836,640	6/1/2018	310,000	3.850	395,203	705,203	131,438
10/1/2018	380,000	4.80 *	483,360	863,360	12/1/2018	320,000	3.850	389,235	709,235	154,125
4/1/2019	390,000	4.80 *	474,240	864,240	6/1/2019	325,000	3.850	383,075	708,075	156,165
10/1/2019	415,000	4.80 *	464,880	879,880	12/1/2019	330,000	3.850	376,819	706,819	173,061
4/1/2020	420,000	4.80 *	454,920	874,920	6/1/2020	335,000	3.850	370,466	705,466	169,454
10/1/2020	455,000	4.80 *	444,840	899,840	12/1/2020	345,000	3.850	364,018	709,018	190,823
4/1/2021	460,000	4.80 *	433,920	893,920	6/1/2021	460,000	3.850	357,376	817,376	76,544
10/1/2021	495,000	4.80 *	422,880	917,880	12/1/2021	470,000	3.850	348,521	818,521	99,359
4/1/2022	500,000	4.80 *	411,000	911,000	6/1/2022	475,000	3.850	339,474	814,474	96,526
10/1/2022	535,000	4.80 *	399,000	934,000	12/1/2022	485,000	3.850	330,330	815,330	118,670
4/1/2023	545,000	4.80 *	386,160	931,160	6/1/2023	525,000	3.850	320,994	845,994	85,166
10/1/2023	580,000	4.80 *	373,080	953,080	12/1/2023	535,000	3.850	310,888	845,888	107,193
4/1/2024	585,000	4.80 *	359,160	944,160	6/1/2024	545,000	3.850	300,589	845,589	98,571
10/1/2024	620,000	4.80 *	345,120	965,120	12/1/2024	555,000	3.850	290,098	845,098	120,023
4/1/2025	630,000	4.80 *	330,240	960,240	6/1/2025	570,000	3.850	279,414	849,414	110,826
10/1/2025	665,000	4.80 *	315,120	980,120	12/1/2025	580,000	3.850	268,441	848,441	131,679
4/1/2026	680,000	4.80 *	299,160	979,160	6/1/2026	590,000	3.850	257,276	847,276	131,884
10/1/2026	740,000	4.80 *	282,840	1,022,840	12/1/2026	600,000	3.850	245,919	845,919	176,921
4/1/2027	750,000	4.80 *	265,080	1,015,080	6/1/2027	610,000	3.850	234,369	844,369	170,711
10/1/2027	775,000	4.80 *	247,080	1,022,080	12/1/2027	625,000	3.850	222,626	847,626	174,454
4/1/2028	785,000	4.80 *	228,480	1,013,480	6/1/2028	635,000	3.850	210,595	845,595	167,885
10/1/2028	810,000	4.80 *	209,640	1,019,640	12/1/2028	650,000	3.850	198,371	848,371	171,269
4/1/2029	825,000	4.80 *	190,200	1,015,200	6/1/2029	660,000	3.850	185,859	845,859	169,341
10/1/2029	835,000	4.80 *	170,400	1,005,400	12/1/2029	675,000	3.850	173,154	848,154	157,246
4/1/2030	850,000	4.80 *	150,360	1,000,360	6/1/2030	685,000	3.850	160,160	845,160	155,200
10/1/2030	865,000	4.80 *	129,960	994,960	12/1/2030	700,000	3.850	146,974	846,974	147,986
4/1/2031	880,000	4.80 *	109,200	989,200	6/1/2031	715,000	3.850	133,499	848,499	140,701
10/1/2031	895,000	4.80 *	88,080	983,080	12/1/2031	725,000	3.850	119,735	844,735	138,345
4/1/2032	910,000	4.80 *	66,600	976,600	6/1/2032	740,000	3.850	105,779	845,779	130,821
10/1/2032	925,000	4.80 *	44,760	969,760	12/1/2032	755,000	3.850	91,534	846,534	123,226
4/1/2033	940,000	4.80 *	22,560	962,560	6/1/2033	770,000	3.850	77,000	847,000	115,560
10/1/2033	0	0	0	0	12/1/2033	785,000	3.850	62,178	847,178	(847,178)
4/1/2034	0	0	0	0	6/1/2034	800,000	3.850	47,066	847,066	(847,066)
10/1/2034	0	0	0	0	12/1/2034	815,000	3.850	31,666	846,666	(846,666)
4/1/2035	0	0	0	0	6/1/2035	830,000	3.850	15,978	845,978	(845,978)
<b>21,060,000</b>					<b>21,135,000</b>					<b>1,089,901</b>
			<b>11,299,620</b>	<b>32,359,620</b>				<b>10,134,719</b>	<b>31,269,719</b>	

(1) The interest component of the portion of the Bank Loan Payments, for the period beginning on the Closing Date and ending on April 1, 2016, have been calculated based on an interest rate of 3.30% per annum, on an actual days elapsed basis. The interest component of the Bank Loan Payments for the period beginning on April 2, 2016 and ending on April 1, 2033, will be calculated based on the U.S. dollar one month LIBOR, plus 2.125% per annum, but in no case lower than 3.30% per annum, on an actual days elapsed basis.

\* The 4.80% Rate from 4/1/2016 onwards is based on the City of Porterville using a 17 years Rate Swap with a bank. The 4.80% 17 Year Swap Rate is based on a Swap Rate of 2.65% plus a spread of 2.15%.

# CERTIFICATES OF PARTICIPATION

(2015 Refinancing Project)

CITY OF PORTERVILLE, CALIFORNIA

Porterville Public Improvement Corporation

## PROJECTED COMPARISON OF 2002 COPs WITH 2015 REFUNDING COPs

Outstanding 2002 Certificates of Participation					2015 Refunding Certificates of Participation					Installment
Date	Principal	Coupon	Interest	Installment Payments	Date	Principal	Coupon	Interest	Installment Payments	Payment Savings/(Cost)
10/1/2015	425,000	6.300	59,220	484,220	12/1/2015	130,000	3.850	26,409	156,409	327,811
4/1/2016			45,833	45,833	6/1/2016	130,000	3.850	26,661	156,661	
10/1/2016	455,000	6.300	45,833	500,833	12/1/2016	135,000	3.850	24,159	159,159	230,845
4/1/2017			31,500	31,500	6/1/2017	135,000	3.850	21,560	156,560	
10/1/2017	485,000	6.300	31,500	516,500	12/1/2017	140,000	3.850	18,961	158,961	232,479
4/1/2018			16,223	16,223	6/1/2018	140,000	3.850	16,266	156,266	
10/1/2018	515,000	6.300	16,223	531,223	12/1/2018	145,000	3.850	13,571	158,571	232,608
4/1/2019			0	0	6/1/2019	135,000	3.850	10,780	145,780	
10/1/2019	0	0	0	0	12/1/2019	140,000	3.850	8,181	148,181	(293,961)
4/1/2020			0	0	6/1/2020	140,000	3.850	5,486	145,486	
10/1/2020	0	0	0	0	12/1/2020	145,000	3.850	2,791	147,791	(293,278)
4/1/2021			0	0	6/1/2021	0	0	0	0	
10/1/2021	0	0	0	0	12/1/2021	0	0	0	0	0
4/1/2022			0	0	6/1/2022	0	0	0	0	
10/1/2022	0	0	0	0	12/1/2022	0	0	0	0	0
4/1/2023			0	0	6/1/2023	0	0	0	0	
10/1/2023	0	0	0	0	12/1/2023	0	0	0	0	0
4/1/2024			0	0	6/1/2024	0	0	0	0	
10/1/2024	0	0	0	0	12/1/2024	0	0	0	0	0
4/1/2025			0	0	6/1/2025	0	0	0	0	
10/1/2025	0	0	0	0	12/1/2025	0	0	0	0	0
4/1/2026			0	0	6/1/2026	0	0	0	0	
10/1/2026	0	0	0	0	12/1/2026	0	0	0	0	0
4/1/2027			0	0	6/1/2027	0	0	0	0	
10/1/2027	0	0	0	0	12/1/2027	0	0	0	0	0
4/1/2028			0	0	6/1/2028	0	0	0	0	
10/1/2028	0	0	0	0	12/1/2028	0	0	0	0	0
4/1/2029			0	0	6/1/2029	0	0	0	0	
10/1/2029	0	0	0	0	12/1/2029	0	0	0	0	0
4/1/2030			0	0	6/1/2030	0	0	0	0	
10/1/2030	0	0	0	0	12/1/2030	0	0	0	0	0
4/1/2031			0	0	6/1/2031	0	0	0	0	
10/1/2031	0	0	0	0	12/1/2031	0	0	0	0	0
4/1/2032			0	0	6/1/2032	0	0	0	0	
10/1/2032	0	0	0	0	12/1/2032	0	0	0	0	0
4/1/2033			0	0	6/1/2033	0	0	0	0	
10/1/2033	0	0	0	0	12/1/2033	0	0	0	0	0
4/1/2034			0	0	6/1/2034	0	0	0	0	
10/1/2034	0	0	0	0	12/1/2034	0	0	0	0	0
4/1/2035					6/1/2035					
<u>1,880,000</u>			<u>246,330</u>	<u>2,126,330</u>	<u>1,515,000</u>			<u>174,827</u>	<u>1,689,827</u>	<u>436,503</u>

**CERTIFICATES OF PARTICIPATION**  
**(2015 Refinancing Project)**  
**CITY OF PORTERVILLE, CALIFORNIA**  
**Porterville Public Improvement Corporation**

**PROJECTED COMPARISON OF 2013 BANK LOAN PAYMENTS @ AVG. 4.80% AND 2002 COPs WITH 2015 REFUNDING COPs**

Date	Projected 2015 Refunding Certificates of Participation				Projected 2013 Bank Loan* & 2002 COPs Install. Pmts.	Annual Savings/ (Cost)
	Principal	Coupon	Interest	Installment Payments		
12/1/2015	130,000	3.850	394,834	524,834	831,710	306,876
6/1/2016	130,000	3.850	433,510	563,510	393,323	
12/1/2016	135,000	3.850	431,008	566,008	1,006,273	270,078
6/1/2017	435,000	3.850	428,409	863,409	771,940	
12/1/2017	445,000	3.850	420,035	865,035	1,356,300	399,796
6/1/2018	450,000	3.850	411,469	861,469	852,863	
12/1/2018	465,000	3.850	402,806	867,806	1,394,583	518,170
6/1/2019	460,000	3.850	393,855	853,855	864,240	
12/1/2019	470,000	3.850	385,000	855,000	879,880	35,265
6/1/2020	475,000	3.850	375,953	850,953	874,920	
12/1/2020	490,000	3.850	366,809	856,809	899,840	66,999
6/1/2021	460,000	3.850	357,376	817,376	893,920	
12/1/2021	470,000	3.850	348,521	818,521	3,044,210	175,903
6/1/2022	475,000	3.850	339,474	814,474	911,000	
12/1/2022	485,000	3.850	330,330	815,330	934,000	215,196
6/1/2023	525,000	3.850	320,994	845,994	931,160	
12/1/2023	535,000	3.850	310,888	845,888	953,080	192,359
6/1/2024	545,000	3.850	300,589	845,589	944,160	
12/1/2024	555,000	3.850	290,098	845,098	965,120	218,594
6/1/2025	570,000	3.850	279,414	849,414	960,240	
12/1/2025	580,000	3.850	268,441	848,441	980,120	244,643
6/1/2026	590,000	3.850	257,276	847,276	979,160	
12/1/2026	600,000	3.850	245,919	845,919	1,022,840	308,805
6/1/2027	610,000	3.850	234,369	844,369	1,015,080	
12/1/2027	625,000	3.850	222,626	847,626	1,022,080	345,165
6/1/2028	635,000	3.850	210,595	845,595	1,013,480	
12/1/2028	650,000	3.850	198,371	848,371	1,019,640	339,154
6/1/2029	660,000	3.850	185,859	845,859	1,015,200	
12/1/2029	675,000	3.850	173,154	848,154	1,005,400	326,588
6/1/2030	685,000	3.850	160,160	845,160	1,000,360	
12/1/2030	700,000	3.850	146,974	846,974	994,960	303,186
6/1/2031	715,000	3.850	133,499	848,499	989,200	
12/1/2031	725,000	3.850	119,735	844,735	983,080	279,046
6/1/2032	740,000	3.850	105,779	845,779	976,600	
12/1/2032	755,000	3.850	91,534	846,534	969,760	254,048
6/1/2033	770,000	3.850	77,000	847,000	962,560	
12/1/2033	785,000	3.850	62,178	847,178	0	(731,618)
6/1/2034	800,000	3.850	47,066	847,066	0	
12/1/2034	815,000	3.850	31,666	846,666	0	(1,693,733)
6/1/2035	830,000	3.850	15,978	845,978	0	
12/1/2035	0	0.000	0	0	0	(845,978)
	<u>22,650,000</u>		<u>10,309,546</u>	<u>32,959,546</u>	<u>36,612,280</u>	<u>1,528,541</u>

Projected PV of Savings/(Cost) from 2013 Loan & 2002 COPs Combined (6/18/2015 to 10/1/2036) @

3.5115% \$2,048,080

Add: Savings realized from Refunding 2005 COPs with 2013 Bank Loan (4/13/2013 to 4/1/2015)

1,198,207

**PRESENT VALUE OF DEBT SEERVICE SAVINGS @**

3.5115% \$3,246,287

Adjust: Present Value of 2002 DSR Liquidation on 10/1/2018

(498,822)

**NET PRESENT VALUE OF SAVINGS**

\$2,747,465



### ESTIMATED INSTALLMENT PAYMENTS SCHEDULE

**Delivery Date** 6/18/2015

Wulff, Hansen & Co., San Francisco, CA

**CERTIFICATES OF PARTICIPATION**  
**(2015 Refinancing Project)**  
**CITY OF PORTERVILLE, CALIFORNIA**  
**Porterville Public Improvement Corporation**

**BOND PRODUCTION REPORT**

		Delivery Date			6/18/2015		
Date	Sinking Fund Payments	Type	Coupon	Yield	\$Price	Priced to Call	Gross Production
12/1/2015	130,000	Term	3.850	-	103.476		134,518.80
6/1/2016	130,000	Term	3.850	-	103.476		134,518.80
12/1/2016	135,000	Term	3.850	-	103.476		139,692.60
6/1/2017	435,000	Term	3.850	-	103.476		450,120.60
12/1/2017	445,000	Term	3.850	-	103.476		460,468.20
6/1/2018	450,000	Term	3.850	-	103.476		465,642.00
12/1/2018	465,000	Term	3.850	-	103.476		481,163.40
6/1/2019	460,000	Term	3.850	-	103.476		475,989.60
12/1/2019	470,000	Term	3.850	-	103.476		486,337.20
6/1/2020	475,000	Term	3.850	-	103.476		491,511.00
12/1/2020	490,000	Term	3.850	-	103.476		507,032.40
6/1/2021	460,000	Term	3.850	-	103.476		475,989.60
12/1/2021	470,000	Term	3.850	-	103.476		486,337.20
6/1/2022	475,000	Term	3.850	-	103.476		491,511.00
12/1/2022	485,000	Term	3.850	-	103.476		501,858.60
6/1/2023	525,000	Term	3.850	-	103.476		543,249.00
12/1/2023	535,000	Term	3.850	-	103.476		553,596.60
6/1/2024	545,000	Term	3.850	-	103.476		563,944.20
12/1/2024	555,000	Term	3.850	-	103.476		574,291.80
6/1/2025	570,000	Term	3.850	-	103.476		589,813.20
12/1/2025	580,000	C Term	3.850	-	103.476		600,160.80
6/1/2026	590,000	C Term	3.850	-	103.476		610,508.40
12/1/2026	600,000	C Term	3.850	-	103.476		620,856.00
6/1/2027	610,000	C Term	3.850	-	103.476		631,203.60
12/1/2027	625,000	C Term	3.850	-	103.476		646,725.00
6/1/2028	635,000	C Term	3.850	-	103.476		657,072.60
12/1/2028	650,000	C Term	3.850	-	103.476		672,594.00
6/1/2029	660,000	C Term	3.850	-	103.476		682,941.60
12/1/2029	675,000	C Term	3.850	-	103.476		698,463.00
6/1/2030	685,000	C Term	3.850	-	103.476		708,810.60
12/1/2030	700,000	C Term	3.850	-	103.476		724,332.00
6/1/2031	715,000	C Term	3.850	-	103.476		739,853.40
12/1/2031	725,000	C Term	3.850	-	103.476		750,201.00
6/1/2032	740,000	C Term	3.850	-	103.476		765,722.40
12/1/2032	755,000	C Term	3.850	-	103.476		781,243.80
6/1/2033	770,000	C Term	3.850	-	103.476		796,765.20
12/1/2033	785,000	C Term	3.850	-	103.476		812,286.60
6/1/2034	800,000	C Term	3.850	-	103.476		827,808.00
12/1/2034	815,000	C Term	3.850	-	103.476		843,329.40
6/1/2035	830,000	C Term	3.850	3.600	103.476	Call 6/ 1/2025 @ 102.000	858,850.80
							<b>22,650,000</b>
							<b>23,437,314.00</b>
<b>Par Amount</b>		<b>Average Life</b>		<b>Gross Production</b>			
22,650,000		11.822535		23,437,314.00			
		NIC		3.5763%			
		TIC %		3.5115%			
		AIC		3.7892%			

C - Sinking Fund Payments maturing December 1, 2025 onwards are callable on June 1, 2025 and onwards on any date at 102

**CERTIFICATES OF PARTICIPATION**  
**(2015 Refinancing Project)**  
**CITY OF PORTERVILLE, CALIFORNIA**  
**Porterville Public Improvement Corporation**

**PRELIMINARY SOURCES AND USES OF FUNDS STATEMENT**

**SOURCES OF FUNDS:**

<b>Par Amount of 2015 Certificates</b>	<b>22,650,000.00</b>
<b>+Premium /-Discount.</b>	<b>787,314.00</b>
<b>Bond Proceeds</b>	<b>23,437,314.00</b>
<b>2002 COPs Installment Payment Reserve Fund</b>	<b>559,273.55</b>
<b>Total Sources</b>	<b>23,996,587.55</b>

**USES OF FUNDS:**

<b>Projected 2013 Rabo Bank Loan Redemption</b>	<b>21,208,516.27</b>
<b>Projected 2002 Certificates' Escrow Deposit</b>	<b>2,126,330.00</b>
<b>Placement Agent's Fee</b>	<b>399,772.50</b>
<b>Special Counsel</b>	<b>85,000.00</b>
<b>Special Consultant</b>	<b>30,000.00</b>
<b>Bank Counsel</b>	<b>7,500.00</b>
<b>S &amp; P Rating Fee (Includes Insurance Rating)</b>	<b>22,000.00</b>
<b>CDIAC Fees</b>	<b>3,000.00</b>
<b>Trustee/Escrow Agent Fee</b>	<b>6,300.00</b>
<b>Title Insurance</b>	<b>20,500.00</b>
<b>Miscellaneous</b>	<b>10,804.95</b>
<b>Estimated Bond Insurance Premium for All Bonds</b>	<b>54,383.25</b>
<b>Estimated Installment Payment Reserve Surety Bond</b>	<b>22,480.58</b>
<b>Total Uses</b>	<b>23,996,587.55</b>

# RatingsDirect®

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## Summary:

# Porterville, California; Appropriations

### **Primary Credit Analyst:**

Li Yang, San Francisco (1) 415-371-5024; li.yang@standardandpoors.com

### **Secondary Contact:**

Misty L Newland, San Francisco (1) 415-371-5073; misty.newland@standardandpoors.com

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Summary:

# Porterville, California; Appropriations

Credit Profile		
US\$23.36 mil certs of part (2015 Refinancing Proj) ser 2015 due 10/01/2036		
Long Term Rating	A+/Stable	New

## Rationale

Standard & Poor's Ratings Services assigned its 'A+' long-term rating to Porterville, Calif.'s certificates of participation (COPs) for its 2015 refinancing project. The outlook is stable.

The COPs have an interest in lease payments made by the city, as lessee, to Porterville Public Improvement Corp., a nonprofit public benefit corporation, as lessor, for the use of the city's various buildings, including the city hall, fire station, the heritage center and the Centennial Plaza Condominium. The city has agreed to budget and appropriate lease payments during the obligations' life. We note that these payments are subject to annual appropriation, as well as to abatement in the event of damage to or the destruction of the leased facilities. To mitigate the risk of abatement in such a case, the city has covenanted to maintain at least 24 months of rental interruption insurance. The bonds will also be secured by a debt service reserve fund that will be funded by a surety bond. The leased assets meet our minimum threshold for seismic risk during the life of the bonds. The funds will be used to provide for the defeasance of Porterville's outstanding COPs of 2002 and to provide for the prepayment of a lease agreement of 2013 which was assigned to Rabobank.

The rating reflects our view of the city's:

- Very strong flexibility scores with available general fund balances maintained above 30% of general fund expenditures over the past three fiscal years;
- Very strong liquidity score, reflecting the city's maintenance of very strong levels of cash across all funds; and
- Strong management and budgetary performance scores.

Partly offsetting these foregoing strengths is our view of the city's very weak local economy, coupled with a high unemployment rate countywide and below-average income and wealth indicators.

### Very weak economy

Porterville is in the southeastern San Joaquin Valley in Tulare County and serves a population of roughly 55,000. The city's local economy is heavily anchored in agriculture with diverse produce production including citrus fruits, pistachios, and walnuts. Management indicates it does not anticipate the current drought in the region to substantially affect Porterville since it is on the east side of the valley and is therefore closer to water sources than other regions. The income and wealth levels for the city are very weak, in our view, with per capita market value and projected per capita effective buying income at roughly \$40,402 and 55.7% of the national average, respectively. The local economy is primarily agrarian and the 2013 county unemployment rate was 14%, which we believe is above average.

### **Strong management**

In our opinion, the city's management conditions are strong, with "good" financial practices under our Financial Management Assessment (FMA) methodology, indicating financial practices exist in most areas, but that governance officials might not formalize them or monitor all of them regularly. Key policies include using historical trends and third-party sources to operating revenues, quarterly presentations of the budget to the city council, maintenance of a 10-year formal capital improvement plan with funding identified, a formal investment policy with results reviewed quarterly by the city council, and a formal reserve policy.

### **Very strong budgetary flexibility**

The city's budgetary flexibility is very strong, in our opinion, with available general fund reserves maintained consistently above 30% of general fund expenditures over the past three years. Based on the city's fiscal 2014 audit, the city's available general fund balance ended at roughly \$11.5 million or a very strong 54.3% of expenditures. The city indicates that it expects to be able to maintain its very strong reserves with similar levels from now on.

### **Very strong liquidity**

Very strong liquidity supports the city's finances, in our view, with total government available cash at 120% of total government fund expenditures and at 32.6x debt service. Based on past issuance of debt, we believe that the issuer has strong access to capital markets to provide for liquidity needs if necessary. We note that the city has issued private placement debt in the form of a taxable pension obligation bond. We note that the bonds have roughly \$3.275 million in total principal outstanding for that bond and there is a risk of acceleration of all principal remaining if there is an event of default. Although we do not anticipate one, we note that the city has more than sufficient liquidity on hand to cover the full remaining principal on the bonds.

### **Strong budgetary performance**

In our opinion, the city's budgetary performance is strong overall, with surpluses of 4.1% for the general fund and 1.0% for the total governmental funds in fiscal 2014. The city is projecting a deficit in the general fund by roughly 10.1%, although management indicates that this is a very conservative budget since it includes funding for all vacant city positions. Realistically, management indicates it is likely to end with a modest surplus similar to prior-year levels in fiscal 2015.

### **Adequate debt and contingent liability profile**

The city's debt and contingent liability profile is adequate, in our opinion. Net direct debt is 3.7% of total governmental funds revenue, and total governmental funds debt service is 100% of total governmental funds expenditures. In our opinion, the city's pension and other postemployment benefit (OPEB) contributions are adequate. The city contributed 100% of its annual required pension contribution and the annual pension and OPEB costs accounted for 9.2% of total government expenditures in fiscal 2014.

### **Strong institutional framework**

We consider the institutional framework score for California municipalities with a federal singled audit requirement as strong.

## Outlook

The stable outlook reflects our view of Porterville's very strong liquidity and flexibility scores, which enable it to withstand any potential downturns in the local economy over the next few years. However, should the city's flexibility and liquidity score worsen over the next two years, we could lower the rating. We do not expect to raise the rating over the next two years unless the city's local economy improves substantially.

## Related Criteria And Research

### Related Criteria

- USPF Criteria: Local Government GO Ratings Methodology And Assumptions, Sept. 12, 2013
- USPF Criteria: Appropriation-Backed Obligations, June 13, 2007

### Related Research

- S&P Public Finance Local GO Criteria: How We Adjust Data For Analytic Consistency, Sept. 12, 2013
- Institutional Framework Overview: California Local Governments

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**\$22,650,000**  
**CERTIFICATE OF PARTICIPATION**  
**(2015 Refinancing Project)**  
**Evidencing Direct, Undivided Fractional Interests of the**  
**Owners Thereof in Lease Payments to be Made by the**  
**CITY OF PORTERVILLE, CALIFORNIA**  
**As the Rental for Certain Property Pursuant to a Lease Agreement**  
**with the Porterville Public Improvement Corporation**

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**CERTIFICATE PURCHASE AGREEMENT**

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June 3, 2015

City of Porterville  
291 North Main Street  
Porterville, California 93257

Ladies and Gentlemen:

The undersigned, Capital One Public Funding, LLC, as purchaser (the "Purchaser"), hereby offers to enter into this Certificate Purchase Agreement (this Certificate Purchase Agreement, together with the exhibits hereto, being herein called the "Purchase Agreement") with the City of Porterville, California (the "City"), which, upon acceptance, will be binding upon the City and the Purchaser. This offer is made subject to the acceptance by the City, by execution of this Purchase Agreement and its delivery to the Purchaser prior to 5:00 P.M., California time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Purchaser upon notice delivered to the City at any time prior to such acceptance.

Capitalized terms used in this Purchase Agreement and not otherwise defined herein shall have the meanings given to such terms as set forth in Trust Agreement, dated as of June 1, 2015 (the "Trust Agreement") by and among the City, the Porterville Public Improvement Corporation (the "Corporation") and U.S. Bank National Association, as trustee (the "Trustee").

The City hereby acknowledges all of the following: The Purchaser is acting solely for its own loan account and not as a broker, dealer, placement agent, municipal securities underwriter, municipal advisor or fiduciary for the City. It has not provided, and will not provide, financial, legal (including securities law), tax, accounting or other advice to or on behalf of the City (including to any financial advisor or any placement agent engaged by the City with respect to the structuring, issuance, sale or delivery of the Certificates, as hereinafter defined). The Purchaser has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to the City with respect to the transactions relating to the structuring, issuance, sale or delivery of the Certificates and the discussions, undertakings and procedures leading thereto. The City and the financial advisor and placement agent of the City have sought and shall seek and obtain financial, legal (including securities law), tax, accounting and other advice (including as it relates to structure, timing, terms and similar matters and compliance with legal requirements applicable to such parties) with respect to the Certificates from its own

financial, legal, tax and other advisors (and not from the undersigned or its affiliates) to the extent that the City or the financial advisor or placement agent of the City desires, should or needs to obtain such advice. The undersigned expresses no view regarding the legal sufficiency of its representations for purposes of compliance with any legal requirements applicable to any other party, including but not limited to the City's financial advisor or placement agent, or the correctness of any legal interpretation made by counsel to any other party, including but not limited to counsel to the City's financial advisor or placement agent, with respect to any such matters. The transactions between the City and the Purchaser are arm's length, commercial transactions in which the Purchaser is acting and has acted solely as a principal and for its own interest and the Purchaser has not made recommendations to the City with respect to the transactions relating to the Certificates.

**Section 1. Purchase and Sale.** Upon the terms and conditions and upon the basis of the representations, warranties and agreements herein set forth, the City and the Corporation hereby agree to sell and deliver to the Purchaser all of the \$22,650,000 aggregate principal amount of City of Porterville Certificates of Participation (2015 Refinancing Project) (the "Certificates"), evidencing the direct, undivided fractional interests of the owners thereof in lease payments (the "Lease Payments") to be made by the City pursuant to a Lease Agreement, dated as of June 1, 2015 (the "Lease Agreement"), with the Corporation. The purchase price of the Certificates shall be \$23,437,314.00 (representing an aggregate principal amount of the Certificates of \$22,650,000, plus a premium of \$787,314.00).

**Section 2. Private Placement; Certificates Constitute a Loan by Purchaser.** The Purchaser represents and warrants to the City that:

(a) The Purchaser has full power and authority to carry on its business as now conducted, deliver this certificate and make the representations and certifications contained herein.

(b) The Purchaser is a lender that regularly extends credit by purchasing loans in the form of state and local government obligations such as the Certificates; has knowledge and experience in financial and business matters that make it capable of evaluating the City, the Certificates and the risks associated with the purchase of the Certificates; has the ability to bear the economic risk of extending the credit evidenced by the Certificates; and is a limited liability company engaged in the primary business of extending credit and making loans to state and local governments and non-profit entities and has total assets in excess of \$1 billion. The Purchaser is not acting as a broker, dealer, municipal securities underwriter, municipal advisor or fiduciary in connection with its purchase of the Certificates.

(c) The Purchaser has conducted its own investigation of the financial condition of the City, the purpose for which the Certificates are being delivered and of the security for the payment of the principal and interest with respect to the Certificates, and has obtained such information regarding the Certificates and the City and its operations, financial condition and financial prospects as the Purchaser deems necessary to make an informed investment decision with respect to the purchase of the Certificates.

(d) The Purchaser is purchasing the Certificates as a vehicle for making a commercial loan for its own loan account and without any present intention of distributing or selling any interest therein or portion thereof, provided that the Purchaser shall have the right at any time to assign, transfer or convey the Certificates or any interest therein or portion thereof, but no such assignment, transfer or conveyance shall be effective as against the City unless and until the Purchaser has delivered to the City written notice thereof that discloses the name and address of the assignee or the Loan Servicer (as hereafter provided) and such assignment, transfer or conveyance shall be made only to an Approved Buyer. Nothing herein or in any

~~other document relating to the Certificates shall limit the right of the Purchaser or its assignees to sell or assign participation interests in the Certificates to an Approved Buyer and such assignment, transfer or conveyance shall be made only to (i) an affiliate of the Purchaser; (ii) banks, insurance companies or similar financial institutions or their affiliates; (iii) an "accredited investor" as defined in Rule 501(a) of Regulation D promulgated under the Securities Act of 1933 (the "Securities Act"), as amended, or (iv) a "Qualified Institutional Buyer" as defined in Rule 144A promulgated under the Securities Act. Nothing herein or in any other document relating to the Certificates shall limit the right of the Purchaser or its assignees to sell or assign participation interests in the Certificates to one or more entities listed in (i) or (ii), provided that any participation, custodial or similar agreement under which multiple ownership interests in the Certificates are created shall provide the method by which the owners of such interests shall establish the rights and duties of a single entity, owner, servicer or other fiduciary or agent acting on behalf of all of the assignees (herein referred to as the "Loan Servicer") to act on their behalf with respect to the rights and interests of the Purchaser under the Certificates, including with respect to the exercise of rights and remedies of the Purchaser on behalf of such owners upon the occurrence of an event of default hereunder.~~

(e) The Purchaser acknowledges that the Certificates (a) have not been registered under the Securities Act of 1933, as amended, and have not been registered or otherwise qualified for sale under the securities laws of any state, (b) will not be listed on any securities exchange and (c) there is no established market for the Certificates and that none is likely to develop. The Purchaser understands and acknowledges that (i) its purchase of the Certificates is not intended to be subject to the requirements of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended; and (ii) in connection with its purchase of the Certificates, the City has not prepared or caused to be prepared, any official statement, private placement memorandum or other offering document.

**Section 3. The Certificates.** The Certificates will be dated their date of delivery and will be substantially in the form described in, shall be authorized, executed and delivered under the provisions of, and shall be payable as provided in, the Trust Agreement. The Certificates are being executed and delivered to provide funds to (a) provide for the defeasance of the City's outstanding Certificates of Participation (2002 Public Building Refunding Project) (the "2002 Certificates"), (b) provide for the prepayment of a lease agreement, dated as of April 1, 2013, by and between the Corporation and the City, which has been assigned to Rabobank, N.A. (the "2013 Lease"), (c) purchase a reserve fund municipal bond insurance policy (the "Reserve Policy") issued by Assured Guaranty Municipal Corp. ("AGM") in lieu cash fund a reserve fund for the Certificates, (d) purchase a municipal bond insurance policy for the Certificates (the "Policy") issued by AGM, and (e) pay costs incurred in connection with executing and delivering the Certificates.

The City will lease certain land and the improvements thereon (the "Property") to the Corporation pursuant to a Site and Facility Lease, dated as of June 1, 2015 (the "Site Lease"). The Corporation will sublease the Property back to the City pursuant to the Lease Agreement. The Corporation will assign its right to receive Lease Payments from the City under the Lease to the Trustee pursuant to an Assignment Agreement, dated as of June 1, 2015 (the "Assignment Agreement").

The Trust Agreement, the Site Lease, the Lease Agreement, the Assignment Agreement, that certain Escrow Deposit and trust Agreement, dated the Closing Date (the "Escrow Agreement"), by and between U.S. Bank National Association, as trustee for the 2002 Certificates and as escrow bank (the "Escrow Bank"), and this Purchase Agreement are hereinafter referred to as the "Legal Documents."

Section 4. **Closing.** At 8:00 A.M., California time, on June 18, 2015, or at such other time and date as may be agreed upon by the City and the Purchaser (the "Closing Date"), (i) the City will cause to be delivered to the Purchaser the Certificates in definitive, fully registered form; and (ii) the City will cause to be delivered to the Purchaser the other documents herein mentioned at the offices of Quint & Thimmig LLP in Larkspur, California, or another place to be agreed upon by the Corporation, the City and the Purchaser. The Purchaser will accept such delivery and pay the purchase price of the Certificates as set forth in Section 1 hereof in immediately available funds to the order of the Trustee on behalf of the City. This payment and delivery, together with the delivery of the aforementioned documents, is herein called the "Closing."

Section 5. **Representation, Warranties and Covenants of the City.** The City represents, warrants and covenants to the Purchaser that:

(a) The City is a municipal corporation and chartered city, duly organized and validly existing under the Constitution and laws of the State of California. The City has all necessary power and authority and has taken all official action necessary to enter into and perform its duties under the Trust Agreement, the Site Lease, the Lease Agreement, the Escrow Agreement and this Purchase Agreement (collectively, the "City Documents"). The City Documents have been duly executed and delivered by the City and, assuming the due authorization, execution and delivery by the other respective parties thereto, the City Documents to the best knowledge of the City will constitute legally valid and binding obligations of the City enforceable against the City in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium or other similar laws or equitable principles relating to or limiting creditors' rights generally.

(b) To the best of its knowledge, except as may be required under Blue Sky or other securities laws of any state (as to which no representation is made), there is no consent, approval, authorization or other order of, or filing with, or certification by, any regulatory authority having jurisdiction over the City required for the execution, delivery and sale of the Certificates or the consummation by the City of the transactions contemplated by the City Documents which has not been duly obtained or made on or prior to the date hereof.

(c) To the best knowledge of the City, there is no action, suit, proceeding, inquiry or investigation at law or in equity, before or by any court or governmental or public entity pending or threatened against the City which affects or seeks to prohibit, restrain or enjoin the execution or delivery of the Certificates, or contesting the powers of the City to enter into or perform its obligations under any of the City Documents or the existence or powers of the City.

(d) The proceeds from the sale to the Purchaser of the Certificates will be applied in the manner and for the purposes specified in the Trust Agreement.

(e) The resolution of the City approving the execution and delivery of the City Documents has been duly adopted by the City, has not been amended, modified or repealed and is in full force and effect on the date hereof.

(f) To the best of its knowledge, neither the execution and delivery by the City of the City Documents nor the City's adoption of the resolution, nor the City's compliance with such documents or such resolution, nor the consummation of the transactions contemplated by such documents or such resolution, conflicts with or constitutes a breach of or default under, or will conflict with or constitute a breach of or default under, any term or provision of any applicable law or any administrative rule or regulation of the State of California or the United States or any applicable judgment, decree, order, license, permit, agreement or instrument to which the City is subject or is otherwise bound has or will have a material adverse effect on the ability of the

City to perform its obligations under the City Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instruments.

(g) The City covenants that it will not take any action which would cause interest payable with respect to the Certificates to be subject to federal income taxation or State of California personal income taxation.

Section 6. **Conditions to the Obligations of the Purchaser.** The Purchaser has entered into this Purchase Agreement in reliance upon the representations and warranties of the City contained herein. The obligations of the Purchaser to accept delivery of and pay for the Certificates on the Closing Date shall be subject, at the option of the Purchaser, to the performance by the Corporation and the City of their obligations, to be performed hereunder and under the Legal Documents, at or prior to the Closing Date and the following additional conditions:

(a) at the time of Closing, the Legal Documents shall be in full force and effect as valid and binding agreements between or among the various parties thereto and the Legal Documents shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Purchaser, and all such reasonable actions as, in the opinion of Special Counsel or counsel to the Purchaser, shall reasonably deem necessary in connection with the transactions contemplated hereby;

(b) interest rate applicable to the Certificates shall not have been materially adversely affected, in the reasonable judgment of the Purchaser, by reason of any of the following:

(i) legislation enacted (or resolution passed) by or introduced or pending legislation amended in the Congress or recommended for passage by the President of the United States, the Secretary of the Treasury or any member of Congress, or a decision rendered by a court established under Article III of the Constitution of the United States or by the Tax Court of the United States, or an order, ruling, regulation (final, temporary or proposed), official statement, press release or other form of notice or communication issued or made by or on behalf of the Treasury Department or the Internal Revenue Service of the United States, by the President or other agency of the federal government or members of Congress with the purpose or effect, directly or indirectly, of imposing federal income taxation upon interest as would be received by the owners of the Certificates;

(ii) the declaration of war or engagement in major military hostilities by the United States or the occurrence of any other national emergency or calamity relating to the normal operation of the government of or the financial community in the United States;

(iii) the declaration of a general banking moratorium by federal, New York or California authorities, or the general suspension of trading on any national securities exchange;

(iv) the imposition by the New York Stock Exchange or other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Certificates or obligations of the general character of the Certificates or securities generally, or the material increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of, underwriters; or

(v) an order, decree or injunction issued by any court of competent jurisdiction, or order, ruling, regulation (final, temporary or proposed), official statement or other form of notice or communication issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that (i) obligations of the general character of the Certificates, or the Certificates, including any or all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended, or that the Trust Agreement is not exempt from qualification under the Trust Indenture Act of 1939, as amended, or (ii) the execution and delivery, offering or sale of obligations of the general character of the Certificates, or the execution and delivery, offering or sale of the Certificates, including any or all underlying obligations, as contemplated hereby, is or would be in violation of the federal securities laws as amended and then in effect;

(c) at or prior to the Closing, the Purchaser shall receive the following documents, in each case to the reasonable satisfaction in form and substance of the Purchaser:

(i) the Legal Documents duly executed and delivered by the respective parties thereto, with only such amendments, modifications or supplements as may have been agreed to in writing by the Purchaser;

(ii) the approving opinion of Special Counsel, dated the Closing Date and addressed to the City, together with reliance letters addressed to the Purchaser and the Trustee and AGM;

(iii) a supplemental opinion of Special Counsel dated the Closing Date and addressed to the Purchaser, AGM and the City, in form and substance acceptable to each of them to the effect that:

(A) the Purchase Agreement has been duly authorized, executed and delivered by the Corporation and the City and, assuming due authorization, execution and delivery by the other respective parties thereto, constitute valid and binding agreements of the Corporation and the City and are enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium or other similar laws affecting enforcement of creditors' rights and by the application of equitable principles if equitable remedies are sought; and

(B) the Certificates are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Trust Agreement is exempt from qualification as an Trust Agreement pursuant to the Trust Indenture Act of 1939, as amended;

(iv) the opinion of the City Attorney, dated the Closing Date, and addressed to the Purchaser, to the effect:

(A) The City is a municipal corporation and chartered city duly formed and validly existing under the laws of the State of California.

(B) The resolution of the City Council of the City approving the City Documents (the "City Resolution") was duly adopted at a meeting of the City Council of the City on June 2, 2015, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout and the City Resolution is in full force and effect and has not been modified, amended or rescinded.

(C) To the best of such counsel's knowledge, the authorization, execution and delivery of the City Documents by the City and compliance with the provisions thereof by the City of its obligations thereunder, will not conflict with, or constitute a breach or default under, in any material respect, any law, administrative regulation, court decree, resolution, ordinance or other agreement to which the City is subject or by which it is bound.

(D) There is no action, suit, proceeding, inquiry or investigation, at law or in equity before or by any court, government agency, public board or body, pending and notice of which has been served on the City, or to the best of such counsel's knowledge, threatened against the City, affecting the existence of the City or the titles of its officers to their respective offices, or contesting or affecting as to the City the validity or enforceability of the City Documents, or contesting the powers of the City for the execution and delivery by the City of the City Documents, or in any way contesting or challenging the consummation of the transactions contemplated thereby.

(v) a certificate, dated the Closing Date, signed by a duly authorized official of the City satisfactory in form and substance in the reasonable judgment of the Purchaser to the effect that:

(A) the City is a municipal corporation and chartered city, duly organized and existing under the laws of the State of California and has all necessary power and authority to enter into and perform its duties under the City Documents;

(B) by official action of the City, the City has approved the execution and delivery of and the performance by the City of the obligations on its part contained in the City Documents;

(C) the execution and delivery of the City Documents to which it is a party, compliance with the provisions thereof and performance of its duties thereunder, will not conflict with or constitute a breach of or default under the City's duties under any law, administrative regulation, judgment, decree, note, resolution, charter, by-law or other agreement to which the City is a party or is otherwise subject or by which its properties may be affected;

(D) to the best knowledge of the City, there is no consent, approval, authorization or other order of, or filing with, or certification by, any regulatory authority having jurisdiction over the City required for the execution, delivery and sale of the Certificates or the consummation by the City of the transactions on its part contemplated by the City Documents;

(E) to the best knowledge of the City, the City is not in breach of or default under any applicable law or administrative regulation of the State of California or the United States or any applicable judgment or decree, agreement or other instrument to which the City is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument, which breach or default has or may have a material adverse effect on the ability of the City to perform its obligations under the City Documents;

(F) there is no action, suit, proceeding, inquiry or investigation, at law or in equity before or by any court or governmental agency or body, pending or, to the best knowledge of the City, threatened against the City, to restrain or enjoin the execution or delivery of the Certificates, or in any way contesting or affecting the validity or enforceability of the Certificates or the City Documents or contesting the powers of the City to enter into or perform its obligations under any of the foregoing; and

(G) the City covenants that it will not take any action which would cause interest with respect to the Certificates to be subject to federal income taxation or California personal income taxes;

(vi) a certificate of the Trustee, dated the Closing Date, signed by a duly authorized officer of the Trustee, and in form and substance satisfactory to the Purchaser, to the effect that:

(A) the Trustee is a national banking association duly organized and existing under and by virtue of the laws of the United States of America authorized to carry out corporate trust powers and has all necessary power and authority to enter into and perform its duties under the Trust Agreement and the Assignment Agreement and to execute the Certificates;

(B) the representations of the Trustee in the Trust Agreement and the Assignment Agreement are true and correct in all material respects as of the Closing Date;

(C) to the best of its knowledge, no litigation is pending or threatened (either in state or federal courts) (1) to restrain or enjoin the execution or delivery of any of the Certificates or the collection of revenues pledged under the Lease Agreement, or (2) in any way contesting or affecting any authority for the execution or delivery of the Certificates or the validity or enforceability of the Trust Agreement or the Assignment Agreement;

(D) the Trustee is duly authorized to execute and deliver the Certificates to the Purchaser upon instruction by the City pursuant to the terms of the Trust Agreement, and the Trust Agreement and the Assignment Agreement constitute legal, valid and binding obligations of the Trustee enforceable in accordance with its respective terms;

(E) to the best of its knowledge, the execution and delivery of the Trust Agreement and the Assignment Agreement, and compliance with the provisions thereof, will not conflict with, or constitute a breach of or default under, the Trustee's duties under said documents or any law, administrative regulation, court decree, resolution, charter, bylaws or other agreement to which the Trustee is subject or by which it is bound; and

(F) the Certificates have been validly executed and delivered by the Trustee;

(vii) the opinion of counsel to the Trustee, addressed to the Purchaser and the City, dated the Closing Date, to the effect that;

(A) the Trustee has been duly organized and is validly existing in good standing as a national banking association under the laws of the United States of



America, with full corporate power to enter into the Trust Agreement and the Assignment Agreement and to accept the trust as provided therein, and to perform its obligations under the Trust Agreement and the Assignment Agreement;

(B) the Trustee has duly authorized, executed and delivered the Trust Agreement and the Assignment Agreement and by all proper corporate action has authorized the acceptance of the trust of the Trust Agreement;

(C) assuming the due authorization, execution and delivery by the other party to the Trust Agreement and the Assignment Agreement, the Trust Agreement and the Assignment Agreement, constitute legally valid and binding agreements of the Trustee, enforceable against the Trustee in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, moratorium or other similar laws or equitable principles relating to or limiting creditors' rights generally;

(D) the Certificates have been validly executed by the Trustee; and

(E) to the best of such counsel's knowledge, no authorization, approval, consent or order of any governmental agency or any other person or corporation is required for the valid authorization, execution and delivery of the Trust Agreement and the Assignment Agreement by the Trustee or the authentication by the Trustee of the Certificates;

(viii) a certificate of the Escrow Bank, dated the Closing Date, signed by a duly authorized officer of the Escrow Bank, and in form and substance satisfactory to the Purchaser, to the effect that:

(A) the Escrow Bank is a national banking association duly organized and existing under and by virtue of the laws of the United States of America authorized to carry out corporate trust powers and has all necessary power and authority to enter into and perform its duties under the Escrow Agreement;

(B) the representations of the Escrow Bank in the Escrow Agreement are true and correct in all material respects as of the Closing Date;

(C) to the best of its knowledge, no litigation is pending or threatened (either in state or federal courts) in any way contesting or affecting the validity or enforceability of the Escrow Agreement;

(D) the Escrow Agreement constitutes the legal, valid and binding obligation of the Escrow Bank enforceable in accordance with its terms; and

(E) to the best of its knowledge, the execution and delivery of the Escrow Agreement, and compliance with the provisions thereof, will not conflict with, or constitute a breach of or default under, the Escrow Bank's duties under said document or any law, administrative regulation, court decree, resolution, charter, bylaws or other agreement to which the Escrow Bank is subject or by which it is bound.

(ix) the opinion of counsel to the Escrow Bank, addressed to the Purchaser and the City, dated the Closing Date, to the effect that;

(A) the Escrow Bank has been duly organized and is validly existing in good standing as a national banking association under the laws of the United States of America, with full corporate power to enter into the Escrow Agreement and to accept the trust as provided therein, and to perform its obligations under the Escrow Agreement;

(B) the Escrow Bank has duly authorized, executed and delivered the Escrow Agreement and by all proper corporate action has authorized the acceptance of the trust of the Escrow Agreement;

(C) assuming the due authorization, execution and delivery by the other party to the Escrow Agreement, the Escrow Agreement constitutes the legally valid and binding agreement of the Escrow Bank, enforceable against the Escrow Bank in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, moratorium or other similar laws or equitable principles relating to or limiting creditors' rights generally; and

(D) to the best of such counsel's knowledge, no authorization, approval, consent or order of any governmental agency or any other person or corporation is required for the valid authorization, execution and delivery of the Escrow Agreement by the Escrow Bank;

(x) The Municipal Bond Insurance Policy issued by AGM;

(xi) An opinion of counsel to AGM as to the validity and enforceability of the Municipal Bond Insurance Policy, in form and content satisfactory to Special Counsel and the Purchaser;

(xii) a copy of the general resolution of the Trustee authorizing the execution and delivery of the Trust Agreement and the Assignment Agreement;

(xiii) a copy of all resolutions relating to the Certificates and the Legal Documents adopted by the Corporation and the City, as applicable, and certified by an authorized official of the Corporation and the City;

(xiv) a tax certificate by the City in form and substance acceptable to Special Counsel; and

(xv) such additional legal opinions, certificates, proceedings, instruments or other documents as Special Counsel and counsel to the Purchaser may reasonably request to evidence compliance by the Corporation and the City with legal requirements, the truth and accuracy, as of the Closing Date, of the representations and warranties of the Corporation and City contained herein, and the due performance or satisfaction by the Corporation and the City at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Corporation and the City.

Section 8. **Expenses.** Whether or not the transactions contemplated by this Purchase Agreement are consummated, the Purchaser shall be under no obligation to pay, and the City shall pay from the proceeds of the Certificates or otherwise, all expenses and costs of the City and the Corporation incident to the performance of their obligations in connection with the authorization, execution, sale and delivery of the Certificates to the Purchaser, including, without limitation, printing costs, rating agency fees and charges, initial fees of the Trustee, including fees and disbursements of its counsel, initial fees of the Escrow Bank, including fees

and disbursements of its counsel, fees and disbursements of Special Counsel and other professional advisors employed by the City or the Corporation, fees and disbursements of counsel to the Purchaser, fees of the California Debt and Investment Advisory Commission, and costs of preparation, printing, signing, transportation, delivery and safekeeping of the Certificates. The Purchaser shall pay all out-of-pocket expenses of the Purchaser, by the Purchaser in connection with the public offering and distribution of the Certificates, shall be paid by the Purchaser except ~~CUSIP Service Bureau charges and DTC fees.~~

Section 9. **Notices.** Any notice or other communication to be given to the Purchaser under this Purchase Agreement may be given by delivering the same in writing to Capital One Public Funding, LLC, 275 Broadhollow Road, Melville, NY 11747, Attention: President. Any notice or communication to be given to the Corporation or the City under this Purchase Agreement may be given by delivering the same in writing to the Corporation's and the City's addresses, respectively set forth above, Attention: City Manager.

The approval of the Purchaser when required hereunder or the determination of the Purchaser' satisfaction as to any document referred to herein shall be in writing signed by the Underwriter and delivered to you.

Section 10. **Parties in Interest.** This Purchase Agreement is made solely for the benefit of the Corporation, the City and the Purchaser (including the successors or assigns thereof) and no other person shall acquire or have any right hereunder or by virtue hereof. All representations, warranties and agreements of the Corporation and the City in this Purchase Agreement shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Purchaser and shall survive the delivery of and payment of the Certificates.

Section 11. **Counterparts.** This Purchase Agreement may be executed by the parties hereto in 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.

Section 12. **Governing Law.** This Purchase Agreement shall be governed by the laws of the State of California.

CAPITAL ONE PUBLIC FUNDING, LLC

By \_\_\_\_\_  
Jonathan A. Lewis  
President

Accepted and Agreed to:

CITY OF PORTERVILLE

By \_\_\_\_\_  
John D. Lollis  
City Manager

## EXHIBIT A

### MATURITY SCHEDULE AND REDEMPTION PROVISIONS

\$22,650,000

#### CERTIFICATE OF PARTICIPATION

(2015 Refinancing Project)

Evidencing Direct, Undivided Fractional Interests of the  
Owners Thereof in Lease Payments to be Made by the  
CITY OF PORTERVILLE, CALIFORNIA

As the Rental for Certain Property Pursuant to a Lease Agreement  
with the Porterville Public Improvement Corporation

#### MATURITY SCHEDULE

<u>Maturity Date</u> <u>(June 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>	<u>Price</u>
2035	\$22,650,000	3.85%	3.60%	106.944%

#### REDEMPTION PROVISIONS

*Extraordinary Redemption.* The Certificates are subject to extraordinary redemption, in whole or in part, on any Interest Payment Date, in an order of maturity determined by the City, from the Net Proceeds of insurance or eminent domain proceedings credited towards the redemption of the Lease Payments pursuant to the Lease Agreement, at a redemption price equal to 102% of the principal amount to be redeemed, together with accrued interest represented thereby to the date fixed for redemption, without premium.

*Optional Redemption.* The Certificates are not subject to optional redemption prior to June 1, 2025. The Certificates are subject to optional redemption in whole on any date or in part, once each calendar year, in a minimum amount of \$250,000, on an Interest Payment Date on or after June 1, 2025, at a redemption price equal to 102% of the principal amount thereof, together with accrued interest to the date fixed for redemption, from the proceeds of the optional prepayment of Lease Payments made by the City pursuant to the Lease Agreement.

*Mandatory Redemption.* The Certificates are subject to mandatory redemption in part on each June 1 and December 1, commencing December 1, 2015, from the principal components of scheduled Lease Payments required to be paid by the City pursuant to the Lease Agreement with respect to each such redemption date (subject to abatement, as set forth in the Lease Agreement), at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date fixed for redemption, without premium, as follows:

Redemption Date	Principal Amount of Certificates to be Redeemed	Redemption Date	Principal Amount of Certificates to be Redeemed
12/1/15	\$130,000	12/1/25	\$580,000
6/1/16	130,000	6/1/26	590,000
12/1/16	135,000	12/1/26	600,000
6/1/17	435,000	6/1/27	610,000
12/1/17	445,000	12/1/27	625,000
6/1/18	450,000	6/1/28	635,000
12/1/18	465,000	12/1/28	650,000
6/1/19	460,000	6/1/29	660,000
12/1/19	470,000	12/1/29	675,000
6/1/20	475,000	6/1/30	685,000
12/1/20	490,000	12/1/30	700,000
6/1/21	460,000	6/1/31	715,000
12/1/21	470,000	12/1/31	725,000
6/1/22	475,000	6/1/32	740,000
12/1/22	485,000	12/1/32	755,000
6/1/23	525,000	6/1/33	770,000
12/1/23	535,000	12/1/33	785,000
6/1/24	545,000	6/1/34	800,000
12/1/24	555,000	12/1/34	815,000
6/1/25	570,000	6/1/35†	830,000

†Maturity.

AFTER RECORDATION PLEASE RETURN TO:

Quint & Thimmig LLP  
900 Larkspur Landing Circle, Suite 270  
Larkspur, CA 94939-1726  
Attention: Brian D. Quint, Esq.

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

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## **SITE AND FACILITY LEASE**

**Dated as of June 1, 2015**

**by and between the**

**CITY OF PORTERVILLE, as Lessor**

**and the**

**PORTERVILLE PUBLIC IMPROVEMENT CORPORATION, as Lessee**

---

Relating to:

\$22,650,000

CERTIFICATES OF PARTICIPATION

(2015 Refinancing Project)

Evidencing Direct, Undivided Fractional Interests of the

Owners Thereof in Lease Payments to be Made by the

CITY OF PORTERVILLE, CALIFORNIA

As the Rental for Certain Property Pursuant to a Lease Agreement

with the Porterville Public Improvement Corporation

## SITE AND FACILITY LEASE

THIS SITE AND FACILITY LEASE (this "Site and Facility Lease"), dated as of June 1, 2015, is by and between the CITY OF PORTERVILLE, a municipal corporation and chartered city, duly organized and existing under and by virtue of the laws of the State of California, as lessor (the "City"), and the PORTERVILLE PUBLIC IMPROVEMENT CORPORATION, a nonprofit, public benefit corporation organized and existing under the laws of the State of California, as lessee (the "Corporation");

### WITNESSETH:

WHEREAS, the Corporation intends to assist the City to (a) provide for the defeasance of the City's outstanding Certificates of Participation (2002 Public Building Refunding Project) (the "2002 Certificates"), and (a) provide for the prepayment of a lease agreement, dated as of April 1, 2013, by and between the Corporation and the City, which has been assigned to Rabobank, N.A. (the "2013 Lease"), by leasing certain land and improvements to the City pursuant to a Lease Agreement, dated as of June 1, 2015, a memorandum of which is recorded concurrently herewith (the "Lease Agreement"); and

WHEREAS, the City proposes to enter into this Site and Facility Lease with the Corporation as a material consideration for the Corporation's agreement to lease such land and improvements to the City;

NOW, THEREFORE, IT IS HEREBY MUTUALLY AGREED, as follows:

Section 1. Definitions. Capitalized terms used, but not otherwise defined, in this Site and Facility Lease shall have the meanings ascribed to them in the Lease Agreement.

Section 2. Site and Facility Lease. The City hereby leases to the Corporation and the Corporation hereby leases from the City, on the terms and conditions hereinafter set forth, those certain parcels of real property situated in Tulare County, State of California, more particularly described in Exhibit A attached hereto and made a part hereof (the "Site"), and those certain improvements on the Site more particularly described in Exhibit B attached hereto and made a part hereof (collectively, the "Facility").

Section 3. Term. The term of this Site and Facility Lease shall commence on the date of recordation of this Site and Facility Lease in the Office of the County Recorder of Tulare County, State of California, and shall end on June 1, 2035, unless such term is extended or sooner terminated as hereinafter provided. If, on June 1, 2035, the aggregate amount of Lease Payments (as defined in and as payable under the Lease Agreement) shall not have been paid, or provision shall not have been made for their payment, then the term of this Site and Facility Lease shall be extended until such Lease Payments or Additional Payments (as defined in the Lease Agreement), if any, shall be fully paid or provision made for such payment. If, prior to June 1, 2035, all Lease Payments shall be fully paid or provision made for such payment in accordance with Section 4.4 or 10.1 of the Lease Agreement, the term of this Site and Facility Lease shall end.

Notwithstanding the foregoing, the term of this Site and Facility Lease shall not end so long as any amounts are owed to AGM with respect to the Municipal Bond Insurance Policy, the Reserve Policy or the Insurance Agreement (as such capitalized terms are defined in the Lease Agreement).

Section 4. Advance Rental Payment. The City agrees to lease the Site and the Facility to the Corporation in consideration of the payment by the Corporation of an advance rental payment of twenty-two million six hundred fifty thousand dollars (\$22,650,000). The City and the Corporation agree that by reason of the sale of the Certificates and deposit of proceeds pursuant to the provisions of the Trust Agreement, dated as of June 1, 2015, by and among the City, the Corporation and U.S. Bank National Association, as trustee thereunder (the "Trust Agreement"), the advance rental payment referenced in the preceding sentence shall be deemed to have been paid.

Section 5. Purpose. The Corporation shall use the Site and the Facility solely for the purpose of leasing the Site and the Facility to the City pursuant to the Lease Agreement and for such purposes as may be incidental thereto; *provided, however*, that in the event of default by the City under the Lease Agreement, the Corporation and its assigns may exercise the remedies provided in the Lease Agreement.

Section 6. County's Interest in the Site and the Facility. The City covenants that it is the owner in fee of the Site and the Facility.

Section 7. Assignments and Subleases. Unless the City shall be in default under the Lease Agreement, the Corporation may not assign its rights under this Site and Facility Lease or sublet the Site or the Facility, except as provided in the Lease Agreement, without the prior written consent of the District and AGM.

Section 8. Right of Entry. The City reserves the right for any of its duly authorized representatives to enter upon the Site and the Facility at any reasonable time to inspect the same or to make any repairs, improvements or changes necessary for the preservation thereof.

Section 9. Termination. The Corporation agrees, upon the termination of this Site and Facility Lease, to quit and surrender the Site and the Facility in the same good order and condition as the same were in at the time of commencement of the term hereunder, reasonable wear and tear excepted, and agrees that any permanent improvements and structures existing upon the Site at the time of the termination of this Site and Facility Lease shall remain thereon and title thereto shall vest in the City.

Section 10. Default. In the event the Corporation shall be in default in the performance of any obligation on its part to be performed under the terms of this Site and Facility Lease, which default continues for thirty (30) days following notice and demand for correction thereof to the Corporation, the City may exercise any and all remedies granted by law, except that no merger of this Site and Facility Lease and of the Lease Agreement shall be deemed to occur as a result thereof and the City shall have no right to terminate this Site and Facility Lease as a remedy for such default; *provided, however*, that so long as any Certificates are Outstanding and unpaid in accordance with the terms thereof, the Lease Payments assigned by the Corporation to the Trustee under the Assignment Agreement shall continue to be paid to the Trustee.

Section 11. Quiet Enjoyment. The Corporation, at all times during the term of this Site and Facility Lease, shall peaceably and quietly have, hold and enjoy all of the Site subject to the provisions of the Lease Agreement and the Trust Agreement.

Section 12. Waiver of Personal Liability. All liabilities under this Site and Facility Lease on the part of the Corporation are solely liabilities of the Corporation and the City hereby releases each and every, member, director, officer, employee and agent of the Corporation of and from any personal or individual liability under this Site and Facility Lease. No member, director, officer, employee or agent of the Corporation shall at any time or under any



circumstances be individually or personally liable under this Site and Facility Lease for anything done or omitted to be done by the Corporation hereunder.

Section 13. Taxes. All assessments of any kind or character and also all taxes, including possessory interest taxes, levied or assessed upon the Site and the Facility (including both land and improvements) will be paid in accordance with the Lease Agreement.

Section 14. Eminent Domain. In the event the whole or any part of the Site or the Facility thereon is taken by eminent domain proceedings, the interest of the Corporation shall be recognized and is hereby determined to be the amount of the then unpaid Certificates including the unpaid principal and interest with respect to any then outstanding Certificates and, subject to the provisions of the Lease Agreement, the balance of the award, if any, shall be paid to the City.

Section 15. Use of the Proceeds. The City and the Corporation hereby agree that the lease to the Corporation of the City's right and interest in the Site and the Facility pursuant to Section 1 serves the public purposes of the City by providing funds to enable the City to defease the 2002 Certificates and prepay the 2013 Lease.

Section 16. Partial Invalidity. If any one or more of the terms, provisions, covenants or conditions of this Site and Facility Lease shall, to any extent, be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding, order or decree of which becomes final, none of the remaining terms, provisions, covenants and conditions of this Site and Facility Lease shall be affected thereby, and each provision of this Site and Facility Lease shall be valid and enforceable to the fullest extent permitted by law.

Section 17. Notices. All notices, statements, demands, consents, approvals, authorizations, offers, designations, requests or other communications hereunder by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if delivered personally or if mailed by United States registered mail, return receipt requested, postage prepaid, and, if to the City, addressed to the City in care of the City Manager, City of Porterville, 291 North Main Street, Porterville, CA 93257, or if to the Corporation, addressed to the Corporation in care of the City Manager of the City, City of Porterville, 291 North Main Street, Porterville, CA 93257, if to AGM, addressed to Assured Guaranty Municipal Corp., 31 West 52nd Street, New York, New York 10019, Attention: Managing Director – Surveillance, Re: Policy No. \_\_\_\_\_-N, Telephone: (212) 974-0100; Fax: (212) 339-3556, or to such other addresses as the respective parties may from time to time designate by notice in writing.

Section 18. Binding Effect. This Site and Facility Lease shall inure to the benefit of and shall be binding upon the City and the Corporation and their respective successors and assigns. AGM shall be deemed to be a third party beneficiary of this Site and Facility Lease.

Section 19. Amendment. This Site and Facility Lease may not be amended except as permitted under Section 10.01 of the Trust Agreement.

Section 20. Section Headings. All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Site and Facility Lease.

Section 21. Applicable Law. This Site and Facility Lease shall be governed by and construed in accordance with the laws of the State of California.

Section 22. Execution in Counterparts. This Site and Facility Lease may be executed in any number of counterparts, each of which shall be deemed to be an original but all together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the City and the Corporation have caused this Site and Facility Lease to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

CITY OF PORTERVILLE

By \_\_\_\_\_  
John D. Lollis  
City Manager

Attest:

\_\_\_\_\_  
Patrice Hildreth  
Chief Deputy City Clerk

PORTERVILLE PUBLIC IMPROVEMENT  
CORPORATION

By \_\_\_\_\_  
John D. Lollis  
Executive Director

Attest:

\_\_\_\_\_  
Patrice Hildreth  
Deputy Secretary

[NOTARY ACKNOWLEDGMENTS TO BE ATTACHED]

**EXHIBIT A**  
**DESCRIPTION OF THE SITE**

All that certain real property situated in Tulare County, State of California, described as follows:

PARCEL 1: (POLICE STATION)

THE EAST 65 FEET OF THE NORTH 47 FEET OF LOT 1 IN BLOCK 7 OF B. HOCKETT'S ADDITION, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 3 OF MAPS, PAGE 28, TULARE COUNTY RECORDS.

APN: PORTION OF 252-176-008

PARCEL 2: (POLICE STATION)

THE WEST 45 FEET OF LOT 1 AND THE NORTH 20 FEET OF THE WEST 45 FEET OF LOT 2 IN BLOCK 7 OF B. HOCKETT'S ADDITION TO PORTERVILLE, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 3 OF MAPS, PAGE 28, TULARE COUNTY RECORDS.

APN: PORTION OF 252-176-008

PARCEL 3: (POLICE STATION)

THOSE PORTIONS OF LOT 1 AND 2 IN BLOCK 7 OF B. HOCKETT'S ADDITION, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 3 OF MAPS, PAGE 28, TULARE COUNTY RECORDS, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT 47 FEET SOUTH OF THE NORTHEAST CORNER OF SAID LOT 1; THENCE WEST 65 FEET; THENCE SOUTH 33 FEET; THENCE EAST 65 FEET; THENCE NORTH 33 FEET TO THE POINT OF BEGINNING.

APN: PORTION OF 252-176-008

PARCEL 4: (POLICE STATION)

THE SOUTH 40 FEET OF LOT 2 AND ALL OF LOTS 3 AND 4 IN BLOCK 7 OF B. HOCKETT'S ADDITION, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 3 OF MAPS, PAGE 28, TULARE COUNTY RECORDS.

APN: PORTION OF 252-176-008

PARCEL 5: (POLICE STATION)

LOTS 3, 4, 5 AND 6 IN BLOCK 3 OF HOCKETT AND PARKHURST NORTH EXTENSION TO THE CITY OF PORTERVILLE, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 5 OF MAPS, PAGE 53, TULARE COUNTY RECORDS.

APN: PORTION OF 252-176-008

PARCEL 6: (POLICE STATION)

LOTS 1 AND 2 IN BLOCK 3 OF HOCKETT AND PARKHURST NORTH EXTENSION OF PORTERVILLE, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 5 OF MAPS, PAGE 53, TULARE COUNTY RECORDS.

APN: PORTION OF 252-176-008

PARCEL 7: (POLICE STATION)

LOTS 7 AND 8 IN BLOCK 3 OF HOCKETT AND PARKHURST NORTH EXTENSION, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 5 OF MAPS, PAGE 53, TULARE COUNTY RECORDS.

APN: PORTION OF 252-176-008

PARCEL 8: (FIRE STATION #2 AND CORPORATION YARD)

LOTS 75 AND 78 OF PIONEER LAND COMPANY'S FIRST SUBDIVISION, SUBDIVISION, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF RECORDED IN BOOK 3, PAGE 34 OF MAPS, TULARE COUNTY RECORDS.

EXCEPTING THE WEST 40 FEET OF SAID LOT 75.

MEMO: BY ORDER OF BOARD OF SUPERVISORS OF TULARE COUNTY, THE EAST 10 FEET AND THE WEST 10 FEET OF GRAND AVENUE LYING BETWEEN LOTS 78 AND 79 WAS ABANDONED.

APN: 251-360-001

PARCEL 9: (CITY HALL)

LOTS 1, 2, 3 AND 4 IN BLOCK 2 OF PIONEER AND MURPHY'S ADDITION, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 4 OF MAPS, PAGE 29, TULARE COUNTY RECORDS.

NOTE: BY ORDER OF THE CITY OF PORTERVILLE THAT PORTION OF DIVISION STREET LYING ALONG THE WEST LINE OF BLOCK 2 WAS ABANDONED BY RESOLUTIONS RECORDED JUNE 12, 1956 IN BOOK 1929, PAGE 318 AND NOVEMBER 26, 1979 IN BOOK 3717, PAGE 650, OFFICIAL RECORDS.

APN: 253-191-001

PARCEL 10: (HERITAGE CENTER AND HERITAGE PARK)

THAT PORTION OF THE NORTHWEST QUARTER OF SECTION 36, TOWNSHIP 21 SOUTH, RANGE 27 EAST, MOUNT DIABLO BASE AND MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

COMMENCING AT THE POINT OF INTERSECTION OF THE NORTHEASTERLY LINE OF ORANGE AVENUE WITH THE EAST LINE OF WALLACE STREET SAID NORTHEASTERLY LINE OF ORANGE AVENUE BEING A 450.28 FOOT RADIUS CURVE CONCAVE TO THE SOUTHWEST, THE RADIAL LINE THROUGH SAID POINT OF INTERSECTION BEARS NORTH 13° 50' 20" EAST;

THENCE, NORTH 00° 58' 50" EAST, 12.91 FEET ALONG SAID EAST LINE OF WALLACE STREET TO A POINT IN A 579.00 FOOT RADIUS NON-TANGENT CURVE, CONCAVE TO THE SOUTH, A RADIAL TO SAID POINT BEARS NORTH 12° 37' 07" EAST, SAID POINT BEING THE TRUE POINT OF BEGINNING OF THE PARCEL TO BE DESCRIBED;

THENCE, EASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 13° 00' 05", AN

ARC DISTANCE OF 131.38 FEET, TO THE BEGINNING OF A 90.67 FOOT RADIUS COMPOUND CURVE, CONCAVE TO THE SOUTHWEST, A RADIAL TO SAID BEGINNING BEARS NORTH 25° 37' 12" EAST;

THENCE, SOUTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 24° 29' 08" AN ARC DISTANCE OF 38.75 FEET, TO THE BEGINNING OF A 90.67 FOOT RADIUS REVERSE CURVE, CONCAVE TO THE NORTHEAST, A RADIAL TO SAID BEGINNING BEARS SOUTH 50° 06' 20" WEST;

THENCE, SOUTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 17° 55' 24" AN ARC DISTANCE OF 28.36 FEET, TO THE BEGINNING OF A 567.00 FOOT RADIUS REVERSE CURVE, CONCAVE TO THE SOUTHWEST, A RADIAL TO SAID BEGINNING BEARS NORTH 32° 10' 56" EAST;

THENCE SOUTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 10° 10' 52" AN ARC DISTANCE OF 100.75 FEET;

THENCE, TANGENT TO SAID CURVE, SOUTH 47° 38' 12" EAST, 10.78 FEET;

THENCE, NORTH 40° 33' 11" EAST, 86.80 FEET;

THENCE, NORTH 49° 26' 49" WEST, 141.91 FEET;

THENCE, NORTH 40° 33' 11" EAST, 156.95 FEET;

THENCE, NORTH 04° 26' 49" WEST, 45.21 FEET;

THENCE, NORTH 40° 33' 11" EAST, 36.20 FEET;

THENCE, SOUTH 85° 33' 11" WEST, 91.51 FEET;

THENCE, NORTH 49° 26' 49" WEST, 44.73 FEET;

THENCE, NORTH 29° 02' 14" EAST, 206.52 FEET;

THENCE, NORTH 38° 31' 29" EAST, 187.65 FEET TO A POINT IN THE WEST LINE OF PARCEL 1 OF PARCEL MAP NO. 3371 PER MAP RECORDED IN BOOK 34 PAGE 73 OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, SAID POINT BEING NORTH 00° 06' 48" WEST, 32.00 FEET TO THE SOUTHWEST CORNER OF SAID PARCEL 1;

THENCE, NORTH 00° 06' 48" WEST, 497.67 FEET ALONG THE WEST LINE OF SAID PARCEL 1 AND THE MOST NORTHERLY EAST LINE OF PARCEL 2 OF SAID PARCEL MAP NO. 3371 TO THE MOST NORTHERLY NORTHEAST CORNER OF SAID PARCEL 2;

THENCE, SOUTH 89° 53' 14" WEST, 515.73 FEET ALONG THE NORTH LINE OF SAID PARCEL 2 AND ALONG THE SOUTH LINE OF PARCEL 1 OF PARCEL MAP NO. 2207 PER MAP RECORDED IN BOOK 23 PAGE 8 OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TO THE SOUTHWEST CORNER OF PARCEL 1 OF SAID PARCEL MAP NO. 2207 SAID SOUTHWEST CORNER BEING THE BEGINNING OF A 1810.08 FOOT RADIUS NON-TANGENT CURVE, CONCAVE TO THE EAST, A RADIAL TO SAID BEGINNING BEARS SOUTH 83° 48' 03" WEST;

THENCE, NORTHERLY, ALONG THE WEST LINE OF PARCEL 1 OF SAID PARCEL MAP NO. 2207 AND ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 04° 07' 06" AN ARC DISTANCE OF 130.11 FEET;

THENCE, TANGENT TO SAID CURVE, NORTH 02° 04' 51" WEST, 190.34 FEET TO THE NORTHWEST CORNER OF PARCEL 1 OF SAID PARCEL MAP NO. 2207;

THENCE, SOUTH 89° 51' 03" WEST, 176.76 FEET ALONG THE SOUTH LINE OF OLIVE AVENUE TO A POINT IN THE WEST LINE OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 36;

THENCE SOUTH 01° 12' 49" WEST, 1025.73 FEET TO THE SOUTHWEST CORNER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 36, SAID POINT ALSO BEING THE NORTHWEST CORNER OF PARCEL 1 OF PARCEL MAP NO. 2391 PER MAP RECORDED IN BOOK 24 PAGE 92 OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY;

THENCE, SOUTH 01° 04' 26" WEST, 60.30 FEET TO AN ANGLE POINT IN THE WEST AND SOUTHWESTERLY LINE OF PARCEL 1 OF SAID PARCEL MAP NO. 2391;

THENCE, SOUTH 46° 57' 44" EAST, 311.66 FEET ALONG THE SOUTHWESTERLY LINE OF PARCEL 1 OF SAID PARCEL MAP NO. 2391 TO A POINT IN THE WEST LINE OF WALLACE STREET;

THENCE, NORTH 00° 59' 46" EAST, 15.73 FEET ALONG THE WEST LINE OF WALLACE STREET;

THENCE, SOUTH 49° 12' 16" EAST, 103.87 FEET TO A POINT IN THE EAST LINE OF WALLACE STREET;

THENCE, SOUTH 00° 58' 50" WEST, 11.59 FEET TO THE TRUE POINT OF BEGINNING.

THE BASIS OF BEARINGS FOR THE PURPOSE OF THIS DESCRIPTION IS SOUTH 89° 25' 17" EAST, FOR THE SOUTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 36 AS SHOWN ON THE RECORD OF SURVEY RECORDED IN BOOK 21 PAGE 68 OF LICENSED SURVEYS, TULARE COUNTY RECORDS.

EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON AND MINERAL SUBSTANCES LYING NOT LESS THAN THREE HUNDRED (300) FEET BELOW THE SURFACE OF SAID REAL PROPERTY, PROVIDED THAT SANTA FE LAND IMPROVEMENT COMPANY, ITS SUCCESSORS AND ASSIGNS, SHALL NOT HAVE THE RIGHT TO GO UPON THE SURFACE OF SAID LAND FOR THE PURPOSE OF EXTRACTING SAID OIL, GAS OR OTHER HYDROCARBON AND MINERAL SUBSTANCES, NOR FOR ANY PURPOSE IN CONNECTION THEREWITH, BUT SHALL HAVE THE RIGHT TO EXTRACT AND REMOVE SAID OIL, GAS AND OTHER HYDROCARBON AND MINERAL SUBSTANCES BY MEANS WHICH SHALL NOT REQUIRE ENTRY UPON THE SURFACE OF SAID LAND, AS RESERVED IN DEED DATED DECEMBER 6, 1978, AND RECORDED JANUARY 30, 1979 IN BOOK 3617, PAGE 357, FILE NO. 6079, OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM ALL MINERALS CONTAINED IN THE ABOVE DESCRIBED LAND, INCLUDING WITHOUT LIMITING THE GENERALITY THEREOF, OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, AS WELL AS METALLIC OR OTHER SOLID MINERALS, PROVIDED THAT SANTA FE SHALL NOT HAVE THE RIGHT TO GO UPON OR USE THE SURFACE OF SAID LAND, OR ANY PART THEREOF, FOR THE PURPOSE OF DRILLING FOR MINING, OR OTHERWISE REMOVING, ANY OF SAID MINERALS. SANTA FE MAY, HOWEVER, AND HEREBY RESERVES THE RIGHT TO REMOVE ANY OF SAID MINERALS FROM SAID LAND BY MEANS OF WELLS, SHAFTS, TUNNELS, OR OTHER MEANS OF ACCESS TO SAID MINERALS WHICH MAY BE CONSTRUCTED, DRILLED OR DUG FROM OTHER LAND, PROVIDED THAT THE EXERCISE OF SUCH RIGHTS BY SANTA FE SHALL IN NO WAY INTERFERE WITH OR IMPAIR THE USE OF THE SURFACE OF THE LAND HEREBY CONVEYED OR OF ANY IMPROVEMENTS THEREON, AS RESERVED BY THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY IN DEED RECORDED OCTOBER 19, 1980 IN BOOK 3806, PAGE 346 AS FILE NO. 49665 OF OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM ALL OWNERSHIP RIGHTS TO THE ENTIRE MINERAL ESTATE BELOW THE PROPERTY, BELOW A DEPTH OF 25 FEET, INCLUDING WITHOUT LIMITATION, ALL OIL, PETROLEUM, GAS AND OTHER MINERALS, WHETHER GASEOUS, LIQUID OR SOLID, IN AND UNDER THE ABOVE-DESCRIBED PREMISES, BELOW A DEPTH OF 25 FEET. SUCH RIGHTS SHALL INCLUDE SURFACE AND SUBSURFACE ACCESS EASEMENTS, RIGHTS TO CONSTRUCT, MAINTAIN AND OPERATE SURFACE AND SUBSURFACE FACILITIES, AND OTHER RIGHTS TO

DEVELOP AND EXTRACT OIL, PETROLEUM, GAS OR ANY OTHER MINERAL, EXCEPT THAT GRANTOR (1) SHALL NOT, WITHOUT PRIOR WRITTEN CONSENT FROM GRANTEE, WHICH CONSENT SHALL NOT BE UNREASONABLY WITHHELD OR DELAYED, HAVE ANY RIGHT TO ENTER THE SURFACE OF THE PROPERTY, FOR PURPOSES OF EXPLORATION, DEVELOPMENT OR EXTRACTION OF SUCH MINERALS; (2) SHALL NOT IN EXERCISING THESE RIGHTS MORE THAN MINIMALLY INTERFERE WITH GRANTEE'S USE OF THE PROPERTY; AND (3) PRIOR TO THE EXERCISE OF THESE RIGHTS, SHALL PROVIDE ADEQUATE LIABILITY PROTECTION TO GRANTEE, IN THE FORM OF GENERAL LIABILITY INSURANCE OBTAINED (OR EXTENDED), AT THE SOLE COST OF GRANTOR, NAMING GRANTEE AS AN INSURED PARTY, UPON SUCH TERMS AS ARE THEN REASONABLE AND CUSTOMARY, UNLESS GRANTOR, IN THE REASONABLE OPINION OF GRANTEE, POSSESSES THE FINANCIAL CAPABILITY TO FUND SUCH LIABILITY PROTECTION AS A SELF-INSURED ENTITY, UNDER THAN REASONABLE AND CUSTOMARY STANDARD, FOR ANY LOSSES OR DAMAGES REASONABLY LIKELY TO BE SUSTAINED BY GRANTEE AS A RESULT OF GRANTOR'S EXERCISE OF THESE RIGHTS. IN ADDITION, ANY SURFACE OR SUBSURFACE FACILITIES CONSTRUCTED, OR EQUIPPED USED, BY GRANTOR IN THE COURSE OF GRANTOR'S EXERCISE OF THESE RIGHTS, SHALL BE CONSTRUCTED AND USED IN A MANNER THAT RESULTS IN NO MORE THAN MINIMAL INTERFERENCE WITH GRANTEE'S USE OF THE PROPERTY, AS RESERVED IN THE DEED RECORDED DECEMBER 29, 1992, AS DOCUMENT NO. 92-094547, AND RECORDED OCTOBER 18, 1994 AS DOCUMENT NO. 94-074651, OFFICIAL RECORDS.

APN: 261-150-056; 261-130-008 and 261-140-024

PARCEL 11: (CENTENNIAL PLAZA)

LOTS 6, 7 AND 8 OF BLOCK 7 OF PIONEER & MURPHY'S ADDITION IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN VOLUME 4 OF MAPS AT PAGE 29, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 253-192-05

PARCEL 12 (FIRE STATION #1 AND LIBRARY)

LOTS 1, 2, 3 AND 4 IN BLOCK 3 OF HOCKETT'S ADDITION, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF RECORDED IN BOOK 3, PAGE 28 OF MAPS, IN THE OFFICE OF THE RECORDER OF SAID COUNTY. TOGETHER WITH THAT PORTION OF DIVISION AVENUE AS VACATED BY AN INSTRUMENT RECORDED NOVEMBER 26, 1979 IN BOOK 3717 PAGE 650, AS INSTRUMENT NO. 69289, OF OFFICIAL RECORDS.

APN: 252-184-001

PARCEL 13 (MURRAY PARK)

COMMENCING AT THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 25, TOWNSHIP 21 SOUTH RANGE 27 EAST MOUNT DIABLO BASE AND MERIDIAN, THENCE EAST ALONG SOUTH LINE OF SECTION 25 (VARIATION 14 35' E.) TWO HUNDRED NINETY-SIX AND 5/10 (296.5) FEET, THENCE NORTH FIFTEEN (15) DEGREES EAST, ONE HUNDRED THIRTY-EIGHT AND 5/10 (138.5) FEET, NORTH THIRTY-FIVE (35) DEGREES EAST ONE HUNDRED (100) FEET, NORTH THIRTY (30) DEGREES EAST FIFTY (50) FEET, NORTH TWENTY-FIVE (25) DEGREES EAST, FIFTY (50) FEET, NORTH TWENTY (20) DEGREES EAST FIFTY (50) FEET, NORTH TWENTY-FIVE (25) DEGREES EAST FIFTY (50) FEET, NORTH THIRTY (30) DEGREES EAST, FIFTY (50) FEET, NORTH THIRTY-FIVE (35) DEGREES EAST FIFTY (50) FEET, NORTH FORTY (40) DEGREES EAST FIFTY (50) FEET, NORTH FIFTY (50) DEGREES EAST TWENTY-FIVE (25) FEET, NORTH SIXTY (60) DEGREES EAST TWENTY-FIVE (25) FEET, NORTH SEVENTY (70) DEGREES EAST TWENTY-FIVE (25) FEET, NORTH EIGHTY (80) DEGREES EAST TWENTY-FIVE (25) FEET, NORTH FIFTY-SIX (56) DEGREES EAST TWENTY-FIVE (25) FEET, NORTH THIRTY-TWO (32) DEGREES EAST TWENTY-FIVE (25) FEET, NORTH EIGHT (8) DEGREES EAST TWENTY-FIVE (25) FEET, NORTH SIXTEEN (16) DEGREES WEST ONE HUNDRED (100) FEET, NORTH FOUR (4)



DEGREES WEST FIFTY (50) FEET, NORTH EIGHT (8) DEGREES EAST FIFTY (50) FEET, NORTH TWENTY (20) DEGREES EAST FIFTY (50) FEET, NORTH THIRTY TWO (32) DEGREES EAST FIFTY (50) FEET, NORTH TEN (10) DEGREES EAST FIFTY (50) FEET, EAST TWO HUNDRED AND ELEVEN (211) FEET, NORTH THREE HUNDRED AND SEVENTY (370) FEET, WEST NINE HUNDRED FIFTY-TWO AND 6/10 (952.6) FEET TO NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF SOUTHEAST QUARTER OF SAID SECTION 25, THENCE SOUTH THIRTEEN HUNDRED TWENTY-SIX (1326 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM A STRIP OF LAND DESCRIBED AS FOLLOWS: COMMENCING AT A POINT TWO HUNDRED AND FIFTY (250) FEET EAST AND FOUR HUNDRED NINETY-ONE (491) FEET SOUTH OF THE NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 25, TOWNSHIP 21 SOUTH RANGE 27 EAST, MOUNT DIABLO BASE AND MERIDIAN, THENCE EAST TWO HUNDRED TEN (210) FEET TO THE EAST BANK OF PIONEER DITCH, SOUTHWEST ALONG EAST BANK OF SAID DITCH SIXTY-THREE (63) FEET, THENCE NORTHWESTERLY TO POINT OF BEGINNING.

APN: 253-100-031 PORTION

PARCEL 14 (MURRAY PARK)

COMMENCING AT A POINT 250 FEET EAST AND 491 FEET SOUTH OF THE NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION TWENTY FIVE (25), TOWNSHIP 21 SOUTH, RANGE 27 EAST M.D.B.&M.; THENCE EAST ALONG THE SOUTH LINE OF THE LANDS OF A. LESLIE 210 FEET; THENCE SOUTHWESTERLY 63 FEET; AND THENCE NORTHWESTERLY 187 FEET TO BEGINNING.

APN: 253-100-031 PORTION

PARCEL 15 (MURRAY PARK)

THE EAST HALF OF THE EAST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 25, TOWNSHIP 21 SOUTH, RANGE 27 EAST, M. D. B. & M., IN THE COUNTY OF TULARE, STATE OF CALIFORNIA.

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED REAL PROPERTY; THAT PART OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 25, TOWNSHIP 21 SOUTH, RANGE 27 EAST, M. D. B. & M., DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE EAST LINE OF SAID SOUTHEAST QUARTER OF SAID SOUTHEAST QUARTER OF SAID SECTION 25; 321.4 FEET SOUTH OF THE NORTHEAST CORNER OF SAID SOUTHEAST QUARTER OF SAID SOUTHEAST QUARTER; THENCE SOUTH ALONG THE EAST LINE OF SAID SOUTHEAST QUARTER OF SAID SOUTHEAST QUARTER 163 FEET; THENCE WEST AND PARALLEL WITH THE NORTH LINE OF SAID SOUTHEAST QUARTER OF SAID SOUTHEAST QUARTER 204 FEET; THENCE NORTH AND PARALLEL TO THE EAST LINE OF SAID SOUTHEAST QUARTER OF SAID SOUTHEAST QUARTER 163 FEET; THENCE EAST 204 FEET MORE OR LESS TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THE SOUTH TWENTY (20) FEET AS DEEDED TO THE COUNTY OF TULARE, BY AN INSTRUMENT RECORDED MAY 24, 1930 IN BOOK 379 PAGE 320 OF OFFICIAL RECORDS.

APN: 253-100-031 PORTION

PARCEL 16 (MURRAY PARK)

LOTS 1-11 OF SIERRA HEIGHTS, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 8 PAGE 79 OF MAPS, IN THE OFFICE OF THE

COUNTY RECORDER OF SAID COUNTY

APN: 253-100-031 PORTION

PARCEL 17 (MURRAY PARK)

THAT PORTION OF LOT 12 OF SIERRA HEIGHTS, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 8 PAGE 79 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF TULARE COUNTY, DESCRIBED AS FOLLOWS, TO-WIT; BEGINNING AT THE SOUTHEAST CORNER OF LOT 12, THENCE NORTH 210 FEET TO THE NORTHEAST CORNER OF AID LOT 12; THENCE WEST ALONG THE NORTH LINE OF SAID LOT 12, 54.03 FEET THENCE SOUTH TO A POINT ON THE SOUTH LINE OF LOT 12, 54.40 FEET WEST OF THE SOUTHEAST CORNER OF SAID LOT 12; THENCE EAST 54.40 FEET TO THE POINT OF BEGINNING.

APN: 253-100-031 PORTION

PARCEL 18 (MURRAY PARK)

LOT 18 OF SIERRA HEIGHTS, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 8 PAGE 79 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

APN: 253-100-031 PORTION

## EXHIBIT B

### DESCRIPTION OF THE FACILITY

The Facility consists of:

1. **City Hall**, located at 291 North Main Street in Porterville. Constructed in 1968 and renovated in 1990. Total square footage is 25,908.
2. **Police Station**, located at 350 North D Street in Porterville. Constructed in 1988. Total square footage is 16,300.
3. **Fire Station No. 1**, located at 40 West Cleveland Avenue in Porterville. Constructed in 1936 and renovated in 1964 and 1987.
4. **Library**, located at 41 West Thurman Avenue in Porterville. Constructed in 1974.
5. **Fire Station No. 2**, located at 500 North Newcomb Street in Porterville. Constructed in 1991. Total square footage is 4,830.
6. **Corporation Yard**, located at 555 North Prospect Street in Porterville. Constructed in 1980 and renovated in 1988, 1990 and 2007. Total square footage is 26,180.
7. **Murray Park**, located on Putnam Avenue in Porterville. Constructed in 2009.
8. **Heritage Center**, located at 256 East Orange Avenue in Porterville. Constructed in 2005. Total square footage is 10,037.
9. **Centennial Plaza**, located at 298 North Main Street in Porterville. Constructed in 2006. Total square footage is 13,219.

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**LEASE AGREEMENT**

**Dated as of June 1, 2015**

**by and between the**

**PORTERVILLE PUBLIC IMPROVEMENT CORPORATION, as Lessor**

**and the**

**CITY OF PORTERVILLE, as Lessee**

---

Relating to:

\$22,650,000

CERTIFICATES OF PARTICIPATION

(2015 Refinancing Project)

Evidencing Direct, Undivided Fractional Interests of the  
Owners Thereof in Lease Payments to be Made by the

CITY OF PORTERVILLE, CALIFORNIA

As the Rental for Certain Property Pursuant to a Lease Agreement  
with the Porterville Public Improvement Corporation

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## LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease Agreement"), dated for convenience as of June 1, 2015, by and between the PORTERVILLE PUBLIC IMPROVEMENT CORPORATION, a nonprofit, public benefit corporation organized and existing under the laws of the State of California, as lessor (the "Corporation"), and the CITY OF PORTERVILLE, a municipal corporation and chartered city, duly organized and existing under and by virtue of the laws of the State of California, as lessee (the "City");

### WITNESSETH:

WHEREAS, pursuant to that certain Site and Facility Lease, dated as of June 1, 2015 (the "Site and Facility Lease"), the City has leased those certain parcels of real property situated in Tulare County, State of California, more particularly described in Exhibit A attached hereto and made a part hereof (the "Site"), and those certain improvements thereon, more particularly described in Exhibit B hereto (the "Facility" and, with the Site, the "Property"), to the Corporation, all for the purpose of enabling the City to (a) provide for the defeasance of the City's outstanding Certificates of Participation (2002 Public Building Refunding Project) (the "2002 Certificates"), and (a) provide for the prepayment of a lease agreement, dated as of April 1, 2013, by and between the Corporation and the City, which has been assigned to Rabobank, N.A. (the "2013 Lease");

WHEREAS, the Corporation proposes to lease the Property to the City pursuant to this Lease Agreement and to assign its right to receive lease payments under this Lease Agreement (the "Lease Payments"), its right to enforce payment of the Lease Payments and otherwise to enforce its interest and rights under this Lease Agreement in the event of a default hereunder by the City, to U.S. Bank National Association, as trustee (the "Trustee"), pursuant to that certain Assignment Agreement, dated as of June 1, 2015, by and between the Corporation and the Trustee;

WHEREAS, pursuant to that certain Trust Agreement, dated as of June 1, 2015, by and among the City, the Corporation and the Trustee, the Trustee will execute and deliver certificates of participation (the "Certificates") in the Lease Payments; and

WHEREAS, the proceeds of the Certificates, together with other available moneys, will be applied by the City to (a) defease the 2002 Certificates, (b) prepay the 2013 Lease, (c) purchase a reserve fund municipal bond insurance policy in lieu of cash funding a reserve fund for the Certificates, and (d) pay delivery costs incurred in connection with the execution, delivery and sale of the Certificates;

NOW, THEREFORE, for and in consideration of the premises and the material covenants hereinafter contained, the parties hereto hereby formally covenant, agree and bind themselves as follows:



## ARTICLE I

### DEFINITIONS AND EXHIBITS

Section 1.1. Definitions. Unless the context clearly otherwise requires or unless otherwise defined herein, the capitalized terms in this Lease Agreement shall have the respective meanings specified in Section 1.01 of the Trust Agreement, dated as of June 1, 2015, by and among the City, the Corporation and the Trustee.

Section 1.2. Exhibits. The following exhibits are attached to, and by this reference made a part of, this Lease Agreement:

Exhibit A: The description of the Site.

Exhibit B: The description of the Facility.

Exhibit C: The schedule of Lease Payments to be paid by the City hereunder with respect to the Property, showing the Lease Payment Date and amount of each such Lease Payment.

## ARTICLE II

### REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.1. Representations, Covenants and Warranties of the City. The City represents, covenants and warrants to the Corporation and AGM as follows:

(a) *Due Organization and Existence.* The City is a political subdivision, duly organized and existing under and by virtue of the laws of the State.

(b) *Authorization.* The laws of the State authorize the City to enter into the Site and Facility Lease, this Lease Agreement and the Trust Agreement and to enter into the transactions contemplated by and to carry out the City's obligations under all of the aforesaid agreements, the City has duly authorized and executed all of the aforesaid agreements and such agreements constitute the legal, valid and binding agreements of the City, enforceable against the City in accordance with their respective terms.

(c) *No Violations.* Neither the execution and delivery of the Site and Facility Lease, this Lease Agreement or the Trust Agreement, the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction, agreement or instrument to which the City is now a party or by which the City is bound, constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrances whatsoever upon any of the property or assets of the City, or upon the Property, except Permitted Encumbrances.

(d) *Execution and Delivery.* The City has duly authorized and executed this Lease Agreement in accordance with all applicable laws.

(e) Use of the Property. During the Term of the Lease Agreement, the Property will be used by the City only for the purpose of performing one or more governmental or proprietary functions of the City consistent with the permissible scope of the City's authority.

(f) Essential Facilities. The Property being leased hereunder is essential to the fulfillment of the City's governmental purposes.

(g) Encumbrances. No lien or encumbrance on the Property materially impairs the City's use of the Property for the purposes for which it is, or may reasonably be expected to be, held. The Site and Facility Lease and this Lease Agreement are the only leases that encumber the Property.

(h) Useful Life. Each building located on the Property has a remaining useful life that extends to at least June 1, 2045.

(i) Flooding Risk. To the best of the City's knowledge, the Property is not located in a "Special Flood Hazard Area" shown on a Flood Hazard Boundary Map or a Flood Insurance Rate Map used in connection with the National Flood Insurance Program and has not been subject to material damage from flooding within the last ten (10) years.

(j) Hazardous Substances. To the best of the City's knowledge, the Property is free of all Hazardous Substances that would impair the City's use of the Property for the purposes for which it is, or may reasonably be expected to be, held or that will materially adversely affect the ability of the City to perform its obligations under the Site and Facility Lease and this Lease Agreement.

(k) No Defaults. At no time in the last ten (10) years has the City failed to appropriate funds for or defaulted under any of its payment or performance obligations or covenants, either under any financing lease of the same general nature as this Lease Agreement, or under any of its bonds, notes, or other debt obligations.

(l) Value of Leased Property. The insured value of the Property is \$25,512,200.

(m) Financial Condition. The financial statements of the City for the year ended June 30, 2014, supplied to the Original Purchaser, (i) were prepared in accordance with generally accepted accounting principles, consistently applied, and (ii) fairly present the City's financial condition as of the date of the statements. Other than as described in such financial statements or otherwise disclosed to the Original Purchaser or its assignee, there has been no material adverse change in the City's financial condition subsequent to June 30, 2014.

Section 2.2. Representations, Covenants and Warranties of Corporation. The Corporation represents, covenants and warrants to the City and AGM as follows:

(a) *Due Organization and Existence.* The Corporation is a nonprofit, public benefit corporation, organized and existing under and by virtue of the laws of the State; has power to enter into the Site and Facility Lease, this Lease Agreement, the Assignment Agreement and the Trust Agreement; is possessed of full power to own and hold, improve and equip real and personal property and to lease and sell the same; has duly authorized the execution and delivery of all of the aforesaid agreements and such agreements constitute the legal, valid and binding agreements of the Corporation, enforceable against the Corporation in accordance with their respective terms.

(b) *No Encumbrances.* The Corporation will not pledge the Lease Payments or other amounts derived from the Property and from its other rights under this Lease Agreement and will not mortgage or encumber the Property, except as provided under the terms of this Lease Agreement and the Trust Agreement.

(c) *No Violations.* Neither the execution and delivery of the Site and Facility Lease, this Lease Agreement, the Assignment Agreement or the Trust Agreement, the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Corporation is now a party or by which the Corporation is bound, constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the Corporation, or upon the Property, except Permitted Encumbrances.

(d) *No Assignments.* Except as provided herein, the Corporation will not assign this Lease Agreement, its right to receive Lease Payments from the City or its duties and obligations hereunder to any other person, firm or corporation so as to impair or violate the representations, covenants and warranties contained in this Section 2.2.

(e) *Execution and Delivery.* The Corporation has duly authorized and executed this Lease Agreement in accordance with all applicable laws.

### ARTICLE III

#### DEPOSIT OF MONEYS

Section 3.1. Deposit of Moneys. On the Closing Date, the Corporation shall cause to be deposited with the Trustee the net proceeds of sale of the Certificates, of which amounts estimated to be required to pay Delivery Costs shall be deposited in the Delivery Costs Fund, an amount equal to the Reserve Requirement shall be deposited in the Reserve Fund, the amount, together with other moneys, required to defease the 2002 Certificates, shall be transferred to the Escrow Bank for deposit in the Escrow Fund, and the amount required to prepay the 2013 Lease shall be transferred to Rabobank, N.A.

Section 3.2. Payment of Delivery Costs. Payment of Delivery Costs shall be made from the moneys deposited in the Delivery Costs Fund, which moneys shall be disbursed for such purpose in accordance and upon compliance with Section 3.04 of the Trust Agreement.

## ARTICLE IV

### AGREEMENT TO LEASE; TERM OF THIS LEASE AGREEMENT; LEASE PAYMENTS

#### Section 4.1. Lease.

(a) The Corporation hereby leases the Property to the City, and the City hereby leases the Property from the Corporation, upon the terms and conditions set forth in this Lease Agreement.

(b) The leasing of the Property by the City to the Corporation pursuant to the Site and Facility Lease shall not affect or result in a merger of the City's leasehold estate pursuant to this Lease Agreement and its fee estate as lessor under the Site and Facility Lease.

Notwithstanding the foregoing, the Term of the Lease Agreement shall not end so long as any amounts are owed to AGM with respect to the Municipal Bond Insurance Policy, the Reserve Policy or the Insurance Agreement.

#### Section 4.2. Term of Agreement.

(a) The Term of the Lease Agreement shall commence on the Closing Date, and shall end on June 1, 2035, unless such term is extended as hereinafter provided. If, on June 1, 2035, the Trust Agreement shall not be discharged by its terms or if the Lease Payments or Additional Payments, if any, payable hereunder shall have been abated at any time and for any reason, then the Term of the Lease Agreement shall be extended without the need to execute any amendment to this Section 4.2 until there has been deposited with the Trustee an amount sufficient to pay all obligations due under the Lease Agreement, but in no event shall the Term of the Lease Agreement extend beyond June 1, 2045. If, prior to June 1, 2035, the Trust Agreement shall be discharged by its terms, the Term of the Lease Agreement shall thereupon end.

Section 4.3. Possession. The City hereby agrees to accept and take possession of the Property on or prior to the date of recordation of this Lease Agreement. The first Lease Payment shall be due on September 15, 2015.

#### Section 4.4. Lease Payments.

(a) *Obligation to Pay.* Subject to the provisions of Articles VI and X hereof, the City agrees to pay to the Corporation, its successors and assigns, as rental for the use and occupancy of the Property during each Rental Period, the Lease Payments (denominated into components of principal and interest) in the respective amounts specified in Exhibit C hereto, to be due and payable on the respective Lease Payment Dates specified in Exhibit C hereto. Any amount held in the Lease Payment Fund on any Lease Payment Date (other than amounts resulting from the prepayment of the Lease Payments in part but not in whole pursuant to Article X hereof and other than amounts required for payment of Certificates not yet surrendered) shall be credited towards the Lease Payment then due and payable; and no Lease Payment need be made on any Lease Payment Date if the amounts then held in the Lease Payment Fund are at least equal to the Lease Payment then required to be paid. The Lease Payments for the Property payable in any Rental Period shall be for the use of the Property for such Rental Period.

(b) *Effect of Prepayment.* In the event that the City prepays all remaining Lease Payments and all Additional Payments due under Section 4.7 hereof in full pursuant to Article X hereof, subject to Section 4.2(b) hereof, the City's obligations under this Lease Agreement shall

thereupon cease and terminate including, but not limited to, the City's obligation to pay Lease Payments under this Section 4.4; subject however, to the provisions of Section 10.1 hereof in the case of prepayment by application of a security deposit. In the event that the City optionally prepays the Lease Payments in part but not in whole pursuant to Section 10.2 hereof, such prepayment shall be applied to the principal components of the Lease Payments in inverse order of their payment date. In the event that the City optionally prepays the Lease Payments in part but not in whole pursuant to Section 10.3 hereof as a result of any insurance or condemnation award with respect to any portion of the Property, such prepayment shall be applied pro rata to the principal components of the Lease Payments so that following prepayment, the remaining annual Lease Payments will be proportional to the initial annual Lease Payments. The interest component of each remaining Lease Payment shall be reduced by the aggregate corresponding amount of interest that would otherwise be payable with respect to the Certificates thereby redeemed pursuant to Sections 4.01(a) or (b), as the case may be, of the Trust Agreement.

(c) *Rate on Overdue Payments.* In the event the City should fail to make any of the payments required in this Section 4.4, the payment in default shall continue as an obligation of the City until the amount in default shall have been fully paid and the City agrees to pay the same with interest thereon, to the extent permitted by law, from the date of default to the date of payment at the rate per annum payable with respect to the Certificates. Such interest, if received, shall be deposited in the Lease Payment Fund or in the Reserve Fund to replenish the Reserve Fund if withdrawals were made therefrom as a result of the default.

(d) *Fair Rental Value.* The Lease Payments for each Rental Period shall constitute the total rental for each such Rental Period and shall be paid by the City in each Rental Period for and in consideration of the right of the use and occupancy and the continued quiet use and enjoyment of the Property during each Rental Period. The parties hereto have agreed and determined that the total Lease Payments for the Property represent the fair rental value of the Property. In making such determination, consideration has been given to the obligations of the parties under this Lease Agreement, the uses and purposes which may be served by the Property and the benefits therefrom which will accrue to the City and the general public.

(e) *Source of Payments; Budget and Appropriation.* Lease Payments shall be payable from any source of available funds of the City, subject to the provisions of Articles VI and X hereof.

The City covenants to take such action as may be necessary to include all Lease Payments due hereunder in each of its budgets during the Term of the Lease Agreement and to make the necessary annual appropriations for all such Lease Payments and for Additional Payments due under Section 4.7 hereof. To that end, the Council shall direct budgetary staff to include in each annual budget proposal to the Council an appropriation sufficient to pay Lease Payments and Additional Payments. The City hereby expresses its present intent to appropriate Lease Payments and Additional Payments due under Section 4.7 hereof during the Term of the Lease Agreement. The covenants on the part of the City herein contained shall be deemed to be and shall be construed to be duties imposed by law and it shall be the duty of each and every public official of the City to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the City to carry out and perform the covenants and agreements in this Lease Agreement agreed to be carried out and performed by the City.

The finance director and all other officers charged with the duty of preparing and submitting the annual budget of the City to the Board are hereby irrevocably directed, following any draw on the Reserve Policy because the value of the Property has been reduced below the total unpaid principal component of Lease Payments and the City is permitted to pay less than the total scheduled Lease Payment, all in accordance with Section 6.3 (an "Abatement

Period”), to include in the proposed budget and to request that the Board include in the final approved budget, and thereby appropriate, any amounts necessary to reinstate the Reserve Fund Policy, including interest due and any other amounts payable to AGM (collectively, the “Reinstatement Amount”). Such officers shall use their best efforts to obtain such appropriations.

The request for inclusion in the final approved budget and appropriation shall be made in each Fiscal Year following any Abatement Period so long as reimbursement amounts are owed to AGM. Failure by the finance director and other officers to request such inclusion and appropriation shall constitute an Event of Default under this Lease Agreement and AGM may exercise remedies accordingly.

The decision of the Board as to whether or not to approve and appropriate any Reinstatement Amount in any given Fiscal Year during any Abatement Period is in the sound discretion of the Board; the failure of the Board to approve and appropriate the Reinstatement Amount in any given Fiscal Year during any Abatement Period shall not constitute an Event of Default under this Lease Agreement or under the Trust Agreement.

(f) *Assignment.* The City understands and agrees that all Lease Payments have been assigned by the Corporation to the Trustee in trust, pursuant to the Assignment Agreement, for the benefit of the Owners of the Certificates, and the City hereby assents to such assignment. The Corporation hereby directs the City, and the City hereby agrees to pay to the Trustee at the Principal Corporate Trust Office, all payments payable by the City pursuant to this Section 4.4 and all amounts payable by the City pursuant to Article X hereof.

Section 4.5. Quiet Enjoyment. During the Term of the Lease Agreement, the Corporation shall provide the City with quiet use and enjoyment of the Property and the City shall, during such Term, peaceably and quietly have and hold and enjoy the Property without suit, trouble or hindrance from the Corporation, except as expressly set forth in this Lease Agreement. The Corporation will, at the request of the City and at the City’s cost, join in any legal action in which the City asserts its right to such possession and enjoyment to the extent the Corporation may lawfully do so. Notwithstanding the foregoing, the Corporation shall have the right to inspect the Property as provided in Section 7.2. hereof.

Section 4.6. Title. During the Term of the Lease Agreement, the Corporation shall hold leasehold title to the Property and shall hold fee title to those portions of the Property which are newly acquired or constructed and any and all additions which comprise fixtures, repairs, replacements or modifications to the Property, except for those fixtures, repairs, replacements or modifications which are added to the Property by the City at its own expense and which may be removed without damaging the Property and except for any items added to the Property by the City pursuant to Section 5.9 hereof.

If the City prepays the Lease Payments in full pursuant to Article X hereof or makes the security deposit permitted by Section 10.1 hereof, or pays all Lease Payments during the Term of the Lease Agreement as the same become due and payable, subject to Section 4.2(b) hereof, and pays Additional Payments, if any, all right, title and interest of the Corporation in and to the Property shall be terminated. The Corporation agrees to take any and all steps and execute and record any and all documents reasonably required by the City to consummate any such transfer of title.

#### Section 4.7. Additional Payments.

In addition to the Lease Payments, the City shall pay when due the following Additional Payments:

(a) Any fees and expenses incurred by the City in connection with or by reason of its leasehold estate in the Property as and when the same become due and payable.

(b) Any amounts due to the Trustee pursuant to the Trust Agreement for all services rendered under the Trust Agreement and for all reasonable expenses, charges, costs, liabilities, legal fees and other disbursements incurred in and about the performance of its powers and duties under the Trust Agreement.

(c) Any reasonable fees and expenses of such accountants, consultants, attorneys and other experts as may be engaged by the City, the Corporation or the Trustee to prepare audits, financial statements, reports, opinions or provide such other services required under this Lease Agreement or the Trust Agreement.

(d) Any reasonable out-of-pocket expenses of the City in connection with the execution and delivery of this Lease Agreement or the Trust Agreement, or in connection with the execution and delivery of the Certificates, including any and all expenses incurred in connection with the authorization, execution, sale and delivery of the Certificates, or incurred by the Corporation in connection with any litigation which may at any time be instituted involving this Lease Agreement, the Trust Agreement, the Certificates or any of the other documents contemplated hereby or thereby, or incurred by the Corporation in connection with the Continuing Disclosure Certificate, or otherwise incurred in connection with the administration thereof.

(e) The City agrees to pay any amounts owed to AGM pursuant to the Insurance Agreement and Sections 6.04 and 14.08 of the Trust Agreement. The City's obligation to pay such amounts shall expressly survive payment in full of the Certificates.



## ARTICLE V

### MAINTENANCE; TAXES; INSURANCE; USE LIMITATIONS; AND OTHER MATTERS

Section 5.1. Maintenance, Utilities, Taxes and Assessments. Throughout the Term of the Lease Agreement, as part of the consideration for the rental of the Property, all improvement, repair and maintenance of the Property shall be the responsibility of the City and the City shall pay, or otherwise arrange, for the payment of all utility services supplied to the Property which may include, without limitation, janitor service, security, power, gas, telephone, light, heating, water and all other utility services, and shall pay for or otherwise arrange for the payment of the cost of the repair and replacement of the Property resulting from ordinary wear and tear or want of care on the part of the City or any assignee or sublessee thereof. In exchange for the Lease Payments herein provided, the Corporation agrees to provide only the Property, as hereinbefore more specifically set forth. The City waives the benefits of subsections 1 and 2 of section 1932 of the California Civil Code, but such waiver shall not limit any of the rights of the City under the terms of this Lease Agreement.

The City shall also pay or cause to be paid all taxes and assessments of any type or nature, if any, charged to the Corporation or the City affecting the Property or the respective interests or estates therein; provided that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the City shall be obligated to pay only such installments as are required to be paid during the Term of the Lease Agreement as and when the same become due.

The City may, at the City's expense and in its name, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Corporation or AGM shall notify the City that, in the opinion of Independent Counsel, by nonpayment of any such items, the interest of the Corporation in the Property will be materially endangered or the Property or any part thereof will be subject to loss or forfeiture, in which event the City shall promptly pay such taxes, assessments or charges or provide the Corporation and AGM with full security against any loss which may result from nonpayment, in form satisfactory to the Corporation. The City shall provide the Corporation and AGM with written notice of any such contest and shall provide such updates on the contest as the Corporation may reasonably request.

Section 5.2. Modification of Property. The City shall, at its own expense, have the right to remodel the Property or to make additions, modifications and improvements to the Property. All additions, modifications and improvements to the Property shall thereafter comprise part of the Property and be subject to the provisions of this Lease Agreement. Such additions, modifications and improvements shall not in any way damage the Property, substantially alter its nature, cause the interest component of Lease Payments to be subject to federal income taxes or cause the Property to be used for purposes other than those authorized under the provisions of State and federal law; and the Property, upon completion of any additions, modifications and improvements made thereto pursuant to this Section 5.2, shall be of a value which is not substantially less than the value of the Property immediately prior to the making of such additions, modifications and improvements. The City will not permit any mechanic's or other lien to be established or remain against the Property for labor or materials furnished in connection with any remodeling, additions, modifications, improvements, repairs, renewals or replacements made by the City pursuant to this Section 5.2; provided that if any such lien is established and the City shall first notify the Corporation of the City's intention to do so, the City may in good faith contest any lien filed or established against the Property, and in such event may permit the items so contested to remain undischarged and unsatisfied during the

period of such contest and any appeal therefrom and shall provide the Corporation with full security against any loss or forfeiture which might arise from the nonpayment of any such item, in form satisfactory to the Corporation. The Corporation will cooperate fully in any such contest, upon the request and at the expense of the City.

Section 5.3. Public Liability and Property Damage Insurance. The City shall maintain or cause to be maintained, throughout the Term of the Lease Agreement, insurance policies, including a standard comprehensive general insurance policy or policies in protection of the Corporation, the City, and the Trustee and AGM and their respective members, officers, agents and employees. Such liability insurance may be maintained as part of or in conjunction with any other liability insurance coverage carried by the City, and may be maintained through a nonprofit, public benefit corporation created for such purpose or with the prior written consent of AGM in the form of self-insurance by the City. Said policy or policies shall provide for indemnification of said parties against direct or consequential loss or liability for damages for bodily and personal injury, death or property damage occasioned by reason of the operation of the Property. Said policy or policies shall provide coverage in the minimum liability limits of \$1,000,000 for personal injury or death of each person and \$3,000,000 for personal injury or deaths of two or more persons in each accident or event, and in a minimum amount of \$100,000 (subject to a deductible clause of not to exceed \$5,000) for damage to property resulting from each accident or event. Such public liability and property damage insurance may, however, be in the form of a single limit policy in the amount of \$3,000,000 covering all such risks. Such liability insurance may be maintained as part of or in conjunction with any other liability insurance coverage carried by the City and may be maintained in the form of insurance maintained through a nonprofit, public benefit corporation created for such purpose or with the prior written consent of AGM in the form of self-insurance by the City. The Net Proceeds of such liability insurance shall be applied toward extinguishment or satisfaction of the liability with respect to which the insurance proceeds shall have been paid.

Section 5.4. Fire and Extended Coverage Insurance; No Earthquake Insurance. The City shall maintain, or cause to be maintained throughout the Term of the Lease Agreement, insurance against loss or damage to any part of the Property constituting structures, if any, by fire and lightning, with extended coverage and vandalism and malicious mischief insurance; *provided, however,* that the City shall not be required to maintain earthquake insurance with respect to the Property. Said extended coverage insurance shall, as nearly as practicable, cover loss or damage by explosion, windstorm, riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance. Such insurance shall be in an amount equal to one hundred percent (100%) of the replacement cost of such portion of the Property, if any. Such insurance may be subject to deductible clauses of not to exceed \$100,000 for any one loss. Such insurance may be maintained as part of or in conjunction with any other fire and extended coverage insurance carried by the City and may be maintained in whole or in part in the form of insurance maintained through a nonprofit, public benefit corporation created for such purpose. The Net Proceeds of such insurance shall be applied as provided in Section 6.2(a) hereof. The City may not satisfy the requirements of this Section 5.4 for fire and extended coverage insurance with self-insurance except with the prior written consent of AGM.

Section 5.5. Rental Interruption Insurance. The City shall maintain, or cause to be maintained, throughout the Term of the Lease Agreement rental interruption or use and occupancy insurance to cover loss, total or partial, of the use of any part of the Property during the Term of the Lease Agreement as a result of any of the hazards covered in the insurance required by Section 5.4 hereof, if any, in an amount at least equal to two times maximum annual Lease Payments. The Net Proceeds of such insurance shall be paid to the Trustee and deposited in the Lease Payment Fund and shall be credited towards the payment of the Lease Payments in the order in which such Lease Payments come due and payable. Such insurance may be maintained as part of or in conjunction with any other insurance carried by the City and may be

maintained in whole or in part in the form of insurance maintained through a nonprofit, public benefit corporation created for such purpose. The City may not satisfy the requirements of this Section 5.5 for rental interruption insurance with self-insurance.

Section 5.6. Title Insurance.

(a) The City shall provide, from moneys in the Delivery Costs Fund or at its own expense, on the Closing Date, an CLTA title insurance policy in the amount of not less than the principal amount of the Certificates, insuring the City's leasehold estate in the Property, subject only to Permitted Encumbrances. A copy of such policy shall be delivered to AGM.

(b) The Net Proceeds of such title insurance shall be applied as provided in Section 6.2(c) hereof.

Section 5.7. Insurance Net Proceeds; Form of Policies. Each policy or other evidence of insurance required by Sections 5.3, 5.4, 5.5 and 5.6 hereof shall provide that all proceeds thereunder shall be payable to the Trustee as and to the extent required hereunder, shall name the Trustee and AGM as additional insureds and shall be applied as provided in Section 6.2 hereof. Insurance must be provided by an insurer rated "A" or better by S&P or A.M. Best Company, unless waived by AGM (and notified the Trustee in writing). The City shall pay or cause to be paid when due the premiums for all insurance policies required by this Lease Agreement. All policies evidencing required insurance shall provide thirty (30) days' prior written notice to the Corporation, the City, and the Trustee and AGM of any cancellation, reduction in amount or material change in coverage. The Trustee shall not be responsible for the sufficiency of any insurance herein required, including any forms of self-insurance and shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss. The City shall cause to be delivered annually on or before each August 1 to the Trustee and AGM a certification, signed by a City Representative, stating compliance with the provisions of Section 5.3 through 5.7 of this Lease Agreement. The Trustee shall be entitled to rely on such certification without independent investigation. The City shall have the adequacy of any insurance reserves maintained by the City or by a nonprofit, public benefit corporation, if applicable, for purposes of the insurance required by Section 5.3 and 5.4 hereof reviewed at least annually, on or before each August 1, by an independent insurance consultant and shall maintain reserves in accordance with the recommendations of such consultant to the extent moneys are available for such purpose and not otherwise appropriated.

Section 5.8. Advances. If the City shall fail to perform any of its obligations under this Article V, the Corporation or the Trustee may, but shall not be obligated to, take such action as may be necessary to cure such failure, including the advancement of money, and the City shall be obligated to repay all such advances as soon as possible, with interest at a rate equal to the rate then payable with respect to the Certificates from the date of the advance to the date of repayment.

Section 5.9. Installation of City's Equipment. The City may, at any time and from time to time in its sole discretion and at its own expense, install or permit to be installed items of equipment or other personal property in or upon any portion of the Property. All such items shall remain the sole property of the City in which neither the Corporation nor the Trustee shall have any interest and may be modified or removed by the City at any time provided that the City shall repair and restore any and all damage to the Property resulting from the installation, modification or removal of any such items. Nothing in this Lease Agreement shall prevent the City from purchasing or leasing items to be installed pursuant to this Section 5.9 under a lease or conditional sale agreement, or subject to a vendor's lien or security agreement, as security for the unpaid portion of the purchase price thereof, provided that no such lien or security interest shall attach to any part of the Property.

Section 5.10. Liens. The City shall not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Property, other than the respective rights of the Corporation and the City as provided herein and Permitted Encumbrances. Except as expressly provided in this Article V, the City shall promptly, at its own expense, take such action as may be necessary to duly discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim, for which it is responsible, if the same shall arise at any time. The City shall reimburse the Corporation for any expense incurred by it in order to discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim.

Section 5.11. Private Activity Bond Limitation. The City shall assure that proceeds of the Certificates are not so used as to cause the Certificates or the Lease Agreement to satisfy the private business tests of section 141(b) of the Code or the private loan financing test of section 141(c) of the Code.

Section 5.12. Federal Guarantee Prohibition. The City shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause any of the Certificates or the Lease Agreement to be "federally guaranteed" within the meaning of section 149(b) of the Code.

Section 5.13. Rebate Requirement. The City shall take any and all actions necessary to assure compliance with section 148(f) of the Code, relating to the rebate of excess investment earnings, if any, to the federal government, to the extent that such section is applicable to the Certificates and the Lease Agreement.

Section 5.14. No Arbitrage. The City shall not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the proceeds of the Certificates which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date would have caused the Certificates or the Lease Agreement to be "arbitrage bonds" within the meaning of section 148 of the Code.

Section 5.15. Maintenance of Tax-Exemption. The City shall take all actions necessary to assure the exclusion of interest with respect to the Certificates from the gross income of the Owners of the Certificates to the same extent as such interest is permitted to be excluded from gross income under the Code as in effect on the Closing Date.

Section 5.16. No Condemnation. The City hereby covenants and agrees, to the extent it may lawfully do so, that so long as any of the Certificates remain outstanding and unpaid, the City will not exercise the power of condemnation with respect to the Property. The City further covenants and agrees, to the extent it may lawfully do so, that if for any reason the foregoing covenant is determined to be unenforceable or if the City should fail or refuse to abide by such covenant and condemns the Property, the appraised value of the Property shall not be less than the greater of (i) if the Certificates are then subject to redemption, the principal and interest components of the Certificates Outstanding through the date of their redemption, or (ii) if the Certificates are not then subject to redemption, the amount necessary to defease the Certificates to the first available redemption date in accordance with the Trust Agreement.

Section 5.17. Environmental Covenants.

(a) Compliance with Laws; No Hazardous Substances. The City will comply with all Applicable Environmental Laws with respect to the Property and will not use, store, generate, treat, transport, or dispose of any Hazardous Substance thereon or in a manner that would

cause any Hazardous Substance to later flow, migrate, leak, leach, or otherwise come to rest on or in the Property.

(b) Notification of Original Purchaser. The City will transmit copies of all notices, orders, or statements received from any governmental entity concerning violations or asserted violations of Applicable Environmental Laws with respect to the Property and any operations conducted thereon or any conditions existing thereon to the Original Purchaser or its assignee, and the City will notify the Original Purchaser or its assignee in writing immediately of any release, discharge, spill, or deposit of any Hazardous Substance that has occurred or is occurring that in any way affects or threatens to affect the Property, or the people, structures, or other property thereon, provided that no such notification shall create any liability or obligation on the part of the Original Purchaser or its assignee.

(c) Access for Inspection. The City will permit the Original Purchaser or its assignee, its agents, or any experts designated by the Original Purchaser or its assignee to have full access to the Property during reasonable business hours for purposes of such independent investigation of compliance with all Applicable Environmental Laws, provided that the Original Purchaser or its assignee has no obligation to do so, or any liability for any failure to do so, or any liability should it do so.

Section 5.13. City Consent to Assignment Agreement. The Corporation's rights under this Lease Agreement (excluding the right to receive notices, the right to reimbursement of costs and to indemnification), including the right to receive and enforce payment of the Lease Payments, and the Site and Facility Lease, are being assigned to the Original Purchaser or its assignee pursuant to the Assignment Agreement. The City hereby consents to such assignment and to any additional assignment of such rights by the Original Purchaser or its assignee or its assignees. The City agrees to execute all documents, including notices of assignment and chattel mortgages or financing statements, which may be reasonably requested by the Original Purchaser or its assignee or its assignees to protect their interests in the Property and in this Lease Agreement.

Section 5.18. Financial Statements; Budgets. Within two hundred ten (210) days following the end of each Fiscal Year of the City during the Term of the Lease Agreement, the City will provide the Original Purchaser and its assigns with a copy of its audited financial statements for such Fiscal Year. Such audited financial statements shall include the City's Comprehensive Annual Financial Report ("CAFR"), including such information as is required by applicable Government Accounting Standards Board pronouncements and applicable State law. Within thirty (30) days of the end of each fiscal year, the City will provide the Original Purchaser and its assigns with a copy of its annual budget. The City hereby agrees to provide the Original Purchaser and its assigns with such other information as may be reasonably requested by them.

## ARTICLE VI

### DAMAGE, DESTRUCTION AND EMINENT DOMAIN; USE OF NET PROCEEDS

#### Section 6.1. Eminent Domain.

(a) If all of the Property shall be taken permanently under the power of eminent domain or sold to a government threatening to exercise the power of eminent domain, the Term of this Lease Agreement shall cease as of the day possession shall be so taken. If less than all of the Property shall be taken permanently, or if all of the Property or any part thereof shall be taken temporarily under the power of eminent domain, (1) this Lease Agreement shall continue in full force and effect and shall not be terminated by virtue of such taking and the parties waive the benefit of any law to the contrary, and (2) there shall be a partial abatement of Lease Payments as a result of the application of the Net Proceeds of any eminent domain award to the prepayment of the Lease Payments hereunder, in an amount to be agreed upon by the City and the Corporation, and so certified to by the parties to the Trustee, such that the resulting Lease Payments represent fair consideration for the use and occupancy of the remaining usable portion of the Property, except to the extent of special funds, such as amounts in the Reserve Fund available for the payment of Lease Payments.

(b) The City hereby covenants and agrees, to the extent it may lawfully do so, that so long as any of the Certificates remain outstanding and unpaid, the City will not exercise the power of condemnation with respect to the leased property. The City further covenants and agrees, to the extent it may lawfully do so, that if for any reason the foregoing covenant is determined to be unenforceable or if the City should fail or refuse to abide by such covenant and condemns the leased property, the appraised value of the leased property shall not be less than the greater of (i) if such Certificates are then subject to redemption, the principal and interest components of the Certificates outstanding through the date of their redemption, or (ii) if such Certificates are not then subject to redemption, the amount necessary to defease such Certificates to the first available redemption date in accordance with the Trust Agreement.

#### Section 6.2. Application of Net Proceeds.

(a) *From Insurance Award.* The Net Proceeds of any insurance award resulting from any damage to or destruction of any portion of the Property constituting structures, if any, by fire or other casualty shall be paid by the City to the Trustee, as assignee of the Corporation under the Assignment Agreement, deposited in the Insurance and Condemnation Fund held by the Trustee and applied as set forth in Section 6.01 of the Trust Agreement.

(b) *From Eminent Domain Award.* The Net Proceeds of any eminent domain award resulting from any event described in Section 6.1 hereof shall be paid by the City to the Trustee, as assignee of the Corporation under the Assignment Agreement, deposited in the Insurance and Condemnation Fund and applied as set forth in Section 6.02 of the Trust Agreement.

(c) *From Title Insurance.* The Net Proceeds of any title insurance award shall be paid to the Trustee, as assignee of the Corporation under the Assignment Agreement, deposited in the Insurance and Condemnation Fund and applied as set forth in Section 6.03 of the Trust Agreement.

Section 6.3. Abatement of Lease Payments in the Event of Damage or Destruction. Lease Payments shall be abated during any period in which, by reason of damage or destruction, there is substantial interference with the use and occupancy by the City of the Property or any portion thereof (other than any portions of the Property described in Section 5.2 hereof) to the

extent to be agreed upon by the City and the Corporation and communicated by a City Representative to the Trustee. The parties agree that the amounts of the Lease Payments under such circumstances shall not be less than the amounts of the unpaid Lease Payments as are then set forth in Exhibit C, unless such unpaid amounts are determined upon consultation with AGM to be greater than the fair rental value of the portions of the Property not damaged or destroyed (giving due consideration to the factors identified in the last sentence of Section 4.4(d)), based upon any appropriate method of valuation approved by AGM, in which event the Lease Payments shall be abated such that they represent said fair rental value. Such abatement shall continue for the period commencing with such damage or destruction and ending with the substantial completion of the work of repair or reconstruction as communicated by a City Representative to the Trustee. In the event of any such damage or destruction, this Lease Agreement shall continue in full force and effect and the City waives any right to terminate this Lease Agreement by virtue of any such damage and destruction. Notwithstanding the foregoing, there shall be no abatement of Lease Payments under this Section 6.3 to the extent that (a) the proceeds of rental interruption insurance or (b) amounts in the Reserve Fund, if cash funded, and/or the Insurance and Condemnation Fund and/or the Lease Payment Fund are available to pay Lease Payments which would otherwise be abated under this Section 6.3, it being hereby declared that such proceeds and amounts constitute special funds for the payment of the Lease Payments. If an abatement event has occurred but remedied, the City shall be required to extend the Term of this Lease Agreement, as described in Section 4.2, so that amounts abated are recouped.

## ARTICLE VII

### DISCLAIMER OF WARRANTIES; ACCESS; INDEMNIFICATION

Section 7.1. Disclaimer of Warranties. THE AUTHORITY MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY THE CITY OF THE PROPERTY OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE PROPERTY. IN NO EVENT SHALL THE AUTHORITY OR ITS ASSIGNS BE LIABLE FOR INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH OR ARISING OUT OF THE SITE AND FACILITY LEASE, THIS LEASE AGREEMENT OR THE TRUST AGREEMENT FOR THE EXISTENCE, FURNISHING, FUNCTIONING OR THE CITY'S USE OF THE PROPERTY.

Section 7.2. Access to the Property. The City agrees that the Corporation and any City Representative, and the Corporation's successors or assigns, and AGM shall have the right at all reasonable times to enter upon and to examine and inspect the Property. The City further agrees that the Corporation, any City Representative, and the Corporation's successors or assigns, and AGM shall have such rights of access to the Property as may be reasonably necessary to cause the proper maintenance of the Property in the event of failure by the City to perform its obligations hereunder.

Section 7.3. Release and Indemnification Covenants. The City shall and hereby agrees to indemnify and save the Corporation and the Trustee and their officers, agents, directors, employees, successors and assigns harmless from and against all claims, losses and damages, including legal fees and expenses, arising out of (i) the use, maintenance, condition or management of, or from any work or thing done on the Property by the City, (ii) any breach or default on the part of the City in the performance of any of its obligations under this Lease Agreement or the Trust Agreement, (iii) any act or omission of the City or of any of its agents, contractors, servants, employees or licensees with respect to the Property, (iv) any act or omission of any sublessee of the City with respect to the Property, or (v) the authorization of payment of Delivery Costs. Such indemnification shall include the costs and expenses of defending any claim or liability arising under this Lease Agreement or the Trust Agreement and the transactions contemplated thereby. No indemnification is made under this Section 7.3 or elsewhere in this Lease Agreement for willful misconduct, negligence or breach of duty under this Lease Agreement by the Corporation, its officers, agents, directors, employees, successors or assigns.



## ARTICLE VIII

### ASSIGNMENT, SUBLEASING AND AMENDMENT

Section 8.1. Assignment by the Corporation. The Corporation's rights under this Lease Agreement, including the right to receive and enforce payment of the Lease Payments to be made by the City under this Lease Agreement, have been assigned to the Trustee pursuant to the Assignment Agreement.

Section 8.2. Assignment and Subleasing by the City. This Lease Agreement may not be assigned by the City. The City may sublease the Property or any portion thereof, but only with the written consent of the Corporation and AGM and subject to, and delivery to the Corporation of a certificate as to, all of the following conditions:

(a) This Lease Agreement and the obligation of the City to make Lease Payments hereunder shall remain obligations of the City;

(b) The City shall, within thirty (30) days after the delivery thereof, furnish or cause to be furnished to the Corporation, ~~and the Trustee~~ and AGM a true and complete copy of such sublease;

(c) No such sublease by the City shall cause the Property to be used for a purpose other than as may be authorized under the provisions of the Constitution and laws of the State; and

(d) The City shall furnish the Corporation, ~~and the Trustee~~ and AGM with a written opinion of Bond Counsel, which shall be an Independent Counsel, stating that such sublease does not cause the interest components of the Lease Payments to become subject to federal income taxes or State personal income taxes.

Notwithstanding the foregoing, the City may sublease the Property to the Corporation in connection with a future certificates of participation or lease revenue bond financing without the necessity to comply with any of the foregoing conditions, so long as the total of the unpaid principal component of the Lease Payments and the principal component of the lease payments to be paid with respect to such future certificates of participation or lease revenue bond financing does not exceed the value of the Property.

#### Section 8.3. Amendment of Lease Agreement.

(a) *Substitution of Site or Facility*. The City shall have, and is hereby granted, the option at any time and from time to time during the Term of the Lease Agreement to substitute other land (a "Substitute Site") and/or a substitute facility (a "Substitute Facility") for the Site (the "Former Site"), or a portion thereof, and/or the Facility (the "Former Facility"), or a portion thereof, provided that the City shall satisfy all of the following requirements (to the extent applicable) which are hereby declared to be conditions precedent to such substitution:

(i) If a substitution of the Site, the City shall file with the Corporation, the Trustee and AGM an amended Exhibit A to the Site and Facility Lease which adds thereto a description of such Substitute Site and deletes therefrom the description of the Former Site;

(ii) If a substitution of the Site, the City shall file with the Corporation, the Trustee and AGM an amended Exhibit A to this Lease Agreement which adds thereto a description of such Substitute Site and deletes therefrom the description of the Former Site;

(iii) If a substitution of the Facility, the City shall file with the Corporation, the Trustee and AGM an amended Exhibit B to the Site and Facility Lease which adds thereto a description of such Substitute Facility and deletes therefrom the description of the Former Facility;

(iv) If a substitution of the Facility, the City shall file with the Corporation, the Trustee and AGM an amended Exhibit B to this Lease Agreement which adds thereto a description of such Substitute Facility and deletes therefrom the description of the Former Facility;

(v) The City shall certify in writing to the Corporation, the Trustee and AGM that such Substitute Site and/or Substitute Facility serve the purposes of the City, constitutes property that is unencumbered, subject to Permitted Encumbrances, and constitutes property which the City is permitted to lease under the laws of the State;

(vi) The City delivers to the Corporation, the Trustee and AGM an Officer's Certificate of the City based on insurance values or any other reasonable basis of valuation received by the City (which need not require an appraisal) that the value of the Property following such substitution is equal to or greater than the Outstanding principal amount of the Certificates and confirms in writing to the Trustee that the indemnification provided pursuant to Section 11.03 of the Trust Agreement applies with respect to the Substitute Site and/or Substitute Facility;

(vii) The Substitute Site and/or Substitute Facility shall not cause the City to violate any of its covenants, representations and warranties made herein and in the Trust Agreement, as evidenced by an officer's certificate delivered to the Trustee;

(viii) The City shall obtain an amendment to the title insurance policy required pursuant to Section 5.6 hereof which adds thereto a description of the Substitute Site and deletes therefrom the description of the Former Site;

(ix) The City shall provide notice of the substitution to any rating agency then rating the Certificates which rating was provided at the request of the City or the Corporation;

(x) The City shall furnish the Corporation, the Trustee and AGM with a written opinion of Bond Counsel, which shall be an Independent Counsel, stating that such substitution does not cause the interest components of the Lease Payments to become subject to federal income taxes or State personal income taxes; and

(xi) AGM shall provide prior written consent to such substitution.

(b) *Release of Site.* The City shall have, and is hereby granted, the option at any time and from time to time during the Term of the Lease Agreement to release any portion of the Site, provided that the City shall satisfy all of the following requirements which are hereby declared to be conditions precedent to such release:

(i) The City shall file with the Corporation, the Trustee and AGM an amended Exhibit A to the Site and Facility Lease which describes the Site, as revised by such release;

(ii) The City shall file with the Corporation, the Trustee and AGM an amended Exhibit A to this Lease Agreement which describes the Site, as revised by such release;

(iii) The City delivers to the Corporation, the Trustee and AGM an Officer's Certificate of the City based on insurance values or any other reasonable basis of valuation received by the City (which need not require an appraisal) that the value of the Property, as revised by such release, is equal to or greater than the Outstanding principal amount of the Certificates and confirms in writing to the Trustee and the Corporation that the indemnification provided pursuant to Section 11.03 of the Trust Agreement applies with respect to the Site, as revised by such release;

(iv) Such release shall not cause the City to violate any of its covenants, representations and warranties made herein and in the Trust Agreement, as evidenced by an officer's certificate delivered to the Trustee;

(v) The City shall obtain an amendment to the title insurance policy required pursuant to Section 5.6 hereof which describes the Site, as revised by such release;

(vi) The City shall provide notice of the release to any rating agency then rating the Certificates which rating was provided at the request of the City or the Corporation; and

(vii) AGM shall provide prior written consent to such release.

(c) *Release of Facility.* The City shall have, and is hereby granted, the option at any time and from time to time during the Term of the Lease Agreement to release any portion of the Facility, provided that the City shall satisfy all of the following requirements which are hereby declared to be conditions precedent to such release:

(i) The City shall file with the Corporation, the Trustee and AGM an amended Exhibit B to the Site and Facility Lease which describes the Facility, as revised by such release;

(ii) The City shall file with the Corporation, the Trustee and AGM an amended Exhibit B to this Lease Agreement which describes the Facility, as revised by such release;

(iii) The City delivers to the Corporation, the Trustee and AGM an Officer's Certificate of the City based on insurance values or any other reasonable basis of valuation received by the City (which need not require an appraisal) that the value of the Property, as revised by such release, is equal to or greater than the Outstanding principal amount of the Certificates and confirms in writing to the Trustee and the Corporation that the indemnification provided pursuant to Section 11.03 of the Trust Agreement applies with respect to the Facility, as revised by such release;

(iv) Such release shall not cause the City to violate any of its covenants, representations and warranties made herein and in the Trust Agreement, as evidenced by an officer's certificate delivered to the Trustee;

(v) The City shall provide notice of the release to any rating agency then rating the Certificates which rating was provided at the request of the City or the Corporation; and

(vi) AGM shall provide prior written consent to such release.

(d) *Generally.* The Corporation and the City may at any time amend or modify any of the provisions of this Lease Agreement, but only (i) with the prior written consent of AGM, or if AGM is in breach of its obligation under the Municipal Bond Insurance Policy or the Reserve Policy, the Owners of a majority in aggregate principal amount of the Outstanding Certificates, or (ii) without the consent of any of the Owners, , but with the prior written consent of AGM, but only if such amendment or modification is for any one or more of the following purposes:

(i) to add to the covenants and agreements of the City contained in this Lease Agreement, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or power herein reserved to or conferred upon the City;

(ii) to make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provision contained herein, or in any other respect whatsoever as the Corporation and the City may deem necessary or desirable, provided that, in the opinion of Bond Counsel, such modifications or amendments will not materially adversely affect the interests of the Owners; or

(iii) to amend any provision thereof relating to the Code, to any extent whatsoever but only if and to the extent such amendment will not adversely affect the exclusion from gross income of interest with respect to the Certificates under the Code, in the opinion of Bond Counsel.

## ARTICLE IX

### EVENTS OF DEFAULT AND REMEDIES

Section 9.1. Events of Default Defined. The following shall be “events of default” under this Lease Agreement and the terms “Events of Default” and “Default” shall mean, whenever they are used in this Lease Agreement, any one or more of the following events:

(a) Failure by the City to pay any Lease Payment or other payment required to be paid hereunder at the time specified herein.

(b) Failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Lease Agreement (including failure to request appropriation pursuant to Section 4.4(e) hereof) or under the Trust Agreement, other than as referred to in clause (a) of this Section 9.1, for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied has been given to the City by the Corporation, the Trustee, AGM or the Owners of not less than five percent (5%) in aggregate principal amount of Certificates then outstanding; *provided, however*, if the failure stated in the notice can be corrected, but not within the applicable period, the Corporation, the Trustee and such Owners shall not unreasonably withhold their consent to an extension of such time if corrective action is instituted by the City within the applicable period and diligently pursued until the default is corrected; *provided further, however, that no grace period for a covenant default shall exceed 30 days, nor be extended for more than 60 days, without the prior written consent of AGM.*

(c) The filing by the City of a voluntary petition in bankruptcy, or failure by the City promptly to lift any execution, garnishment or attachment, or adjudication of the City as a bankrupt, or assignment by the City for the benefit of creditors, or the entry by the City into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the City in any proceedings instituted under the provisions of the Federal Bankruptcy Act, as amended, or under any similar acts which may hereafter be enacted.

Section 9.2. Remedies on Default. The Trustee, acting at the direction of AGM, shall have the right to re-enter and re-let the Property and to terminate this Lease Agreement. AGM shall have the right to control all remedies for default under both this Lease Agreement and the Trust Agreement.

Whenever any Event of Default referred to in Section 9.1 hereof shall have happened and be continuing, it shall be lawful for the Corporation to exercise any and all remedies available pursuant to law or granted pursuant to this Lease Agreement; *provided, however*, that notwithstanding anything herein or in the Trust Agreement to the contrary, there shall be no right under any circumstances to accelerate the Lease Payments or otherwise declare any Lease Payments not then in default to be immediately due and payable. Each and every covenant hereof to be kept and performed by the City is expressly made a condition and upon the breach thereof, the Corporation may exercise any and all rights of entry and re-entry upon the Property, and also, at its option, with or without such entry, may terminate this Lease Agreement; provided, that no such termination shall be effected either by operation of law or acts of the parties hereto, except only in the manner herein expressly provided. In the event of such default and notwithstanding any re-entry by the Corporation, the City shall, as herein expressly provided, continue to remain liable for the payment of the Lease Payments and/or damages for breach of this Lease Agreement and the performance of all conditions herein contained and, in any event such rent and/or damages shall be payable to the Corporation at the time and in the manner as herein provided, to wit:

(a) In the event the Corporation does not elect to terminate this Lease Agreement in the manner hereinafter provided for in subparagraph (b) hereof, the City agrees to and shall remain liable for the payment of all Lease Payments and the performance of all conditions herein contained and shall reimburse the Corporation for any deficiency arising out of the re-leasing of the Property, or, in the event the Corporation is unable to re-lease the Property, then for the full amount of all Lease Payments to the end of the Term of the Lease Agreement, but said Lease Payments and/or deficiency shall be payable only at the same time and in the same manner as hereinabove provided for the payment of Lease Payments hereunder, notwithstanding such entry or re-entry by the Corporation or any suit in unlawful detainer, or otherwise, brought by the Corporation for the purpose of effecting such re-entry or obtaining possession of the Property or the exercise of any other remedy by the Corporation. The City hereby irrevocably appoints the Corporation as the agent and attorney-in-fact of the City to enter upon and re-lease the Property in the event of default by the City in the performance of any covenants herein contained to be performed by the City and to remove all personal property whatsoever situated upon the Property, to place such property in storage or other suitable place within Tulare City, for the account of and at the expense of the City, and the City hereby exempts and agrees to save harmless the Corporation from any costs, loss or damage whatsoever arising or occasioned by any such entry upon and re-leasing of the Property and the removal and storage of such property by the Corporation or its duly authorized agents in accordance with the provisions herein contained. The City hereby waives any and all claims for damages caused or which may be caused by the Corporation in re-entering and taking possession of the Property as herein provided and all claims for damages that may result from the destruction of or injury to the Property and all claims for damages to or loss of any property belonging to the City that may be in or upon the Property. The City agrees that the terms of this Lease Agreement constitute full and sufficient notice of the right of the Corporation to re-lease the Property in the event of such re-entry without effecting a surrender of this Lease Agreement, and further agrees that no acts of the Corporation in effecting such re-leasing shall constitute a surrender or termination of this Lease Agreement irrespective of the term for which such re-leasing is made or the terms and conditions of such re-leasing, or otherwise, but that, on the contrary, in the event of such default by the City the right to terminate this Lease Agreement shall vest in the Corporation to be effected in the sole and exclusive manner hereinafter provided for in paragraph (b) hereof.

(b) In an Event of Default hereunder, the Corporation at its option may terminate this Lease Agreement and re-lease all or any portion of the Property. In the event of the termination of this Lease Agreement by the Corporation at its option and in the manner hereinafter provided on account of default by the City (and notwithstanding any re-entry upon the Property by the Corporation in any manner whatsoever or the re-leasing of the Property), the City nevertheless agrees to pay to the Corporation all costs, loss or damages howsoever arising or occurring payable at the same time and in the same manner as is herein provided in the case of payment of Lease Payments. Any surplus received by the Corporation from such re-leasing shall be credited towards the Lease Payments next coming due and payable. Neither notice to pay rent or to deliver up possession of the premises given pursuant to law nor any proceeding in unlawful detainer taken by the Corporation shall of itself operate to terminate this Lease Agreement, and no termination of this Lease Agreement on account of default by the City shall be or become effective by operation of law, or otherwise, unless and until the Corporation shall have given written notice to the City of the election on the part of the Corporation to terminate this Lease Agreement. The City covenants and agrees that no surrender of the Property and/or of the remainder of the Term of the Lease Agreement or any termination of this Lease Agreement shall be valid in any manner or for any purpose whatsoever unless stated or accepted by the Corporation by such written notice.

Section 9.3. No Remedy Exclusive. No remedy herein is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease Agreement now or hereafter existing at law or in equity. No delay or omission

to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Corporation to exercise any remedy reserved to it in this Article IX it shall not be necessary to give any notice, other than such notice as may be required in this Article IX or by law.

Section 9.4. Agreement to Pay Attorneys' Fees and Expenses. In the event either party to this Lease Agreement should default under any of the provisions hereof and the nondefaulting party should employ attorneys or incur other expenses for the collection of moneys or the enforcement or performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it will on demand therefor pay to the nondefaulting party the reasonable fees of such attorneys and such other expenses so incurred by the nondefaulting party; *provided, however*, that the Trustee shall not be required to expend its own funds for any payment described in this Section 9.4.

Section 9.5. No Additional Waiver Implied by One Waiver. In the event any agreement contained in this Lease Agreement should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 9.6. Application of Proceeds. All net proceeds received from the re-lease or other disposition of the Property under this Article IX, and all other amounts derived by the Corporation or the Trustee as a result of an Event of Default hereunder, shall be transferred to the Trustee promptly upon receipt thereof and after payment of all fees and expenses of the Trustee, including indemnifications and attorneys fees, shall be deposited by the Trustee in the Lease Payment Fund to be applied to the Lease Payments in order of payment date.

Section 9.7. Trustee and Certificate Owners to Exercise Rights. Such rights and remedies as are given to the Corporation under this Article IX have been assigned by the Corporation to the Trustee under the Assignment Agreement, to which assignment the City hereby consents. Such rights and remedies shall be exercised by the Trustee, AGM and the Owners of the Certificates as provided in the Trust Agreement and herein.

Section 9.8. No Right to Terminate for Corporation Default. The City shall not have the right to terminate this Lease Agreement as a remedy for a default by the Corporation in the performance of its obligations hereunder.

## ARTICLE X

### PREPAYMENT OF LEASE PAYMENTS

Section 10.1. Security Deposit. Notwithstanding any other provision of this Lease Agreement, the City may, on any date, secure the payment of all or a portion of the Lease Payments remaining due by an irrevocable deposit with the Trustee or an escrow holder under an escrow deposit and trust agreement as referenced in Section 14.01(b) of the Trust Agreement, of: (a) in the case of a security deposit relating to all Lease Payments, either (i) cash in an amount which, together with amounts on deposit in the Lease Payment Fund, the Insurance and Condemnation Fund and the Reserve Fund, is sufficient to pay all unpaid Lease Payments, including the principal and interest components thereof, in accordance with the Lease Payment schedule set forth in Exhibit C, or (ii) Defeasance Obligations in such amount as will, in the written opinion of an independent certified public accountant or other firm of recognized experts in such matters (addressed to AGM), together with interest to accrue thereon and, if required, all or a portion of moneys or Defeasance Obligations or cash then on deposit and interest earnings thereon in the Lease Payment Fund, the Insurance and Condemnation Fund and the Reserve Fund, be fully sufficient to pay all unpaid Lease Payments on their respective Lease Payment Dates; or (b) in the case of a security deposit relating to a portion of the Lease Payments, a certificate executed by a City Representative designating the portion of the Lease Payments to which the deposit pertains, and either (i) cash in an amount which is sufficient to pay the portion of the Lease Payments designated in such City Representative's certificate, including the principal and interest components thereof, or (ii) Defeasance Obligations in such amount as will, together with interest to be received thereon, if any, in the written opinion of an independent certified public accountant or other firm of recognized experts in such matters (addressed to AGM), be fully sufficient to pay the portion of the Lease Payments designated in the aforesaid City Representative's certificate.

In the event of a deposit pursuant to this Section 10.1 as to all Lease Payments and the payment of all fees, expenses and indemnifications owed to the Trustee and the payment of all amounts due to AGM, all obligations of the City under this Lease Agreement shall cease and terminate, excepting only the obligation of the City to make, or cause to be made, all payments from the deposit made by the City pursuant to this Section 10.1 and the obligations of the City pursuant to Section 5.13 hereof and title to the Property shall vest in the City on the date of said deposit automatically and without further action by the City or the Corporation. Said deposit and interest earnings thereon shall be deemed to be and shall constitute a special fund for the payments provided for by this Section 10.1 and said obligation shall thereafter be deemed to be and shall constitute the installment purchase obligation of the City for the Property. Upon said deposit, the Corporation will execute or cause to be executed any and all documents as may be necessary to confirm title to the Property in accordance with the provisions hereof. In addition, the Corporation hereby appoints the City as its agent to prepare, execute and file or record, in appropriate offices, such documents as may be necessary to place record title to the Property in the County.

Section 10.2. Prepayment Option. The Corporation hereby grants an option to the City to prepay the principal component of the Lease Payments in full, by paying the aggregate unpaid principal components of the Lease Payments as set forth in Exhibit C hereto, or in part, once each calendar year, in a minimum amount of \$250,000, on a Lease Payment Date in a prepayment amount equal to 102% of the principal amount of Lease Payments to be prepaid, together with accrued interest to the date fixed for prepayment. The Corporation hereby grants an option to the City to prepay the principal component of the Lease Payments in full, by paying the aggregate unpaid principal components of the Lease Payments as set forth in Exhibit C hereto, or in part, in a prepayment amount equal to the principal amount of Lease Payments



to be prepaid, together with accrued interest to the date fixed for prepayment, without premium.

Said option may be exercised with respect to Lease Payments due on and after November 15, 2025, in whole or in part on any date, commencing May 15, 2025. Said option shall be exercised by the City by giving written notice to the Corporation and the Trustee of the exercise of such option at least forty-five (45) days prior to said prepayment date, or such lesser number of days acceptable to the Trustee in the sole discretion of the Trustee. In the event of prepayment in part, the partial prepayment shall be applied against Lease Payments in such order of payment date as shall be selected by the City. Lease Payments due after any such partial prepayment shall be in the amounts set forth in a revised Lease Payment schedule which shall be provided by, or caused to be provided by, the City to the Trustee and which shall represent an adjustment to the schedule set forth in Exhibit C attached hereto taking into account said partial prepayment.

Notwithstanding the foregoing, the City shall not be permitted to prepay any Lease Payments if any amounts are owed to AGM with respect to the Municipal Bond Insurance Policy or the Reserve Policy.

Lease Payments due after any such partial prepayment shall be in the amounts set forth in a revised Lease Payment schedule which shall be provided by, or caused to be provided by, the City to the Trustee and which shall represent an adjustment to the schedule set forth in Exhibit C attached hereto taking into account said partial prepayment.

Section 10.3. Mandatory Prepayment From Net Proceeds of Insurance, Title Insurance or Eminent Domain. The City shall be obligated to prepay the Lease Payments, in whole on any date or in part on any Lease Payment Date, from and to the extent of any Net Proceeds of an insurance, title insurance or condemnation award with respect to the Property theretofore deposited in the Lease Payment Fund for such purpose pursuant to Article VI hereof and Article VI of the Trust Agreement. The City and the Corporation hereby agree that such Net Proceeds shall be applied first to the payment of any delinquent Lease Payments, and thereafter shall be credited towards the City's obligations under this Section 10.3. Lease Payments due after any such partial prepayment shall be in the amounts set forth in a revised Lease Payment schedule which shall be provided by, or caused to be provided by, the City to the Trustee and which shall represent an adjustment to the schedule set forth in Exhibit C attached hereto taking into account said partial prepayment.

Section 10.4. Credit for Amounts on Deposit. In the event of prepayment of the principal components of the Lease Payments in full under this Article X, such that the Trust Agreement shall be discharged by its terms as a result of such prepayment, remaining amounts on deposit in the Lease Payment Fund or the Reserve Fund shall be credited towards the amounts then required to be so prepaid.

## ARTICLE XI

### MISCELLANEOUS

Section 11.1. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed to have been received 48 hours after deposit in the United States mail in first-class form with postage fully prepaid:

If to the Corporation: Porterville Public Improvement Corporation  
c/o City of Porterville  
291 North Main Street  
Porterville, CA 93257  
Attention: City Manager  
Phone: (559) 782-7499

If to the City: City of Porterville  
291 North Main Street  
Porterville, CA 93257  
Attention: City Manager  
Phone: (559) 782-7499

If to the Trustee: U.S. Bank National Association  
633 West Fifth Street, 24th Floor  
Los Angeles, CA 90071  
Attention: Global Corporate Trust Services  
Phone: (213) 615-6051

If to AGM: Assured Guaranty Municipal Corp.  
31 West 52<sup>nd</sup> Street  
New York, NY 10019  
Attention: Managing Director – Surveillance  
Re: Policy No. \_\_\_\_\_-N  
Re: Reserve Policy No. \_\_\_\_\_-R  
Phone: (212) 974-0100  
Fax: (212) 339-3556

The Corporation, the City, the Trustee and AGM, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications will be sent.

#### Section 11.2. Information to be Given to AGM.

##### (a) The City shall provide AGM with the following information:

(i) the fiscal year budget of the City within thirty (30) days after adoption of such budget;

(ii) not later than one hundred eighty (180) days after the end of the fiscal year, audited financial statements of the City prepared by an independent certified public accountant, together with a certificate of the City stating that no event of default has occurred or is continuing under this Lease Agreement or the Trust Agreement;

(iii) prior to the incurrence of additional general fund-secured obligations, any disclosure document or financing agreement pertaining to such additional obligations, which disclosure document or financing agreement shall include, without limitation, the

applicable maturity schedule, interest rate or rates, redemption and security provisions pertaining to any such additional obligations;

(iv) within thirty (30) days following any litigation or investigation that may have a material adverse affect on the financial position of the City of such litigation;

(v) immediate notice of any draw on the debt service reserve fund;

(vi) notice of any Event of Default known to the within five Business Days after knowledge thereof;

(vii) any event of abatement under this Lease Agreement;

(viii) prior notice of the advance refunding or redemption of any of the Certificates, including the principal amount, maturities and CUSIP numbers thereof;

(ix) notice of the resignation or removal of the Trustee and the appointment of, and acceptance of duties by, any successor thereto;

(x) notice of the commencement of any proceeding by or against the City or the Corporation commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding");

(xi) notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal or interest with respect to the Certificates;

(xii) a full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to the Trust Agreement, the Site and Facility Lease and/or this Lease Agreement; and

(xiii) all reports, notices and correspondence to be delivered to Owners under the terms of the Trust Agreement and/or this Lease Agreement.

(b) The City will permit AGM to discuss the affairs, finances and accounts of the City or any information AGM may reasonably request regarding the security for the Lease Payments with appropriate officers of the City. The City will permit AGM to have access to the Property and have access to and to make copies of all books and records relating to the Certificates at any reasonable time upon reasonable notice on any Business Day.

AGM shall have the right to direct an accounting at the City's expense, and the City's failure to comply with such direction within thirty (30) days after receipt of written notice of the direction from AGM shall be deemed an Event of Default hereunder; provided, however, that if compliance cannot occur within such period, then such period will be extended so long as compliance is begun within such period and diligently pursued, but only if such extension would not materially adversely affect the interests of any Owner.

Section 11.3. AGM as Third Party Beneficiary. To the extent that this Lease Agreement confers upon or gives or grants to AGM any right, remedy or claim under or by reason of this Lease Agreement, AGM is explicitly recognized as being a third party beneficiary hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder.

Section 11.4 Binding Effect. This Lease Agreement shall inure to the benefit of and shall be binding upon the Corporation and the City and their respective successors and assigns.

Section 11.5. Severability. In the event any provision of this Lease Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11.6. Net-net-net Lease. This Lease Agreement shall be deemed and construed to be a “net-net-net lease” and the City hereby agrees that the Lease Payments shall be an absolute net return to the Corporation, free and clear of any expenses, charges or set-offs whatsoever.

Section 11.7. Further Assurances and Corrective Instruments. The Corporation and the City agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Property hereby leased or intended so to be or for carrying out the expressed intentions of this Lease Agreement.

Section 11.8. Execution in Counterparts. This Lease Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.9. Applicable Law. This Lease Agreement shall be governed by and construed in accordance with the laws of the State.

Section 11.10. Corporation and City Representatives. Whenever under the provisions of this Lease Agreement the approval of the Corporation or the City is required, or the Corporation or the City is required to take some action at the request of the other, such approval or such request shall be given for the Corporation by a Corporation Representative and for the City by a City Representative, and each party hereto shall be authorized to rely upon any such approval or request.

Section 11.11. Captions. The captions or headings in this Lease Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Section of this Lease Agreement.

IN WITNESS WHEREOF, the Corporation has caused this Lease Agreement to be executed in its name by its duly authorized officers; and the City has caused this Lease Agreement to be executed in its name by its duly authorized officers, as of the date first above written.

PORTERVILLE PUBLIC IMPROVEMENT  
CORPORATION

By \_\_\_\_\_  
John D. Lollis  
Executive Director

Attest:

\_\_\_\_\_  
Patrice Hildreth  
Deputy Secretary

CITY OF PORTERVILLE

By \_\_\_\_\_  
John D. Lollis  
City Manager

Attest:

\_\_\_\_\_  
Patrice Hildreth  
Chief Deputy City Clerk

**EXHIBIT A**  
**DESCRIPTION OF THE SITE**

All that certain real property situated in Tulare County, State of California, described as follows:

PARCEL 1: (POLICE STATION)

THE EAST 65 FEET OF THE NORTH 47 FEET OF LOT 1 IN BLOCK 7 OF B. HOCKETT'S ADDITION, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 3 OF MAPS, PAGE 28, TULARE COUNTY RECORDS.

APN: PORTION OF 252-176-008

PARCEL 2: (POLICE STATION)

THE WEST 45 FEET OF LOT 1 AND THE NORTH 20 FEET OF THE WEST 45 FEET OF LOT 2 IN BLOCK 7 OF B. HOCKETT'S ADDITION TO PORTERVILLE, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 3 OF MAPS, PAGE 28, TULARE COUNTY RECORDS.

APN: PORTION OF 252-176-008

PARCEL 3: (POLICE STATION)

THOSE PORTIONS OF LOT 1 AND 2 IN BLOCK 7 OF B. HOCKETT'S ADDITION, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 3 OF MAPS, PAGE 28, TULARE COUNTY RECORDS, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT 47 FEET SOUTH OF THE NORTHEAST CORNER OF SAID LOT 1; THENCE WEST 65 FEET; THENCE SOUTH 33 FEET; THENCE EAST 65 FEET; THENCE NORTH 33 FEET TO THE POINT OF BEGINNING.

APN: PORTION OF 252-176-008

PARCEL 4: (POLICE STATION)

THE SOUTH 40 FEET OF LOT 2 AND ALL OF LOTS 3 AND 4 IN BLOCK 7 OF B. HOCKETT'S ADDITION, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 3 OF MAPS, PAGE 28, TULARE COUNTY RECORDS.

APN: PORTION OF 252-176-008

PARCEL 5: (POLICE STATION)

LOTS 3, 4, 5 AND 6 IN BLOCK 3 OF HOCKETT AND PARKHURST NORTH EXTENSION TO THE CITY OF PORTERVILLE, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 5 OF MAPS, PAGE 53, TULARE COUNTY RECORDS.

APN: PORTION OF 252-176-008

PARCEL 6: (POLICE STATION)

LOTS 1 AND 2 IN BLOCK 3 OF HOCKETT AND PARKHURST NORTH EXTENSION OF PORTERVILLE, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 5 OF MAPS, PAGE 53, TULARE COUNTY RECORDS.

APN: PORTION OF 252-176-008

PARCEL 7: (POLICE STATION)

LOTS 7 AND 8 IN BLOCK 3 OF HOCKETT AND PARKHURST NORTH EXTENSION, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 5 OF MAPS, PAGE 53, TULARE COUNTY RECORDS.

APN: PORTION OF 252-176-008

PARCEL 8: (FIRE STATION #2 AND CORPORATION YARD)

LOTS 75 AND 78 OF PIONEER LAND COMPANY'S FIRST SUBDIVISION, SUBDIVISION, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF RECORDED IN BOOK 3, PAGE 34 OF MAPS, TULARE COUNTY RECORDS.

EXCEPTING THE WEST 40 FEET OF SAID LOT 75.

MEMO: BY ORDER OF BOARD OF SUPERVISORS OF TULARE COUNTY, THE EAST 10 FEET AND THE WEST 10 FEET OF GRAND AVENUE LYING BETWEEN LOTS 78 AND 79 WAS ABANDONED.

APN: 251-360-001

PARCEL 9: (CITY HALL)

LOTS 1, 2, 3 AND 4 IN BLOCK 2 OF PIONEER AND MURPHY'S ADDITION, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 4 OF MAPS, PAGE 29, TULARE COUNTY RECORDS.

NOTE: BY ORDER OF THE CITY OF PORTERVILLE THAT PORTION OF DIVISION STREET LYING ALONG THE WEST LINE OF BLOCK 2 WAS ABANDONED BY RESOLUTIONS RECORDED JUNE 12, 1956 IN BOOK 1929, PAGE 318 AND NOVEMBER 26, 1979 IN BOOK 3717, PAGE 650, OFFICIAL RECORDS.

APN: 253-191-001

PARCEL 10: (HERITAGE CENTER AND HERITAGE PARK)

THAT PORTION OF THE NORTHWEST QUARTER OF SECTION 36, TOWNSHIP 21 SOUTH, RANGE 27 EAST, MOUNT DIABLO BASE AND MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

COMMENCING AT THE POINT OF INTERSECTION OF THE NORTHEASTERLY LINE OF ORANGE AVENUE WITH THE EAST LINE OF WALLACE STREET SAID NORTHEASTERLY LINE OF ORANGE AVENUE BEING A 450.28 FOOT RADIUS CURVE CONCAVE TO THE SOUTHWEST, THE RADIAL LINE THROUGH SAID POINT OF INTERSECTION BEARS NORTH 13° 50' 20" EAST;

THENCE, NORTH 00° 58' 50" EAST, 12.91 FEET ALONG SAID EAST LINE OF WALLACE STREET TO A POINT IN A 579.00 FOOT RADIUS NON-TANGENT CURVE, CONCAVE TO THE SOUTH, A RADIAL TO SAID POINT BEARS NORTH 12° 37' 07" EAST, SAID POINT BEING THE TRUE POINT OF BEGINNING OF THE PARCEL TO BE DESCRIBED;

THENCE, EASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 13° 00' 05", AN

ARC DISTANCE OF 131.38 FEET, TO THE BEGINNING OF A 90.67 FOOT RADIUS COMPOUND CURVE, CONCAVE TO THE SOUTHWEST, A RADIAL TO SAID BEGINNING BEARS NORTH 25° 37' 12" EAST;

THENCE, SOUTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 24° 29' 08" AN ARC DISTANCE OF 38.75 FEET, TO THE BEGINNING OF A 90.67 FOOT RADIUS REVERSE CURVE, CONCAVE TO THE NORTHEAST, A RADIAL TO SAID BEGINNING BEARS SOUTH 50° 06' 20" WEST;

THENCE, SOUTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 17° 55' 24" AN ARC DISTANCE OF 28.36 FEET, TO THE BEGINNING OF A 567.00 FOOT RADIUS REVERSE CURVE, CONCAVE TO THE SOUTHWEST, A RADIAL TO SAID BEGINNING BEARS NORTH 32° 10' 56" EAST;

THENCE SOUTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 10° 10' 52" AN ARC DISTANCE OF 100.75 FEET;

THENCE, TANGENT TO SAID CURVE, SOUTH 47° 38' 12" EAST, 10.78 FEET;

THENCE, NORTH 40° 33' 11" EAST, 86.80 FEET;

THENCE, NORTH 49° 26' 49" WEST, 141.91 FEET;

THENCE, NORTH 40° 33' 11" EAST, 156.95 FEET;

THENCE, NORTH 04° 26' 49" WEST, 45.21 FEET;

THENCE, NORTH 40° 33' 11" EAST, 36.20 FEET;

THENCE, SOUTH 85° 33' 11" WEST, 91.51 FEET;

THENCE, NORTH 49° 26' 49" WEST, 44.73 FEET;

THENCE, NORTH 29° 02' 14" EAST, 206.52 FEET;

THENCE, NORTH 38° 31' 29" EAST, 187.65 FEET TO A POINT IN THE WEST LINE OF PARCEL 1 OF PARCEL MAP NO. 3371 PER MAP RECORDED IN BOOK 34 PAGE 73 OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, SAID POINT BEING NORTH 00° 06' 48" WEST, 32.00 FEET TO THE SOUTHWEST CORNER OF SAID PARCEL 1;

THENCE, NORTH 00° 06' 48" WEST, 497.67 FEET ALONG THE WEST LINE OF SAID PARCEL 1 AND THE MOST NORTHERLY EAST LINE OF PARCEL 2 OF SAID PARCEL MAP NO. 3371 TO THE MOST NORTHERLY NORTHEAST CORNER OF SAID PARCEL 2;

THENCE, SOUTH 89° 53' 14" WEST, 515.73 FEET ALONG THE NORTH LINE OF SAID PARCEL 2 AND ALONG THE SOUTH LINE OF PARCEL 1 OF PARCEL MAP NO. 2207 PER MAP RECORDED IN BOOK 23 PAGE 8 OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TO THE SOUTHWEST CORNER OF PARCEL 1 OF SAID PARCEL MAP NO. 2207 SAID SOUTHWEST CORNER BEING THE BEGINNING OF A 1810.08 FOOT RADIUS NON-TANGENT CURVE, CONCAVE TO THE EAST, A RADIAL TO SAID BEGINNING BEARS SOUTH 83° 48' 03" WEST;

THENCE, NORTHERLY, ALONG THE WEST LINE OF PARCEL 1 OF SAID PARCEL MAP NO. 2207 AND ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 04° 07' 06" AN ARC DISTANCE OF 130.11 FEET;

THENCE, TANGENT TO SAID CURVE, NORTH 02° 04' 51" WEST, 190.34 FEET TO THE NORTHWEST CORNER OF PARCEL 1 OF SAID PARCEL MAP NO. 2207;



THENCE, SOUTH 89° 51' 03" WEST, 176.76 FEET ALONG THE SOUTH LINE OF OLIVE AVENUE TO A POINT IN THE WEST LINE OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 36;

THENCE SOUTH 01° 12' 49" WEST, 1025.73 FEET TO THE SOUTHWEST CORNER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 36, SAID POINT ALSO BEING THE NORTHWEST CORNER OF PARCEL 1 OF PARCEL MAP NO. 2391 PER MAP RECORDED IN BOOK 24 PAGE 92 OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY;

THENCE, SOUTH 01° 04' 26" WEST, 60.30 FEET TO AN ANGLE POINT IN THE WEST AND SOUTHWESTERLY LINE OF PARCEL 1 OF SAID PARCEL MAP NO. 2391;

THENCE, SOUTH 46° 57' 44" EAST, 311.66 FEET ALONG THE SOUTHWESTERLY LINE OF PARCEL 1 OF SAID PARCEL MAP NO. 2391 TO A POINT IN THE WEST LINE OF WALLACE STREET;

THENCE, NORTH 00° 59' 46" EAST, 15.73 FEET ALONG THE WEST LINE OF WALLACE STREET;

THENCE, SOUTH 49° 12' 16" EAST, 103.87 FEET TO A POINT IN THE EAST LINE OF WALLACE STREET;

THENCE, SOUTH 00° 58' 50" WEST, 11.59 FEET TO THE TRUE POINT OF BEGINNING.

THE BASIS OF BEARINGS FOR THE PURPOSE OF THIS DESCRIPTION IS SOUTH 89° 25' 17" EAST, FOR THE SOUTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 36 AS SHOWN ON THE RECORD OF SURVEY RECORDED IN BOOK 21 PAGE 68 OF LICENSED SURVEYS, TULARE COUNTY RECORDS.

EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON AND MINERAL SUBSTANCES LYING NOT LESS THAN THREE HUNDRED (300) FEET BELOW THE SURFACE OF SAID REAL PROPERTY, PROVIDED THAT SANTA FE LAND IMPROVEMENT COMPANY, ITS SUCCESSORS AND ASSIGNS, SHALL NOT HAVE THE RIGHT TO GO UPON THE SURFACE OF SAID LAND FOR THE PURPOSE OF EXTRACTING SAID OIL, GAS OR OTHER HYDROCARBON AND MINERAL SUBSTANCES, NOR FOR ANY PURPOSE IN CONNECTION THEREWITH, BUT SHALL HAVE THE RIGHT TO EXTRACT AND REMOVE SAID OIL, GAS AND OTHER HYDROCARBON AND MINERAL SUBSTANCES BY MEANS WHICH SHALL NOT REQUIRE ENTRY UPON THE SURFACE OF SAID LAND, AS RESERVED IN DEED DATED DECEMBER 6, 1978, AND RECORDED JANUARY 30, 1979 IN BOOK 3617, PAGE 357, FILE NO. 6079, OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM ALL MINERALS CONTAINED IN THE ABOVE DESCRIBED LAND, INCLUDING WITHOUT LIMITING THE GENERALITY THEREOF, OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, AS WELL AS METALLIC OR OTHER SOLID MINERALS, PROVIDED THAT SANTA FE SHALL NOT HAVE THE RIGHT TO GO UPON OR USE THE SURFACE OF SAID LAND, OR ANY PART THEREOF, FOR THE PURPOSE OF DRILLING FOR MINING, OR OTHERWISE REMOVING, ANY OF SAID MINERALS. SANTA FE MAY, HOWEVER, AND HEREBY RESERVES THE RIGHT TO REMOVE ANY OF SAID MINERALS FROM SAID LAND BY MEANS OF WELLS, SHAFTS, TUNNELS, OR OTHER MEANS OF ACCESS TO SAID MINERALS WHICH MAY BE CONSTRUCTED, DRILLED OR DUG FROM OTHER LAND, PROVIDED THAT THE EXERCISE OF SUCH RIGHTS BY SANTA FE SHALL IN NO WAY INTERFERE WITH OR IMPAIR THE USE OF THE SURFACE OF THE LAND HEREBY CONVEYED OR OF ANY IMPROVEMENTS THEREON, AS RESERVED BY THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY IN DEED RECORDED OCTOBER 19, 1980 IN BOOK 3806, PAGE 346 AS FILE NO. 49665 OF OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM ALL OWNERSHIP RIGHTS TO THE ENTIRE MINERAL ESTATE BELOW THE PROPERTY, BELOW A DEPTH OF 25 FEET, INCLUDING WITHOUT LIMITATION, ALL OIL, PETROLEUM, GAS AND OTHER MINERALS, WHETHER GASEOUS, LIQUID OR SOLID, IN AND UNDER THE ABOVE-DESCRIBED PREMISES, BELOW A DEPTH OF 25 FEET. SUCH RIGHTS SHALL INCLUDE SURFACE AND SUBSURFACE ACCESS EASEMENTS, RIGHTS TO CONSTRUCT, MAINTAIN AND OPERATE SURFACE AND SUBSURFACE FACILITIES, AND OTHER RIGHTS TO

DEVELOP AND EXTRACT OIL, PETROLEUM, GAS OR ANY OTHER MINERAL, EXCEPT THAT GRANTOR (1) SHALL NOT, WITHOUT PRIOR WRITTEN CONSENT FROM GRANTEE, WHICH CONSENT SHALL NOT BE UNREASONABLY WITHHELD OR DELAYED, HAVE ANY RIGHT TO ENTER THE SURFACE OF THE PROPERTY, FOR PURPOSES OF EXPLORATION, DEVELOPMENT OR EXTRACTION OF SUCH MINERALS; (2) SHALL NOT IN EXERCISING THESE RIGHTS MORE THAN MINIMALLY INTERFERE WITH GRANTEE'S USE OF THE PROPERTY; AND (3) PRIOR TO THE EXERCISE OF THESE RIGHTS, SHALL PROVIDE ADEQUATE LIABILITY PROTECTION TO GRANTEE, IN THE FORM OF GENERAL LIABILITY INSURANCE OBTAINED (OR EXTENDED), AT THE SOLE COST OF GRANTOR, NAMING GRANTEE AS AN INSURED PARTY, UPON SUCH TERMS AS ARE THEN REASONABLE AND CUSTOMARY, UNLESS GRANTOR, IN THE REASONABLE OPINION OF GRANTEE, POSSESSES THE FINANCIAL CAPABILITY TO FUND SUCH LIABILITY PROTECTION AS A SELF-INSURED ENTITY, UNDER THAN REASONABLE AND CUSTOMARY STANDARD, FOR ANY LOSSES OR DAMAGES REASONABLY LIKELY TO BE SUSTAINED BY GRANTEE AS A RESULT OF GRANTOR'S EXERCISE OF THESE RIGHTS. IN ADDITION, ANY SURFACE OR SUBSURFACE FACILITIES CONSTRUCTED, OR EQUIPPED USED, BY GRANTOR IN THE COURSE OF GRANTOR'S EXERCISE OF THESE RIGHTS, SHALL BE CONSTRUCTED AND USED IN A MANNER THAT RESULTS IN NO MORE THAN MINIMAL INTERFERENCE WITH GRANTEE'S USE OF THE PROPERTY, AS RESERVED IN THE DEED RECORDED DECEMBER 29, 1992, AS DOCUMENT NO. 92-094547, AND RECORDED OCTOBER 18, 1994 AS DOCUMENT NO. 94-074651, OFFICIAL RECORDS.

APN: 261-150-056; 261-130-008 and 261-140-024

PARCEL 11: (CENTENNIAL PLAZA)

LOTS 6, 7 AND 8 OF BLOCK 7 OF PIONEER & MURPHY'S ADDITION IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN VOLUME 4 OF MAPS AT PAGE 29, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 253-192-05

PARCEL 12 (FIRE STATION #1 AND LIBRARY)

LOTS 1, 2, 3 AND 4 IN BLOCK 3 OF HOCKETT'S ADDITION, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF RECORDED IN BOOK 3, PAGE 28 OF MAPS, IN THE OFFICE OF THE RECORDER OF SAID COUNTY. TOGETHER WITH THAT PORTION OF DIVISION AVENUE AS VACATED BY AN INSTRUMENT RECORDED NOVEMBER 26, 1979 IN BOOK 3717 PAGE 650, AS INSTRUMENT NO. 69289, OF OFFICIAL RECORDS.

APN: 252-184-001

PARCEL 13 (MURRAY PARK)

COMMENCING AT THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 25, TOWNSHIP 21 SOUTH RANGE 27 EAST MOUNT DIABLO BASE AND MERIDIAN, THENCE EAST ALONG SOUTH LINE OF SECTION 25 (VARIATION 14 35' E.) TWO HUNDRED NINETY-SIX AND 5/10 (296.5) FEET, THENCE NORTH FIFTEEN (15) DEGREES EAST, ONE HUNDRED THIRTY-EIGHT AND 5/10 (138.5) FEET, NORTH THIRTY-FIVE (35) DEGREES EAST ONE HUNDRED (100) FEET, NORTH THIRTY (30) DEGREES EAST FIFTY (50) FEET, NORTH TWENTY-FIVE (25) DEGREES EAST, FIFTY (50) FEET, NORTH TWENTY (20) DEGREES EAST FIFTY (50) FEET, NORTH TWENTY-FIVE (25) DEGREES EAST FIFTY (50) FEET, NORTH THIRTY (30) DEGREES EAST, FIFTY (50) FEET, NORTH THIRTY-FIVE (35) DEGREES EAST FIFTY (50) FEET, NORTH FORTY (40) DEGREES EAST FIFTY (50) FEET, NORTH FIFTY (50) DEGREES EAST TWENTY-FIVE (25) FEET, NORTH SIXTY (60) DEGREES EAST TWENTY-FIVE (25) FEET, NORTH SEVENTY (70) DEGREES EAST TWENTY-FIVE (25) FEET, NORTH EIGHTY (80) DEGREES EAST TWENTY-FIVE (25) FEET, NORTH FIFTY-SIX (56) DEGREES EAST TWENTY-FIVE (25) FEET, NORTH THIRTY-TWO (32) DEGREES EAST TWENTY-FIVE (25) FEET, NORTH EIGHT (8) DEGREES EAST TWENTY-FIVE (25) FEET, NORTH SIXTEEN (16) DEGREES WEST ONE HUNDRED (100) FEET, NORTH FOUR (4)

DEGREES WEST FIFTY (50) FEET, NORTH EIGHT (8) DEGREES EAST FIFTY (50) FEET, NORTH TWENTY (20) DEGREES EAST FIFTY (50) FEET, NORTH THIRTY TWO (32) DEGREES EAST FIFTY (50) FEET, NORTH TEN (10) DEGREES EAST FIFTY (50) FEET, EAST TWO HUNDRED AND ELEVEN (211) FEET, NORTH THREE HUNDRED AND SEVENTY (370) FEET, WEST NINE HUNDRED FIFTY-TWO AND 6/10 (952.6) FEET TO NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF SOUTHEAST QUARTER OF SAID SECTION 25, THENCE SOUTH THIRTEEN HUNDRED TWENTY-SIX (1326 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM A STRIP OF LAND DESCRIBED AS FOLLOWS: COMMENCING AT A POINT TWO HUNDRED AND FIFTY (250) FEET EAST AND FOUR HUNDRED NINETY-ONE (491) FEET SOUTH OF THE NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 25, TOWNSHIP 21 SOUTH RANGE 27 EAST, MOUNT DIABLO BASE AND MERIDIAN, THENCE EAST TWO HUNDRED TEN (210) FEET TO THE EAST BANK OF PIONEER DITCH, SOUTHWEST ALONG EAST BANK OF SAID DITCH SIXTY-THREE (63) FEET, THENCE NORTHWESTERLY TO POINT OF BEGINNING.

APN: 253-100-031 PORTION

PARCEL 14 (MURRAY PARK)

COMMENCING AT A POINT 250 FEET EAST AND 491 FEET SOUTH OF THE NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION TWENTY FIVE (25), TOWNSHIP 21 SOUTH, RANGE 27 EAST M.D.B.&M.; THENCE EAST ALONG THE SOUTH LINE OF THE LANDS OF A. LESLIE 210 FEET; THENCE SOUTHWESTERLY 63 FEET; AND THENCE NORTHWESTERLY 187 FEET TO BEGINNING.

APN: 253-100-031 PORTION

PARCEL 15 (MURRAY PARK)

THE EAST HALF OF THE EAST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 25, TOWNSHIP 21 SOUTH, RANGE 27 EAST, M. D. B. & M., IN THE COUNTY OF TULARE, STATE OF CALIFORNIA.

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED REAL PROPERTY; THAT PART OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 25, TOWNSHIP 21 SOUTH, RANGE 27 EAST, M. D. B. & M., DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE EAST LINE OF SAID SOUTHEAST QUARTER OF SAID SOUTHEAST QUARTER OF SAID SECTION 25; 321.4 FEET SOUTH OF THE NORTHEAST CORNER OF SAID SOUTHEAST QUARTER OF SAID SOUTHEAST QUARTER; THENCE SOUTH ALONG THE EAST LINE OF SAID SOUTHEAST QUARTER OF SAID SOUTHEAST QUARTER 163 FEET; THENCE WEST AND PARALLEL WITH THE NORTH LINE OF SAID SOUTHEAST QUARTER OF SAID SOUTHEAST QUARTER 204 FEET; THENCE NORTH AND PARALLEL TO THE EAST LINE OF SAID SOUTHEAST QUARTER OF SAID SOUTHEAST QUARTER 163 FEET; THENCE EAST 204 FEET MORE OR LESS TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THE SOUTH TWENTY (20) FEET AS DEEDED TO THE COUNTY OF TULARE, BY AN INSTRUMENT RECORDED MAY 24, 1930 IN BOOK 379 PAGE 320 OF OFFICIAL RECORDS.

APN: 253-100-031 PORTION

PARCEL 16 (MURRAY PARK)

LOTS 1-11 OF SIERRA HEIGHTS, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 8 PAGE 79 OF MAPS, IN THE OFFICE OF THE

COUNTY RECORDER OF SAID COUNTY

APN: 253-100-031 PORTION

PARCEL 17 (MURRAY PARK)

THAT PORTION OF LOT 12 OF SIERRA HEIGHTS, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 8 PAGE 79 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF TULARE COUNTY, DESCRIBED AS FOLLOWS, TO-WIT; BEGINNING AT THE SOUTHEAST CORNER OF LOT 12, THENCE NORTH 210 FEET TO THE NORTHEAST CORNER OF AID LOT 12; THENCE WEST ALONG THE NORTH LINE OF SAID LOT 12, 54.03 FEET THENCE SOUTH TO A POINT ON THE SOUTH LINE OF LOT 12, 54.40 FEET WEST OF THE SOUTHEAST CORNER OF SAID LOT 12; THENCE EAST 54.40 FEET TO THE POINT OF BEGINNING.

APN: 253-100-031 PORTION

PARCEL 18 (MURRAY PARK)

LOT 18 OF SIERRA HEIGHTS, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 8 PAGE 79 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

APN: 253-100-031 PORTION

## EXHIBIT B

### DESCRIPTION OF THE FACILITY

The Facility consists of:

1. **City Hall**, located at 291 North Main Street in Porterville. Constructed in 1968 and renovated in 1990. Total square footage is 25,908.
2. **Police Station**, located at 350 North D Street in Porterville. Constructed in 1988. Total square footage is 16,300.
3. **Fire Station No. 1**, located at 40 West Cleveland Avenue in Porterville. Constructed in 1936 and renovated in 1964 and 1987.
4. **Library**, located at 41 West Thurman Avenue in Porterville. Constructed in 1974.
5. **Fire Station No. 2**, located at 500 North Newcomb Street in Porterville. Constructed in 1991. Total square footage is 4,830.
6. **Corporation Yard**, located at 555 North Prospect Street in Porterville. Constructed in 1980 and renovated in 1988, 1990 and 2007. Total square footage is 26,180.
7. **Murray Park**, located on Putnam Avenue in Porterville. Constructed in 2009.
8. **Heritage Center**, located at 256 East Orange Avenue in Porterville. Constructed in 2005. Total square footage is 10,037.
9. **Centennial Plaza**, located at 298 North Main Street in Porterville. Constructed in 2006. Total square footage is 13,219.

**EXHIBIT C**

**SCHEDULE OF LEASE PAYMENTS**

Lease Payment Date	Principal Component	Interest Component	Total Lease Payment	Annual Lease Payment
11/15/15	\$ 130,000	\$ 394,833.55	\$ 524,833.55	=
05/15/16	130,000	433,510.00	563,510.00	\$ 1,088,343.55
11/15/16	135,000	431,007.50	566,007.50	=
05/15/17	435,000	428,408.75	863,408.75	1,429,416.25
11/15/17	445,000	420,035.00	865,035.00	=
05/15/18	450,000	411,468.75	861,468.75	1,726,503.75
11/15/18	465,000	402,806.25	867,806.25	=
05/15/19	460,000	393,855.00	853,855.00	1,721,661.25
11/15/19	470,000	385,000.00	855,000.00	=
05/15/20	475,000	375,952.50	850,952.50	1,705,952.50
11/15/20	490,000	366,808.75	856,808.75	=
05/15/21	460,000	357,376.25	817,376.25	1,674,185.00
11/15/21	470,000	348,521.25	818,521.25	=
05/15/22	475,000	339,473.75	814,473.75	1,632,995.00
11/15/22	485,000	330,330.00	815,330.00	=
05/15/23	525,000	320,993.75	845,993.75	1,661,323.75
11/15/23	535,000	310,887.50	845,887.50	=
05/15/24	545,000	300,588.75	845,588.75	1,691,476.25
11/15/24	555,000	290,097.50	845,097.50	=
05/15/25	570,000	279,413.75	849,413.75	1,694,511.25
11/15/25	580,000	268,441.25	848,441.25	=
05/15/26	590,000	257,276.25	847,276.25	1,695,717.50
11/15/26	600,000	245,918.75	845,918.75	=
05/15/27	610,000	234,368.75	844,368.75	1,690,287.50
11/15/27	625,000	222,626.25	847,626.25	=
05/15/28	635,000	210,595.00	845,595.00	1,693,221.25
11/15/28	650,000	198,371.25	848,371.25	=
05/15/29	660,000	185,858.75	845,858.75	1,694,230.00
11/15/29	675,000	173,153.75	848,153.75	=
05/15/30	685,000	160,160.00	845,160.00	1,693,313.75
11/15/30	700,000	146,973.75	846,973.75	=
05/15/31	715,000	133,498.75	848,498.75	1,695,472.50
11/15/31	725,000	119,735.00	844,735.00	=
05/15/32	740,000	105,778.75	845,778.75	1,690,513.75
11/15/32	755,000	91,533.75	846,533.75	=
05/15/33	770,000	77,000.00	847,000.00	1,693,533.75
11/15/33	785,000	62,177.50	847,177.50	=
05/15/34	800,000	47,066.25	847,066.25	1,694,243.75
11/15/34	815,000	31,666.25	846,666.25	=
05/15/35	830,000	15,977.50	845,977.50	1,692,643.75
TOTALS	\$22,650,000	\$10,309,546.05	\$32,959,546.05	\$32,959,546.05

AFTER RECORDATION RETURN TO:

Quint & Thimmig LLP  
900 Larkspur Landing Circle, Suite 270  
Larkspur, CA 94939-1726  
Attention: Brian D. Quint, Esq.

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

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## MEMORANDUM OF LEASE AGREEMENT

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This Memorandum of Lease Agreement (this "Memorandum of Lease Agreement"), is entered into as of June 1, 2015, by and between the PORTERVILLE PUBLIC IMPROVEMENT CORPORATION, a nonprofit, public benefit corporation organized and existing under the laws of the State of California, as lessor (the "Corporation"), and the CITY OF PORTERVILLE, a municipal corporation and chartered city duly organized and existing under the laws of the State of California, as lessee (the "City"), who agree as follows:

*Section 1. The Lease.* The City leases from the Corporation and the Corporation leases to the City, certain real property described in paragraph 2 hereof, and the improvements situated upon said real property, and certain equipment, upon the terms and conditions, and for the term, more fully set forth in the Lease Agreement, dated as of June 1, 2015, by and between the Corporation, as lessor, and the City, as lessee (the "Lease Agreement"), all of the provisions of which are hereby incorporated into this Memorandum of Lease Agreement by reference.

*Section 2. Leased Premises; Term.* The Corporation leases, lets and demises unto the City and the City leases, hires and takes from the Corporation, those certain parcels of real property situated in Tulare County, State of California, more particularly described in Exhibit A attached hereto and made a part hereof (collectively, the "Site"), and those certain improvements on the Site, more particularly described in Exhibit B attached hereto and made a part hereof (the "Facility"). The Lease Agreement is for a term commencing on the date of delivery of the hereinafter defined Certificates and ending on June 1, 2035, or such earlier or later date on which the Lease Payments (as defined in the Lease Agreement) are paid in full or provision has been made for such payment in accordance with the Lease Agreement.

*Section 3. Assignment of Lessor's Rights Under Lease Agreement.* Pursuant to the Assignment Agreement, dated as of June 1, 2015, by and between the Corporation and U.S. Bank National Association, as trustee (the "Trustee"), recorded concurrently herewith, the Corporation has agreed to assign and transfer to the Trustee, certain of its rights under the Lease Agreement and in consideration of such assignment and the execution of the Trust Agreement, dated as of June 1, 2015, by and among the City, the Corporation and the Trustee, the Trustee has agreed to execute and deliver \$22,650,000 aggregate principal amount of certificates of participation each evidencing a direct, undivided fractional interest in the Lease Payments to be paid by the City under the Lease Agreement (the "Certificates").

*Section 4. Provisions Binding on Successors and Assigns.* Subject to the provisions of the Lease Agreement relating to assignment and subletting, the Lease Agreement shall inure to the benefit of and shall be binding upon the Corporation and the City and their respective successors and assigns.

*Section 5. Purpose of Memorandum.* This Memorandum of Lease Agreement is prepared for the purpose of recordation, and it in no way modifies the provisions of the Lease Agreement.

*Section 6. Execution.* This Memorandum of Lease Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.



IN WITNESS WHEREOF, the Corporation has caused this Memorandum of Lease Agreement to be executed in its name by its duly authorized officers; and the City has caused this Memorandum of Lease Agreement to be executed in its name by its duly authorized officers, as of the date first above written.

PORTERVILLE PUBLIC IMPROVEMENT  
CORPORATION

By \_\_\_\_\_  
John D. Lollis  
Executive Director

Attest:

\_\_\_\_\_  
Patrice Hildreth  
Deputy Secretary

CITY OF PORTERVILLE

By \_\_\_\_\_  
John D. Lollis  
City Manager

Attest:

\_\_\_\_\_  
Patrice Hildreth  
Chief Deputy City Clerk

[NOTARY ACKNOWLEDGMENTS TO BE ATTACHED]

**EXHIBIT A**  
**DESCRIPTION OF THE SITE**

All that certain real property situated in Tulare County, State of California, described as follows:

PARCEL 1: (POLICE STATION)

THE EAST 65 FEET OF THE NORTH 47 FEET OF LOT 1 IN BLOCK 7 OF B. HOCKETT'S ADDITION, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 3 OF MAPS, PAGE 28, TULARE COUNTY RECORDS.

APN: PORTION OF 252-176-008

PARCEL 2: (POLICE STATION)

THE WEST 45 FEET OF LOT 1 AND THE NORTH 20 FEET OF THE WEST 45 FEET OF LOT 2 IN BLOCK 7 OF B. HOCKETT'S ADDITION TO PORTERVILLE, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 3 OF MAPS, PAGE 28, TULARE COUNTY RECORDS.

APN: PORTION OF 252-176-008

PARCEL 3: (POLICE STATION)

THOSE PORTIONS OF LOT 1 AND 2 IN BLOCK 7 OF B. HOCKETT'S ADDITION, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 3 OF MAPS, PAGE 28, TULARE COUNTY RECORDS, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT 47 FEET SOUTH OF THE NORTHEAST CORNER OF SAID LOT 1; THENCE WEST 65 FEET; THENCE SOUTH 33 FEET; THENCE EAST 65 FEET; THENCE NORTH 33 FEET TO THE POINT OF BEGINNING.

APN: PORTION OF 252-176-008

PARCEL 4: (POLICE STATION)

THE SOUTH 40 FEET OF LOT 2 AND ALL OF LOTS 3 AND 4 IN BLOCK 7 OF B. HOCKETT'S ADDITION, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 3 OF MAPS, PAGE 28, TULARE COUNTY RECORDS.

APN: PORTION OF 252-176-008

PARCEL 5: (POLICE STATION)

LOTS 3, 4, 5 AND 6 IN BLOCK 3 OF HOCKETT AND PARKHURST NORTH EXTENSION TO THE CITY OF PORTERVILLE, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 5 OF MAPS, PAGE 53, TULARE COUNTY RECORDS.

APN: PORTION OF 252-176-008

PARCEL 6: (POLICE STATION)

LOTS 1 AND 2 IN BLOCK 3 OF HOCKETT AND PARKHURST NORTH EXTENSION OF PORTERVILLE, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 5 OF MAPS, PAGE 53, TULARE COUNTY RECORDS.

APN: PORTION OF 252-176-008

PARCEL 7: (POLICE STATION)

LOTS 7 AND 8 IN BLOCK 3 OF HOCKETT AND PARKHURST NORTH EXTENSION, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 5 OF MAPS, PAGE 53, TULARE COUNTY RECORDS.

APN: PORTION OF 252-176-008

PARCEL 8: (FIRE STATION #2 AND CORPORATION YARD)

LOTS 75 AND 78 OF PIONEER LAND COMPANY'S FIRST SUBDIVISION, SUBDIVISION, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF RECORDED IN BOOK 3, PAGE 34 OF MAPS, TULARE COUNTY RECORDS.

EXCEPTING THE WEST 40 FEET OF SAID LOT 75.

MEMO: BY ORDER OF BOARD OF SUPERVISORS OF TULARE COUNTY, THE EAST 10 FEET AND THE WEST 10 FEET OF GRAND AVENUE LYING BETWEEN LOTS 78 AND 79 WAS ABANDONED.

APN: 251-360-001

PARCEL 9: (CITY HALL)

LOTS 1, 2, 3 AND 4 IN BLOCK 2 OF PIONEER AND MURPHY'S ADDITION, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 4 OF MAPS, PAGE 29, TULARE COUNTY RECORDS.

NOTE: BY ORDER OF THE CITY OF PORTERVILLE THAT PORTION OF DIVISION STREET LYING ALONG THE WEST LINE OF BLOCK 2 WAS ABANDONED BY RESOLUTIONS RECORDED JUNE 12, 1956 IN BOOK 1929, PAGE 318 AND NOVEMBER 26, 1979 IN BOOK 3717, PAGE 650, OFFICIAL RECORDS.

APN: 253-191-001

PARCEL 10: (HERITAGE CENTER AND HERITAGE PARK)

THAT PORTION OF THE NORTHWEST QUARTER OF SECTION 36, TOWNSHIP 21 SOUTH, RANGE 27 EAST, MOUNT DIABLO BASE AND MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

COMMENCING AT THE POINT OF INTERSECTION OF THE NORTHEASTERLY LINE OF ORANGE AVENUE WITH THE EAST LINE OF WALLACE STREET SAID NORTHEASTERLY LINE OF ORANGE AVENUE BEING A 450.28 FOOT RADIUS CURVE CONCAVE TO THE SOUTHWEST, THE RADIAL LINE THROUGH SAID POINT OF INTERSECTION BEARS NORTH 13° 50' 20" EAST;

THENCE, NORTH 00° 58' 50" EAST, 12.91 FEET ALONG SAID EAST LINE OF WALLACE STREET TO A POINT IN A 579.00 FOOT RADIUS NON-TANGENT CURVE, CONCAVE TO THE SOUTH, A RADIAL TO SAID POINT BEARS NORTH 12° 37' 07" EAST, SAID POINT BEING THE TRUE POINT OF BEGINNING OF THE PARCEL TO BE DESCRIBED;

THENCE, EASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 13° 00' 05", AN ARC DISTANCE OF 131.38 FEET, TO THE BEGINNING OF A 90.67 FOOT RADIUS COMPOUND CURVE, CONCAVE TO THE SOUTHWEST, A RADIAL TO SAID BEGINNING BEARS NORTH 25° 37' 12" EAST;

THENCE, SOUTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 24° 29' 08" AN ARC DISTANCE OF 38.75 FEET, TO THE BEGINNING OF A 90.67 FOOT RADIUS REVERSE CURVE, CONCAVE TO THE NORTHEAST, A RADIAL TO SAID BEGINNING BEARS SOUTH 50° 06' 20" WEST;

THENCE, SOUTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 17° 55' 24" AN ARC DISTANCE OF 28.36 FEET, TO THE BEGINNING OF A 567.00 FOOT RADIUS REVERSE CURVE, CONCAVE TO THE SOUTHWEST, A RADIAL TO SAID BEGINNING BEARS NORTH 32° 10' 56" EAST;

THENCE SOUTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 10° 10' 52" AN ARC DISTANCE OF 100.75 FEET;

THENCE, TANGENT TO SAID CURVE, SOUTH 47° 38' 12" EAST, 10.78 FEET;

THENCE, NORTH 40° 33' 11" EAST, 86.80 FEET;

THENCE, NORTH 49° 26' 49" WEST, 141.91 FEET;

THENCE, NORTH 40° 33' 11" EAST, 156.95 FEET;

THENCE, NORTH 04° 26' 49" WEST, 45.21 FEET;

THENCE, NORTH 40° 33' 11" EAST, 36.20 FEET;

THENCE, SOUTH 85° 33' 11" WEST, 91.51 FEET;

THENCE, NORTH 49° 26' 49" WEST, 44.73 FEET;

THENCE, NORTH 29° 02' 14" EAST, 206.52 FEET;

THENCE, NORTH 38° 31' 29" EAST, 187.65 FEET TO A POINT IN THE WEST LINE OF PARCEL 1 OF PARCEL MAP NO. 3371 PER MAP RECORDED IN BOOK 34 PAGE 73 OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, SAID POINT BEING NORTH 00° 06' 48" WEST, 32.00 FEET TO THE SOUTHWEST CORNER OF SAID PARCEL 1;

THENCE, NORTH 00° 06' 48" WEST, 497.67 FEET ALONG THE WEST LINE OF SAID PARCEL 1 AND THE MOST NORTHERLY EAST LINE OF PARCEL 2 OF SAID PARCEL MAP NO. 3371 TO THE MOST NORTHERLY NORTHEAST CORNER OF SAID PARCEL 2;

THENCE, SOUTH 89° 53' 14" WEST, 515.73 FEET ALONG THE NORTH LINE OF SAID PARCEL 2 AND ALONG THE SOUTH LINE OF PARCEL 1 OF PARCEL MAP NO. 2207 PER MAP RECORDED IN BOOK 23 PAGE 8 OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TO THE SOUTHWEST CORNER OF PARCEL 1 OF SAID PARCEL MAP NO. 2207 SAID SOUTHWEST CORNER BEING THE BEGINNING OF A 1810.08 FOOT RADIUS NON-TANGENT CURVE, CONCAVE TO THE EAST, A RADIAL TO SAID BEGINNING BEARS SOUTH 83° 48' 03" WEST;

THENCE, NORTHERLY, ALONG THE WEST LINE OF PARCEL 1 OF SAID PARCEL MAP NO. 2207 AND ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 04° 07' 06" AN ARC DISTANCE OF 130.11 FEET;

THENCE, TANGENT TO SAID CURVE, NORTH 02° 04' 51" WEST, 190.34 FEET TO THE NORTHWEST CORNER OF PARCEL 1 OF SAID PARCEL MAP NO. 2207;

THENCE, SOUTH 89° 51' 03" WEST, 176.76 FEET ALONG THE SOUTH LINE OF OLIVE AVENUE TO A

POINT IN THE WEST LINE OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 36;

THENCE SOUTH 01° 12' 49" WEST, 1025.73 FEET TO THE SOUTHWEST CORNER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 36, SAID POINT ALSO BEING THE NORTHWEST CORNER OF PARCEL 1 OF PARCEL MAP NO. 2391 PER MAP RECORDED IN BOOK 24 PAGE 92 OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY;

THENCE, SOUTH 01° 04' 26" WEST, 60.30 FEET TO AN ANGLE POINT IN THE WEST AND SOUTHWESTERLY LINE OF PARCEL 1 OF SAID PARCEL MAP NO. 2391;

THENCE, SOUTH 46° 57' 44" EAST, 311.66 FEET ALONG THE SOUTHWESTERLY LINE OF PARCEL 1 OF SAID PARCEL MAP NO. 2391 TO A POINT IN THE WEST LINE OF WALLACE STREET;

THENCE, NORTH 00° 59' 46" EAST, 15.73 FEET ALONG THE WEST LINE OF WALLACE STREET;

THENCE, SOUTH 49° 12' 16" EAST, 103.87 FEET TO A POINT IN THE EAST LINE OF WALLACE STREET;

THENCE, SOUTH 00° 58' 50" WEST, 11.59 FEET TO THE TRUE POINT OF BEGINNING.

THE BASIS OF BEARINGS FOR THE PURPOSE OF THIS DESCRIPTION IS SOUTH 89° 25' 17" EAST, FOR THE SOUTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 36 AS SHOWN ON THE RECORD OF SURVEY RECORDED IN BOOK 21 PAGE 68 OF LICENSED SURVEYS, TULARE COUNTY RECORDS.

EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON AND MINERAL SUBSTANCES LYING NOT LESS THAN THREE HUNDRED (300) FEET BELOW THE SURFACE OF SAID REAL PROPERTY, PROVIDED THAT SANTA FE LAND IMPROVEMENT COMPANY, ITS SUCCESSORS AND ASSIGNS, SHALL NOT HAVE THE RIGHT TO GO UPON THE SURFACE OF SAID LAND FOR THE PURPOSE OF EXTRACTING SAID OIL, GAS OR OTHER HYDROCARBON AND MINERAL SUBSTANCES, NOR FOR ANY PURPOSE IN CONNECTION THEREWITH, BUT SHALL HAVE THE RIGHT TO EXTRACT AND REMOVE SAID OIL, GAS AND OTHER HYDROCARBON AND MINERAL SUBSTANCES BY MEANS WHICH SHALL NOT REQUIRE ENTRY UPON THE SURFACE OF SAID LAND, AS RESERVED IN DEED DATED DECEMBER 6, 1978, AND RECORDED JANUARY 30, 1979 IN BOOK 3617, PAGE 357, FILE NO. 6079, OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM ALL MINERALS CONTAINED IN THE ABOVE DESCRIBED LAND, INCLUDING WITHOUT LIMITING THE GENERALITY THEREOF, OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, AS WELL AS METALLIC OR OTHER SOLID MINERALS, PROVIDED THAT SANTA FE SHALL NOT HAVE THE RIGHT TO GO UPON OR USE THE SURFACE OF SAID LAND, OR ANY PART THEREOF, FOR THE PURPOSE OF DRILLING FOR MINING, OR OTHERWISE REMOVING, ANY OF SAID MINERALS. SANTA FE MAY, HOWEVER, AND HEREBY RESERVES THE RIGHT TO REMOVE ANY OF SAID MINERALS FROM SAID LAND BY MEANS OF WELLS, SHAFTS, TUNNELS, OR OTHER MEANS OF ACCESS TO SAID MINERALS WHICH MAY BE CONSTRUCTED, DRILLED OR DUG FROM OTHER LAND, PROVIDED THAT THE EXERCISE OF SUCH RIGHTS BY SANTA FE SHALL IN NO WAY INTERFERE WITH OR IMPAIR THE USE OF THE SURFACE OF THE LAND HEREBY CONVEYED OR OF ANY IMPROVEMENTS THEREON, AS RESERVED BY THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY IN DEED RECORDED OCTOBER 19, 1980 IN BOOK 3806, PAGE 346 AS FILE NO. 49665 OF OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM ALL OWNERSHIP RIGHTS TO THE ENTIRE MINERAL ESTATE BELOW THE PROPERTY, BELOW A DEPTH OF 25 FEET, INCLUDING WITHOUT LIMITATION, ALL OIL, PETROLEUM, GAS AND OTHER MINERALS, WHETHER GASEOUS, LIQUID OR SOLID, IN AND UNDER THE ABOVE-DESCRIBED PREMISES, BELOW A DEPTH OF 25 FEET. SUCH RIGHTS SHALL INCLUDE SURFACE AND SUBSURFACE ACCESS EASEMENTS, RIGHTS TO CONSTRUCT, MAINTAIN AND OPERATE SURFACE AND SUBSURFACE FACILITIES, AND OTHER RIGHTS TO DEVELOP AND EXTRACT OIL, PETROLEUM, GAS OR ANY OTHER MINERAL, EXCEPT THAT GRANTOR (1) SHALL

NOT, WITHOUT PRIOR WRITTEN CONSENT FROM GRANTEE, WHICH CONSENT SHALL NOT BE UNREASONABLY WITHHELD OR DELAYED, HAVE ANY RIGHT TO ENTER THE SURFACE OF THE PROPERTY, FOR PURPOSES OF EXPLORATION, DEVELOPMENT OR EXTRACTION OF SUCH MINERALS; (2) SHALL NOT IN EXERCISING THESE RIGHTS MORE THAN MINIMALLY INTERFERE WITH GRANTEE'S USE OF THE PROPERTY; AND (3) PRIOR TO THE EXERCISE OF THESE RIGHTS, SHALL PROVIDE ADEQUATE LIABILITY PROTECTION TO GRANTEE, IN THE FORM OF GENERAL LIABILITY INSURANCE OBTAINED (OR EXTENDED), AT THE SOLE COST OF GRANTOR, NAMING GRANTEE AS AN INSURED PARTY, UPON SUCH TERMS AS ARE THEN REASONABLE AND CUSTOMARY, UNLESS GRANTOR, IN THE REASONABLE OPINION OF GRANTEE, POSSESSES THE FINANCIAL CAPABILITY TO FUND SUCH LIABILITY PROTECTION AS A SELF-INSURED ENTITY, UNDER THAN REASONABLE AND CUSTOMARY STANDARD, FOR ANY LOSSES OR DAMAGES REASONABLY LIKELY TO BE SUSTAINED BY GRANTEE AS A RESULT OF GRANTOR'S EXERCISE OF THESE RIGHTS. IN ADDITION, ANY SURFACE OR SUBSURFACE FACILITIES CONSTRUCTED, OR EQUIPPED USED, BY GRANTOR IN THE COURSE OF GRANTOR'S EXERCISE OF THESE RIGHTS, SHALL BE CONSTRUCTED AND USED IN A MANNER THAT RESULTS IN NO MORE THAN MINIMAL INTERFERENCE WITH GRANTEE'S USE OF THE PROPERTY, AS RESERVED IN THE DEED RECORDED DECEMBER 29, 1992, AS DOCUMENT NO. 92-094547, AND RECORDED OCTOBER 18, 1994 AS DOCUMENT NO. 94-074651, OFFICIAL RECORDS.

APN: 261-150-056; 261-130-008 and 261-140-024

PARCEL 11: (CENTENNIAL PLAZA)

LOTS 6, 7 AND 8 OF BLOCK 7 OF PIONEER & MURPHY'S ADDITION IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN VOLUME 4 OF MAPS AT PAGE 29, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 253-192-05

PARCEL 12 (FIRE STATION #1 AND LIBRARY)

LOTS 1, 2, 3 AND 4 IN BLOCK 3 OF HOCKETT'S ADDITION, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF RECORDED IN BOOK 3, PAGE 28 OF MAPS, IN THE OFFICE OF THE RECORDER OF SAID COUNTY. TOGETHER WITH THAT PORTION OF DIVISION AVENUE AS VACATED BY AN INSTRUMENT RECORDED NOVEMBER 26, 1979 IN BOOK 3717 PAGE 650, AS INSTRUMENT NO. 69289, OF OFFICIAL RECORDS.

APN: 252-184-001

PARCEL 13 (MURRAY PARK)

COMMENCING AT THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 25, TOWNSHIP 21 SOUTH RANGE 27 EAST MOUNT DIABLO BASE AND MERIDIAN, THENCE EAST ALONG SOUTH LINE OF SECTION 25 (VARIATION 14 35' E.) TWO HUNDRED NINETY-SIX AND 5/10 (296.5) FEET, THENCE NORTH FIFTEEN (15) DEGREES EAST, ONE HUNDRED THIRTY-EIGHT AND 5/10 (138.5) FEET, NORTH THIRTY-FIVE (35) DEGREES EAST ONE HUNDRED (100) FEET, NORTH THIRTY (30) DEGREES EAST FIFTY (50) FEET, NORTH TWENTY-FIVE (25) DEGREES EAST, FIFTY (50) FEET, NORTH TWENTY (20) DEGREES EAST FIFTY (50) FEET, NORTH TWENTY-FIVE (25) DEGREES EAST FIFTY (50) FEET, NORTH THIRTY (30) DEGREES EAST, FIFTY (50) FEET, NORTH THIRTY-FIVE (35) DEGREES EAST FIFTY (50) FEET, NORTH FORTY (40) DEGREES EAST FIFTY (50) FEET, NORTH FIFTY (50) DEGREES EAST TWENTY-FIVE (25) FEET, NORTH SIXTY (60) DEGREES EAST TWENTY-FIVE (25) FEET, NORTH SEVENTY (70) DEGREES EAST TWENTY-FIVE (25) FEET, NORTH EIGHTY (80) DEGREES EAST TWENTY-FIVE (25) FEET, NORTH FIFTY-SIX (56) DEGREES EAST TWENTY-FIVE (25) FEET, NORTH THIRTY-TWO (32) DEGREES EAST TWENTY-FIVE (25) FEET, NORTH EIGHT (8) DEGREES EAST TWENTY-FIVE (25) FEET, NORTH SIXTEEN (16) DEGREES WEST ONE HUNDRED (100) FEET, NORTH FOUR (4) DEGREES WEST FIFTY (50) FEET, NORTH EIGHT (8) DEGREES EAST FIFTY (50) FEET, NORTH TWENTY (20) DEGREES EAST FIFTY (50) FEET, NORTH THIRTY TWO (32) DEGREES EAST FIFTY (50) FEET, NORTH TEN (10) DEGREES EAST FIFTY (50) FEET,

EAST TWO HUNDRED AND ELEVEN (211) FEET, NORTH THREE HUNDRED AND SEVENTY (370) FEET, WEST NINE HUNDRED FIFTY-TWO AND 6/10 (952.6) FEET TO NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF SOUTHEAST QUARTER OF SAID SECTION 25, THENCE SOUTH THIRTEEN HUNDRED TWENTY-SIX (1326 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM A STRIP OF LAND DESCRIBED AS FOLLOWS: COMMENCING AT A POINT TWO HUNDRED AND FIFTY (250) FEET EAST AND FOUR HUNDRED NINETY-ONE (491) FEET SOUTH OF THE NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 25, TOWNSHIP 21 SOUTH RANGE 27 EAST, MOUNT DIABLO BASE AND MERIDIAN, THENCE EAST TWO HUNDRED TEN (210) FEET TO THE EAST BANK OF PIONEER DITCH, SOUTHWEST ALONG EAST BANK OF SAID DITCH SIXTY-THREE (63) FEET, THENCE NORTHWESTERLY TO POINT OF BEGINNING.

APN: 253-100-031 PORTION

PARCEL 14 (MURRAY PARK)

COMMENCING AT A POINT 250 FEET EAST AND 491 FEET SOUTH OF THE NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION TWENTY FIVE (25), TOWNSHIP 21 SOUTH, RANGE 27 EAST M.D.B.&M.; THENCE EAST ALONG THE SOUTH LINE OF THE LANDS OF A. LESLIE 210 FEET; THENCE SOUTHWESTERLY 63 FEET; AND THENCE NORTHWESTERLY 187 FEET TO BEGINNING.

APN: 253-100-031 PORTION

PARCEL 15 (MURRAY PARK)

THE EAST HALF OF THE EAST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 25, TOWNSHIP 21 SOUTH, RANGE 27 EAST, M. D. B. & M., IN THE COUNTY OF TULARE, STATE OF CALIFORNIA.

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED REAL PROPERTY; THAT PART OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 25, TOWNSHIP 21 SOUTH, RANGE 27 EAST, M. D. B. & M., DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE EAST LINE OF SAID SOUTHEAST QUARTER OF SAID SOUTHEAST QUARTER OF SAID SECTION 25; 321.4 FEET SOUTH OF THE NORTHEAST CORNER OF SAID SOUTHEAST QUARTER OF SAID SOUTHEAST QUARTER; THENCE SOUTH ALONG THE EAST LINE OF SAID SOUTHEAST QUARTER OF SAID SOUTHEAST QUARTER 163 FEET; THENCE WEST AND PARALLEL WITH THE NORTH LINE OF SAID SOUTHEAST QUARTER OF SAID SOUTHEAST QUARTER 204 FEET; THENCE NORTH AND PARALLEL TO THE EAST LINE OF SAID SOUTHEAST QUARTER OF SAID SOUTHEAST QUARTER 163 FEET; THENCE EAST 204 FEET MORE OR LESS TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THE SOUTH TWENTY (20) FEET AS DEEDED TO THE COUNTY OF TULARE, BY AN INSTRUMENT RECORDED MAY 24, 1930 IN BOOK 379 PAGE 320 OF OFFICIAL RECORDS.

APN: 253-100-031 PORTION

PARCEL 16 (MURRAY PARK)

LOTS 1-11 OF SIERRA HEIGHTS, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 8 PAGE 79 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

APN: 253-100-031 PORTION



PARCEL 17 (MURRAY PARK)

THAT PORTION OF LOT 12 OF SIERRA HEIGHTS, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 8 PAGE 79 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF TULARE COUNTY, DESCRIBED AS FOLLOWS, TO-WIT; BEGINNING AT THE SOUTHEAST CORNER OF LOT 12, THENCE NORTH 210 FEET TO THE NORTHEAST CORNER OF AID LOT 12; THENCE WEST ALONG THE NORTH LINE OF SAID LOT 12, 54.03 FEET THENCE SOUTH TO A POINT ON THE SOUTH LINE OF LOT 12, 54.40 FEET WEST OF THE SOUTHEAST CORNER OF SAID LOT 12; THENCE EAST 54.40 FEET TO THE POINT OF BEGINNING.

APN: 253-100-031 PORTION

PARCEL 18 (MURRAY PARK)

LOT 18 OF SIERRA HEIGHTS, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 8 PAGE 79 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

APN: 253-100-031 PORTION

## EXHIBIT B

### DESCRIPTION OF THE FACILITY

The Facility consists of:

1. **City Hall**, located at 291 North Main Street in Porterville. Constructed in 1968 and renovated in 1990. Total square footage is 25,908.
2. **Police Station**, located at 350 North D Street in Porterville. Constructed in 1988. Total square footage is 16,300.
3. **Fire Station No. 1**, located at 40 West Cleveland Avenue in Porterville. Constructed in 1936 and renovated in 1964 and 1987.
4. **Library**, located at 41 West Thurman Avenue in Porterville. Constructed in 1974.
5. **Fire Station No. 2**, located at 500 North Newcomb Street in Porterville. Constructed in 1991. Total square footage is 4,830.
6. **Corporation Yard**, located at 555 North Prospect Street in Porterville. Constructed in 1980 and renovated in 1988, 1990 and 2007. Total square footage is 26,180.
7. **Murray Park**, located on Putnam Avenue in Porterville. Constructed in 2009.
8. **Heritage Center**, located at 256 East Orange Avenue in Porterville. Constructed in 2005. Total square footage is 10,037.
9. **Centennial Plaza**, located at 298 North Main Street in Porterville. Constructed in 2006. Total square footage is 13,219.

AFTER RECORDATION RETURN TO:

Quint & Thimmig LLP  
900 Larkspur Landing Circle, Suite 270  
Larkspur, CA 94939-1726  
Attention: Brian D. Quint, Esq.

THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

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## ASSIGNMENT AGREEMENT

Dated as of June 1, 2015

by and between the

**PORTERVILLE PUBLIC IMPROVEMENT CORPORATION**

and

**U.S. BANK NATIONAL ASSOCIATION, as Trustee**

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Relating to:  
\$22,650,000  
CERTIFICATES OF PARTICIPATION  
(2015 Refinancing Project)  
Evidencing Direct, Undivided Fractional Interests of the  
Owners Thereof in Lease Payments to be Made by the  
CITY OF PORTERVILLE, CALIFORNIA  
As the Rental for Certain Property Pursuant to a Lease Agreement  
with the Porterville Public Improvement Corporation

## ASSIGNMENT AGREEMENT

THIS ASSIGNMENT AGREEMENT, dated as of June 1, 2015, by and between the PORTERVILLE PUBLIC IMPROVEMENT CORPORATION, a nonprofit, public benefit corporation organized and existing under the laws of the State of California (the "Corporation"), and U.S. BANK NATIONAL ASSOCIATION, a national banking association organized and existing under and by virtue of the laws of the United States of America, as trustee (the "Trustee");

### WITNESSETH:

In the joint and mutual exercise of their powers, in consideration of the mutual covenants herein contained, and for other valuable consideration, the parties hereto recite and agree as follows:

#### *Section 1. Recitals.*

(a) The Corporation and the City of Porterville (the "City"), have entered into a lease agreement, dated as of June 1, 2015, a memorandum of which is recorded concurrently herewith (the "Lease Agreement"), whereby the Corporation has agreed to lease to the City, and the City has agreed to lease from the Corporation, those certain parcels of real property situated in Tulare County, State of California, more particularly described in Exhibit A hereto (the "Site"), and those certain improvements thereon, more particularly described in Exhibit B hereto (the "Facility" and, with the Site, the "Property"), in the manner and on the terms set forth in the Lease Agreement, which terms include, without limitation, the obligation of the City to pay lease payments (the "Lease Payments") to the Corporation in consideration of the City's use and enjoyment of the Property.

(b) Under the Lease Agreement, the Corporation is required to cause to be deposited with the Trustee certain sums of money to be credited, held and applied in accordance with the Lease Agreement and with a trust agreement, dated as of June 1, 2015 (the "Trust Agreement"), by and among the Corporation, the City and the Trustee.

(c) Upon delivery of the Lease Agreement, the Corporation is required to deposit with the Trustee moneys to (i) provide for the defeasance of the City's outstanding Certificates of Participation (2002 Public Building Refunding Project) (the "2002 Certificates"), and (ii) provide for the prepayment of a lease agreement, dated as of April 1, 2013, by and between the Corporation and the City, which has been assigned to Rabobank, N.A. (the "2013 Lease"). For the purpose of obtaining such moneys, the Corporation is willing to convey to certain persons (the "Owners") direct, undivided fractional interests in the Lease Payments, such direct, undivided fractional interests to be evidenced by certificates of participation therein (the "Certificates"). In order to make such fractional interests marketable on terms acceptable to the Corporation, the Corporation is willing to assign and transfer its rights under the Lease Agreement to the Trustee for the benefit of the Owners. Concurrently with the delivery of this Assignment Agreement, the Trustee is executing and delivering Certificates in an aggregate principal amount of twenty-two million six hundred fifty thousand dollars (\$22,650,000). The proceeds of such sale are anticipated to be sufficient to permit the Corporation to make the deposits required under the Lease Agreement and the Trust Agreement and to permit the Corporation to pay therewith the costs of refunding the 2002 Certificates and prepaying the 2013 Lease.

(d) Each of the parties has authority to enter into this Assignment Agreement and has taken all actions necessary to authorize its officers to execute it.

*Section 2. Assignment.* The Corporation, for good and valuable consideration, hereby transfers, assigns and sets over to the Trustee, for the benefit of the Owners of the Certificates (as defined in the Trust Agreement), and Assured Guaranty Municipal Corp., as municipal bond insurer for the Certificates ("AGM"), all of the Corporation's rights and interests under the Lease Agreement (excepting only the Corporation's rights under Sections 5.8, 7.3 and 9.4 but none of its obligations, including, without limitation, its obligations under Section 4.7 of the Lease Agreement), including without limitation (i) the right to receive and collect all of the Lease Payments from the City, (ii) the right to receive and collect any proceeds of any insurance maintained thereunder and of any condemnation award rendered with respect to the Property, and (iii) the right to exercise such rights and remedies conferred on the Corporation pursuant to the Lease Agreement as may be necessary or convenient (A) to enforce payment of the Lease Payments and any other amounts required to be deposited in the Lease Payment Fund or the Insurance and Condemnation Fund established under the Trust Agreement, or (B) otherwise to protect the interests of the Owners in the event of a default by the City under the Lease Agreement. All rights assigned by the Corporation shall be administered by the Trustee in accordance with the provisions of the Trust Agreement and for the equal and fractional benefit of the Owners of the Certificates.

*Section 3. Acceptance.* The Trustee hereby accepts the assignments made herein for the purpose of securing, equally and fractionally, the payments due pursuant to the Lease Agreement and the Trust Agreement to, and the rights under the Lease Agreement and Trust Agreement of, the Owners of the Certificates delivered pursuant to the Trust Agreement, all subject to the provisions of the Trust Agreement.

*Section 4. Conditions.* This Assignment Agreement shall neither confer rights nor impose duties upon the Trustee beyond those expressly provided in the Trust Agreement. The Trustee assumes no responsibility for the accuracy of the recitals herein.

*Section 5. Third Party Beneficiary.* AGM shall be deemed to be a third party beneficiary of this Assignment Agreement.

*Section 6. Amendment.* This Assignment Agreement may not be amended except as permitted under Section 10.01 of the Trust Agreement.

*Section 7. Execution in Counterparts.* This Assignment Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Assignment Agreement by their officers thereunto duly authorized as of the day and year first written above.

PORTERVILLE PUBLIC IMPROVEMENT  
CORPORATION

By \_\_\_\_\_  
John D. Lollis  
Executive Director

Attest:

\_\_\_\_\_  
Patrice Hildreth  
Deputy Secretary

U.S. BANK NATIONAL ASSOCIATION,  
as Trustee

By \_\_\_\_\_  
Ilse Vlach  
Assistant Vice President

[NOTARY ACKNOWLEDGMENTS TO BE ATTACHED]

**EXHIBIT A**  
**DESCRIPTION OF THE SITE**

All that certain real property situated in Tulare County, State of California, described as follows:

PARCEL 1: (POLICE STATION)

THE EAST 65 FEET OF THE NORTH 47 FEET OF LOT 1 IN BLOCK 7 OF B. HOCKETT'S ADDITION, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 3 OF MAPS, PAGE 28, TULARE COUNTY RECORDS.

APN: PORTION OF 252-176-008

PARCEL 2: (POLICE STATION)

THE WEST 45 FEET OF LOT 1 AND THE NORTH 20 FEET OF THE WEST 45 FEET OF LOT 2 IN BLOCK 7 OF B. HOCKETT'S ADDITION TO PORTERVILLE, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 3 OF MAPS, PAGE 28, TULARE COUNTY RECORDS.

APN: PORTION OF 252-176-008

PARCEL 3: (POLICE STATION)

THOSE PORTIONS OF LOT 1 AND 2 IN BLOCK 7 OF B. HOCKETT'S ADDITION, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 3 OF MAPS, PAGE 28, TULARE COUNTY RECORDS, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT 47 FEET SOUTH OF THE NORTHEAST CORNER OF SAID LOT 1; THENCE WEST 65 FEET; THENCE SOUTH 33 FEET; THENCE EAST 65 FEET; THENCE NORTH 33 FEET TO THE POINT OF BEGINNING.

APN: PORTION OF 252-176-008

PARCEL 4: (POLICE STATION)

THE SOUTH 40 FEET OF LOT 2 AND ALL OF LOTS 3 AND 4 IN BLOCK 7 OF B. HOCKETT'S ADDITION, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 3 OF MAPS, PAGE 28, TULARE COUNTY RECORDS.

APN: PORTION OF 252-176-008

PARCEL 5: (POLICE STATION)

LOTS 3, 4, 5 AND 6 IN BLOCK 3 OF HOCKETT AND PARKHURST NORTH EXTENSION TO THE CITY OF PORTERVILLE, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 5 OF MAPS, PAGE 53, TULARE COUNTY RECORDS.

APN: PORTION OF 252-176-008



PARCEL 6: (POLICE STATION)

LOTS 1 AND 2 IN BLOCK 3 OF HOCKETT AND PARKHURST NORTH EXTENSION OF PORTERVILLE, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 5 OF MAPS, PAGE 53, TULARE COUNTY RECORDS.

APN: PORTION OF 252-176-008

PARCEL 7: (POLICE STATION)

LOTS 7 AND 8 IN BLOCK 3 OF HOCKETT AND PARKHURST NORTH EXTENSION, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 5 OF MAPS, PAGE 53, TULARE COUNTY RECORDS.

APN: PORTION OF 252-176-008

PARCEL 8: (FIRE STATION #2 AND CORPORATION YARD)

LOTS 75 AND 78 OF PIONEER LAND COMPANY'S FIRST SUBDIVISION, SUBDIVISION, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF RECORDED IN BOOK 3, PAGE 34 OF MAPS, TULARE COUNTY RECORDS.

EXCEPTING THE WEST 40 FEET OF SAID LOT 75.

MEMO: BY ORDER OF BOARD OF SUPERVISORS OF TULARE COUNTY, THE EAST 10 FEET AND THE WEST 10 FEET OF GRAND AVENUE LYING BETWEEN LOTS 78 AND 79 WAS ABANDONED.

APN: 251-360-001

PARCEL 9: (CITY HALL)

LOTS 1, 2, 3 AND 4 IN BLOCK 2 OF PIONEER AND MURPHY'S ADDITION, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP THEREOF RECORDED IN BOOK 4 OF MAPS, PAGE 29, TULARE COUNTY RECORDS.

NOTE: BY ORDER OF THE CITY OF PORTERVILLE THAT PORTION OF DIVISION STREET LYING ALONG THE WEST LINE OF BLOCK 2 WAS ABANDONED BY RESOLUTIONS RECORDED JUNE 12, 1956 IN BOOK 1929, PAGE 318 AND NOVEMBER 26, 1979 IN BOOK 3717, PAGE 650, OFFICIAL RECORDS.

APN: 253-191-001

PARCEL 10: (HERITAGE CENTER AND HERITAGE PARK)

THAT PORTION OF THE NORTHWEST QUARTER OF SECTION 36, TOWNSHIP 21 SOUTH, RANGE 27 EAST, MOUNT DIABLO BASE AND MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF, DESCRIBED AS FOLLOWS:

COMMENCING AT THE POINT OF INTERSECTION OF THE NORTHEASTERLY LINE OF ORANGE AVENUE WITH THE EAST LINE OF WALLACE STREET SAID NORTHEASTERLY LINE OF ORANGE AVENUE BEING A 450.28 FOOT RADIUS CURVE CONCAVE TO THE SOUTHWEST, THE RADIAL LINE THROUGH SAID POINT OF INTERSECTION BEARS NORTH 13° 50' 20" EAST;

THENCE, NORTH 00° 58' 50" EAST, 12.91 FEET ALONG SAID EAST LINE OF WALLACE STREET TO A POINT IN A 579.00 FOOT RADIUS NON-TANGENT CURVE, CONCAVE TO THE SOUTH, A RADIAL TO SAID POINT BEARS NORTH 12° 37' 07" EAST, SAID POINT BEING THE TRUE POINT OF BEGINNING OF THE PARCEL TO BE DESCRIBED;

THENCE, EASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 13° 00' 05", AN ARC DISTANCE OF 131.38 FEET, TO THE BEGINNING OF A 90.67 FOOT RADIUS COMPOUND CURVE, CONCAVE TO THE SOUTHWEST, A RADIAL TO SAID BEGINNING BEARS NORTH 25° 37' 12" EAST;

THENCE, SOUTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 24° 29' 08" AN ARC DISTANCE OF 38.75 FEET, TO THE BEGINNING OF A 90.67 FOOT RADIUS REVERSE CURVE, CONCAVE TO THE NORTHEAST, A RADIAL TO SAID BEGINNING BEARS SOUTH 50° 06' 20" WEST;

THENCE, SOUTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 17° 55' 24" AN ARC DISTANCE OF 28.36 FEET, TO THE BEGINNING OF A 567.00 FOOT RADIUS REVERSE CURVE, CONCAVE TO THE SOUTHWEST, A RADIAL TO SAID BEGINNING BEARS NORTH 32° 10' 56" EAST;

THENCE SOUTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 10° 10' 52" AN ARC DISTANCE OF 100.75 FEET;

THENCE, TANGENT TO SAID CURVE, SOUTH 47° 38' 12" EAST, 10.78 FEET;

THENCE, NORTH 40° 33' 11" EAST, 86.80 FEET;

THENCE, NORTH 49° 26' 49" WEST, 141.91 FEET;

THENCE, NORTH 40° 33' 11" EAST, 156.95 FEET;

THENCE, NORTH 04° 26' 49" WEST, 45.21 FEET;

THENCE, NORTH 40° 33' 11" EAST, 36.20 FEET;

THENCE, SOUTH 85° 33' 11" WEST, 91.51 FEET;

THENCE, NORTH 49° 26' 49" WEST, 44.73 FEET;

THENCE, NORTH 29° 02' 14" EAST, 206.52 FEET;

THENCE, NORTH 38° 31' 29" EAST, 187.65 FEET TO A POINT IN THE WEST LINE OF PARCEL 1 OF PARCEL MAP NO. 3371 PER MAP RECORDED IN BOOK 34 PAGE 73 OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, SAID POINT BEING NORTH 00° 06' 48" WEST, 32.00 FEET TO THE SOUTHWEST CORNER OF SAID PARCEL 1;

THENCE, NORTH 00° 06' 48" WEST, 497.67 FEET ALONG THE WEST LINE OF SAID PARCEL 1 AND THE MOST NORTHERLY EAST LINE OF PARCEL 2 OF SAID PARCEL MAP NO. 3371 TO THE MOST NORTHERLY NORTHEAST CORNER OF SAID PARCEL 2;

THENCE, SOUTH 89° 53' 14" WEST, 515.73 FEET ALONG THE NORTH LINE OF SAID PARCEL 2 AND ALONG THE SOUTH LINE OF PARCEL 1 OF PARCEL MAP NO. 2207 PER MAP RECORDED IN BOOK 23 PAGE 8 OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TO THE SOUTHWEST CORNER OF PARCEL 1 OF SAID PARCEL MAP NO. 2207 SAID SOUTHWEST CORNER BEING THE BEGINNING OF A 1810.08 FOOT RADIUS NON-TANGENT CURVE, CONCAVE TO THE EAST, A RADIAL TO SAID BEGINNING BEARS SOUTH 83° 48' 03" WEST;

THENCE, NORTHERLY, ALONG THE WEST LINE OF PARCEL 1 OF SAID PARCEL MAP NO. 2207 AND ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 04° 07' 06" AN ARC DISTANCE OF 130.11 FEET;

THENCE, TANGENT TO SAID CURVE, NORTH 02° 04' 51" WEST, 190.34 FEET TO THE NORTHWEST CORNER OF PARCEL 1 OF SAID PARCEL MAP NO. 2207;

THENCE, SOUTH 89° 51' 03" WEST, 176.76 FEET ALONG THE SOUTH LINE OF OLIVE AVENUE TO A

POINT IN THE WEST LINE OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 36;

THENCE SOUTH 01° 12' 49" WEST, 1025.73 FEET TO THE SOUTHWEST CORNER OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 36, SAID POINT ALSO BEING THE NORTHWEST CORNER OF PARCEL 1 OF PARCEL MAP NO. 2391 PER MAP RECORDED IN BOOK 24 PAGE 92 OF PARCEL MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY;

THENCE, SOUTH 01° 04' 26" WEST, 60.30 FEET TO AN ANGLE POINT IN THE WEST AND SOUTHWESTERLY LINE OF PARCEL 1 OF SAID PARCEL MAP NO. 2391;

THENCE, SOUTH 46° 57' 44" EAST, 311.66 FEET ALONG THE SOUTHWESTERLY LINE OF PARCEL 1 OF SAID PARCEL MAP NO. 2391 TO A POINT IN THE WEST LINE OF WALLACE STREET;

THENCE, NORTH 00° 59' 46" EAST, 15.73 FEET ALONG THE WEST LINE OF WALLACE STREET;

THENCE, SOUTH 49° 12' 16" EAST, 103.87 FEET TO A POINT IN THE EAST LINE OF WALLACE STREET;

THENCE, SOUTH 00° 58' 50" WEST, 11.59 FEET TO THE TRUE POINT OF BEGINNING.

THE BASIS OF BEARINGS FOR THE PURPOSE OF THIS DESCRIPTION IS SOUTH 89° 25' 17" EAST, FOR THE SOUTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 36 AS SHOWN ON THE RECORD OF SURVEY RECORDED IN BOOK 21 PAGE 68 OF LICENSED SURVEYS, TULARE COUNTY RECORDS.

EXCEPTING THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON AND MINERAL SUBSTANCES LYING NOT LESS THAN THREE HUNDRED (300) FEET BELOW THE SURFACE OF SAID REAL PROPERTY, PROVIDED THAT SANTA FE LAND IMPROVEMENT COMPANY, ITS SUCCESSORS AND ASSIGNS, SHALL NOT HAVE THE RIGHT TO GO UPON THE SURFACE OF SAID LAND FOR THE PURPOSE OF EXTRACTING SAID OIL, GAS OR OTHER HYDROCARBON AND MINERAL SUBSTANCES, NOR FOR ANY PURPOSE IN CONNECTION THEREWITH, BUT SHALL HAVE THE RIGHT TO EXTRACT AND REMOVE SAID OIL, GAS AND OTHER HYDROCARBON AND MINERAL SUBSTANCES BY MEANS WHICH SHALL NOT REQUIRE ENTRY UPON THE SURFACE OF SAID LAND, AS RESERVED IN DEED DATED DECEMBER 6, 1978, AND RECORDED JANUARY 30, 1979 IN BOOK 3617, PAGE 357, FILE NO. 6079, OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM ALL MINERALS CONTAINED IN THE ABOVE DESCRIBED LAND, INCLUDING WITHOUT LIMITING THE GENERALITY THEREOF, OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, AS WELL AS METALLIC OR OTHER SOLID MINERALS, PROVIDED THAT SANTA FE SHALL NOT HAVE THE RIGHT TO GO UPON OR USE THE SURFACE OF SAID LAND, OR ANY PART THEREOF, FOR THE PURPOSE OF DRILLING FOR MINING, OR OTHERWISE REMOVING, ANY OF SAID MINERALS. SANTA FE MAY, HOWEVER, AND HEREBY RESERVES THE RIGHT TO REMOVE ANY OF SAID MINERALS FROM SAID LAND BY MEANS OF WELLS, SHAFTS, TUNNELS, OR OTHER MEANS OF ACCESS TO SAID MINERALS WHICH MAY BE CONSTRUCTED, DRILLED OR DUG FROM OTHER LAND, PROVIDED THAT THE EXERCISE OF SUCH RIGHTS BY SANTA FE SHALL IN NO WAY INTERFERE WITH OR IMPAIR THE USE OF THE SURFACE OF THE LAND HEREBY CONVEYED OR OF ANY IMPROVEMENTS THEREON, AS RESERVED BY THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY IN DEED RECORDED OCTOBER 19, 1980 IN BOOK 3806, PAGE 346 AS FILE NO. 49665 OF OFFICIAL RECORDS.

ALSO EXCEPTING THEREFROM ALL OWNERSHIP RIGHTS TO THE ENTIRE MINERAL ESTATE BELOW THE PROPERTY, BELOW A DEPTH OF 25 FEET, INCLUDING WITHOUT LIMITATION, ALL OIL, PETROLEUM, GAS AND OTHER MINERALS, WHETHER GASEOUS, LIQUID OR SOLID, IN AND UNDER THE ABOVE-DESCRIBED PREMISES, BELOW A DEPTH OF 25 FEET. SUCH RIGHTS SHALL INCLUDE SURFACE AND SUBSURFACE ACCESS EASEMENTS, RIGHTS TO CONSTRUCT, MAINTAIN AND OPERATE SURFACE AND SUBSURFACE FACILITIES, AND OTHER RIGHTS TO DEVELOP AND EXTRACT OIL, PETROLEUM, GAS OR ANY OTHER MINERAL, EXCEPT THAT GRANTOR (1) SHALL

NOT, WITHOUT PRIOR WRITTEN CONSENT FROM GRANTEE, WHICH CONSENT SHALL NOT BE UNREASONABLY WITHHELD OR DELAYED, HAVE ANY RIGHT TO ENTER THE SURFACE OF THE PROPERTY, FOR PURPOSES OF EXPLORATION, DEVELOPMENT OR EXTRACTION OF SUCH MINERALS; (2) SHALL NOT IN EXERCISING THESE RIGHTS MORE THAN MINIMALLY INTERFERE WITH GRANTEE'S USE OF THE PROPERTY; AND (3) PRIOR TO THE EXERCISE OF THESE RIGHTS, SHALL PROVIDE ADEQUATE LIABILITY PROTECTION TO GRANTEE, IN THE FORM OF GENERAL LIABILITY INSURANCE OBTAINED (OR EXTENDED), AT THE SOLE COST OF GRANTOR, NAMING GRANTEE AS AN INSURED PARTY, UPON SUCH TERMS AS ARE THEN REASONABLE AND CUSTOMARY, UNLESS GRANTOR, IN THE REASONABLE OPINION OF GRANTEE, POSSESSES THE FINANCIAL CAPABILITY TO FUND SUCH LIABILITY PROTECTION AS A SELF-INSURED ENTITY, UNDER THAN REASONABLE AND CUSTOMARY STANDARD, FOR ANY LOSSES OR DAMAGES REASONABLY LIKELY TO BE SUSTAINED BY GRANTEE AS A RESULT OF GRANTOR'S EXERCISE OF THESE RIGHTS. IN ADDITION, ANY SURFACE OR SUBSURFACE FACILITIES CONSTRUCTED, OR EQUIPPED USED, BY GRANTOR IN THE COURSE OF GRANTOR'S EXERCISE OF THESE RIGHTS, SHALL BE CONSTRUCTED AND USED IN A MANNER THAT RESULTS IN NO MORE THAN MINIMAL INTERFERENCE WITH GRANTEE'S USE OF THE PROPERTY, AS RESERVED IN THE DEED RECORDED DECEMBER 29, 1992, AS DOCUMENT NO. 92-094547, AND RECORDED OCTOBER 18, 1994 AS DOCUMENT NO. 94-074651, OFFICIAL RECORDS.

APN: 261-150-056; 261-130-008 and 261-140-024

PARCEL 11: (CENTENNIAL PLAZA)

LOTS 6, 7 AND 8 OF BLOCK 7 OF PIONEER & MURPHY'S ADDITION IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN VOLUME 4 OF MAPS AT PAGE 29, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 253-192-05

PARCEL 12 (FIRE STATION #1 AND THE LIBRARY)

LOTS 1, 2, 3 AND 4 IN BLOCK 3 OF HOCKETT'S ADDITION, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF RECORDED IN BOOK 3, PAGE 28 OF MAPS, IN THE OFFICE OF THE RECORDER OF SAID COUNTY. TOGETHER WITH THAT PORTION OF DIVISION AVENUE AS VACATED BY AN INSTRUMENT RECORDED NOVEMBER 26, 1979 IN BOOK 3717 PAGE 650, AS INSTRUMENT NO. 69289, OF OFFICIAL RECORDS.

APN: 252-184-001

PARCEL 13 (MURRAY PARK)

COMMENCING AT THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 25, TOWNSHIP 21 SOUTH RANGE 27 EAST MOUNT DIABLO BASE AND MERIDIAN, THENCE EAST ALONG SOUTH LINE OF SECTION 25 (VARIATION 14 35' E.) TWO HUNDRED NINETY-SIX AND 5/10 (296.5) FEET, THENCE NORTH FIFTEEN (15) DEGREES EAST, ONE HUNDRED THIRTY-EIGHT AND 5/10 (138.5) FEET, NORTH THIRTY-FIVE (35) DEGREES EAST ONE HUNDRED (100) FEET, NORTH THIRTY (30) DEGREES EAST FIFTY (50) FEET, NORTH TWENTY-FIVE (25) DEGREES EAST, FIFTY (50) FEET, NORTH TWENTY (20) DEGREES EAST FIFTY (50) FEET, NORTH TWENTY-FIVE (25) DEGREES EAST FIFTY (50) FEET, NORTH THIRTY (30) DEGREES EAST, FIFTY (50) FEET, NORTH THIRTY-FIVE (35) DEGREES EAST FIFTY (50) FEET, NORTH FORTY (40) DEGREES EAST FIFTY (50) FEET, NORTH FIFTY (50) DEGREES EAST TWENTY-FIVE (25) FEET, NORTH SIXTY (60) DEGREES EAST TWENTY-FIVE (25) FEET, NORTH SEVENTY (70) DEGREES EAST TWENTY-FIVE (25) FEET, NORTH EIGHTY (80) DEGREES EAST TWENTY-FIVE (25) FEET, NORTH FIFTY-SIX (56) DEGREES EAST TWENTY-FIVE (25) FEET, NORTH THIRTY-TWO (32) DEGREES EAST TWENTY-FIVE (25) FEET, NORTH EIGHT (8) DEGREES EAST TWENTY-FIVE (25) FEET, NORTH SIXTEEN (16) DEGREES WEST ONE HUNDRED (100) FEET, NORTH FOUR (4) DEGREES WEST FIFTY (50) FEET, NORTH EIGHT (8) DEGREES EAST FIFTY (50) FEET, NORTH TWENTY (20) DEGREES EAST FIFTY (50) FEET, NORTH THIRTY TWO (32) DEGREES EAST FIFTY (50) FEET, NORTH TEN (10) DEGREES EAST FIFTY (50) FEET,

EAST TWO HUNDRED AND ELEVEN (211) FEET, NORTH THREE HUNDRED AND SEVENTY (370) FEET, WEST NINE HUNDRED FIFTY-TWO AND 6/10 (952.6) FEET TO NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF SOUTHEAST QUARTER OF SAID SECTION 25, THENCE SOUTH THIRTEEN HUNDRED TWENTY-SIX (1326 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM A STRIP OF LAND DESCRIBED AS FOLLOWS: COMMENCING AT A POINT TWO HUNDRED AND FIFTY (250) FEET EAST AND FOUR HUNDRED NINETY-ONE (491) FEET SOUTH OF THE NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 25, TOWNSHIP 21 SOUTH RANGE 27 EAST, MOUNT DIABLO BASE AND MERIDIAN, THENCE EAST TWO HUNDRED TEN (210) FEET TO THE EAST BANK OF PIONEER DITCH, SOUTHWEST ALONG EAST BANK OF SAID DITCH SIXTY-THREE (63) FEET, THENCE NORTHWESTERLY TO POINT OF BEGINNING.

APN: 253-100-031 PORTION

PARCEL 14 (MURRAY PARK)

COMMENCING AT A POINT 250 FEET EAST AND 491 FEET SOUTH OF THE NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION TWENTY FIVE (25), TOWNSHIP 21 SOUTH, RANGE 27 EAST M.D.B.&M.; THENCE EAST ALONG THE SOUTH LINE OF THE LANDS OF A. LESLIE 210 FEET; THENCE SOUTHWESTERLY 63 FEET; AND THENCE NORTHWESTERLY 187 FEET TO BEGINNING.

APN: 253-100-031 PORTION

PARCEL 15 (MURRAY PARK)

THE EAST HALF OF THE EAST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 25, TOWNSHIP 21 SOUTH, RANGE 27 EAST, M. D. B. & M., IN THE COUNTY OF TULARE, STATE OF CALIFORNIA.

EXCEPTING THEREFROM THE FOLLOWING DESCRIBED REAL PROPERTY; THAT PART OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 25, TOWNSHIP 21 SOUTH, RANGE 27 EAST, M. D. B. & M., DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE EAST LINE OF SAID SOUTHEAST QUARTER OF SAID SOUTHEAST QUARTER OF SAID SECTION 25; 321.4 FEET SOUTH OF THE NORTHEAST CORNER OF SAID SOUTHEAST QUARTER OF SAID SOUTHEAST QUARTER; THENCE SOUTH ALONG THE EAST LINE OF SAID SOUTHEAST QUARTER OF SAID SOUTHEAST QUARTER 163 FEET; THENCE WEST AND PARALLEL WITH THE NORTH LINE OF SAID SOUTHEAST QUARTER OF SAID SOUTHEAST QUARTER 204 FEET; THENCE NORTH AND PARALLEL TO THE EAST LINE OF SAID SOUTHEAST QUARTER OF SAID SOUTHEAST QUARTER 163 FEET; THENCE EAST 204 FEET MORE OR LESS TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THE SOUTH TWENTY (20) FEET AS DEEDED TO THE COUNTY OF TULARE, BY AN INSTRUMENT RECORDED MAY 24, 1930 IN BOOK 379 PAGE 320 OF OFFICIAL RECORDS.

APN: 253-100-031 PORTION

PARCEL 16 (MURRAY PARK)

LOTS 1-11 OF SIERRA HEIGHTS, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 8 PAGE 79 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

APN: 253-100-031 PORTION

PARCEL 17 (MURRAY PARK)

THAT PORTION OF LOT 12 OF SIERRA HEIGHTS, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 8 PAGE 79 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF TULARE COUNTY, DESCRIBED AS FOLLOWS, TO-WIT; BEGINNING AT THE SOUTHEAST CORNER OF LOT 12, THENCE NORTH 210 FEET TO THE NORTHEAST CORNER OF AID LOT 12; THENCE WEST ALONG THE NORTH LINE OF SAID LOT 12, 54.03 FEET THENCE SOUTH TO A POINT ON THE SOUTH LINE OF LOT 12, 54.40 FEET WEST OF THE SOUTHEAST CORNER OF SAID LOT 12; THENCE EAST 54.40 FEET TO THE POINT OF BEGINNING.

APN: 253-100-031 PORTION

PARCEL 18 (MURRAY PARK)

LOT 18 OF SIERRA HEIGHTS, IN THE CITY OF PORTERVILLE, COUNTY OF TULARE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 8 PAGE 79 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

APN: 253-100-031 PORTION

## EXHIBIT B

### DESCRIPTION OF THE FACILITY

The Facility consists of:

1. **City Hall**, located at 291 North Main Street in Porterville. Constructed in 1968 and renovated in 1990. Total square footage is 25,908.
2. **Police Station**, located at 350 North D Street in Porterville. Constructed in 1988. Total square footage is 16,300.
3. **Fire Station No. 1**, located at 40 West Cleveland Avenue in Porterville. Constructed in 1936 and renovated in 1964 and 1987.
4. **Library**, located at 41 West Thurman Avenue in Porterville. Constructed in 1974.
5. **Fire Station No. 2**, located at 500 North Newcomb Street in Porterville. Constructed in 1991. Total square footage is 4,830.
6. **Corporation Yard**, located at 555 North Prospect Street in Porterville. Constructed in 1980 and renovated in 1988, 1990 and 2007. Total square footage is 26,180.
7. **Murray Park**, located on Putnam Avenue in Porterville. Constructed in 2009.
8. **Heritage Center**, located at 256 East Orange Avenue in Porterville. Constructed in 2005. Total square footage is 10,037.
9. **Centennial Plaza**, located at 298 North Main Street in Porterville. Constructed in 2006. Total square footage is 13,219.

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**TRUST AGREEMENT**

**Dated as of June 1, 2015**

**by and among**

**U.S. BANK NATIONAL ASSOCIATION, as Trustee,**

**the**

**PORTERVILLE PUBLIC IMPROVEMENT CORPORATION**

**and the**

**CITY OF PORTERVILLE, CALIFORNIA**

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Relating to:  
\$22,650,000  
CERTIFICATES OF PARTICIPATION  
(2015 Refinancing Project)  
Evidencing Direct, Undivided Fractional Interests of the  
Owners Thereof in Lease Payments to be Made by the  
CITY OF PORTERVILLE, CALIFORNIA  
As the Rental for Certain Property Pursuant to a Lease Agreement  
with the Porterville Public Improvement Corporation



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EXHIBIT A: DEFINITIONS

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## TRUST AGREEMENT

THIS TRUST AGREEMENT, dated as of June 1, 2015, by and among U.S. BANK NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, as trustee (the "Trustee"), the PORTERVILLE PUBLIC IMPROVEMENT CORPORATION, a nonprofit, public benefit corporation organized and existing under the laws of the State of California (the "Corporation"), and the CITY OF PORTERVILLE, a municipal corporation and chartered city, organized and existing under the laws of the State of California (the "City");

### WITNESSETH:

WHEREAS, the City and the Corporation have entered into a lease agreement, dated as of the date hereof (the "Lease Agreement"), whereby the Corporation has agreed to lease certain real property and improvements (collectively, the "Property") to the City and the City has agreed to lease the Property from the Corporation;

WHEREAS, for the purpose of obtaining the moneys required to be deposited by it with the Trustee all for the purpose of enabling the City to (a) provide for the defeasance of the City's outstanding Certificates of Participation (2002 Public Building Refunding Project) (the "2002 Certificates"), and (a) provide for the prepayment of a lease agreement, dated as of April 1, 2013, by and between the Corporation and the City, which has been assigned to Rabobank, N.A. (the "2013 Lease"), the Corporation proposes to assign and transfer certain of its rights under the Lease Agreement to the Trustee, and the Trustee has agreed to execute and deliver certificates of participation, each evidencing a direct, fractional interest in lease payments made by the City under the Lease Agreement, to provide the moneys required herein to be deposited by the Corporation; and

WHEREAS, the proceeds of the Certificates, together with other available moneys, will be applied by the City to (a) defease the 2002 Certificates, (b) prepay the 2013 Lease, (c) purchase a reserve fund municipal bond insurance policy in lieu of cash funding a reserve fund for the Certificates, and (d) pay delivery costs incurred in connection with the execution, delivery and sale of the Certificates;

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties hereto hereby agree as follows:

ARTICLE I  
DEFINITIONS

Section 1.01. Definitions. The terms defined in Exhibit A attached hereto and by this reference incorporated herein, as used and capitalized herein, shall, for all purposes of this Trust Agreement, have the meanings ascribed to them in said Exhibit A unless the context clearly requires some other meaning.

Section 1.02. Authorization. Each of the parties hereby represents and warrants that it has full legal authority and is duly empowered to enter into this Trust Agreement, and has taken all actions necessary to authorize the execution of this Trust Agreement by the officers and persons signing it.

Section 1.03. Exhibits. The following exhibits are attached to, and by reference made a part of, this Trust Agreement:

EXHIBIT A: DEFINITIONS

EXHIBIT B: FORM OF THE CERTIFICATES

## ARTICLE II

### THE CERTIFICATES OF PARTICIPATION

Section 2.01. Authorization. The Trustee is hereby authorized and directed upon written request from the Corporation to execute and deliver, to the Original Purchaser identified in such written request, Certificates in an aggregate principal amount of twenty-two million six hundred fifty thousand dollars (\$22,650,000) evidencing direct, undivided fractional interests of the Owners thereof in the Lease Payments.

Section 2.02. Date; Payment of Interest. Each Certificate shall be dated as of the Closing Date. Interest with respect thereto shall be payable from the Interest Payment Date next preceding the date of execution thereof, unless: (i) it is executed as of an Interest Payment Date, in which event interest with respect thereto shall be payable from such Interest Payment Date; or (ii) it is executed after a Regular Record Date and before the following Interest Payment Date, in which event interest with respect thereto shall be payable from such Interest Payment Date; or (iii) it is executed on or before September 15, 2015, in which event interest with respect thereto shall be payable from the Closing Date; *provided, however*, that if, as of the date of execution of any Certificate, interest is in default with respect to any Outstanding Certificates, interest represented by such Certificate shall be payable from the Interest Payment Date to which interest has previously been paid or made available for payment with respect to the Outstanding Certificates. Payment of defaulted interest shall be paid by check mailed to the Owners as of a special record date to be fixed by the Trustee in its sole discretion, notice of which shall be given to the Owners not less than ten (10) days prior to such special record date.

Section 2.03. Maturity; Interest Rates; Percentages.

(a) *Maturity; Interest Rates*. The Certificates shall mature on June 1, 2035, and interest represented thereby shall be computed at the rate of 3.85% per annum.

(b) *Payments With Respect to Certificates Equal to Total Lease Payments*. The total principal and interest due with respect to all Certificates shall not exceed the total Lease Payments due under the Lease Agreement.

(c) The Certificates shall not be (i) assigned a rating by any rating agency, (ii) registered with The Depository Trust Company or any other securities depository, (iii) issued pursuant to any type of offering document or official statement, or (iv) assigned a CUSIP number by Standard & Poor's CUSIP Service Bureau.

Section 2.04. Interest. Interest represented by the Certificates shall be payable on each Interest Payment Date to and including the date of maturity or redemption, whichever is earlier, as provided in Section 2.10 hereof. Said interest shall represent the portion of Lease Payments designated as interest and coming due during the six-month period preceding each Interest Payment Date. The portion of Lease Payments designated as interest with respect to any Certificate shall be computed by multiplying the portion of Lease Payments designated as principal with respect to such Certificate by the rate of interest applicable to such Certificate (on the basis of a 360-day year of twelve 30-day months).

Section 2.05. Forms. The Certificates shall be delivered in the form of fully registered Certificates without coupons in the denomination of \$5,000 or any integral multiple thereof. The Certificates shall be numbered consecutively, beginning with R-1. The Certificates shall be substantially in the form set forth in Exhibit B attached hereto and by this reference incorporated herein.

Section 2.06. Execution. The Certificates shall be executed by and in the name of the Trustee by the manual signature of an authorized officer or signatory of the Trustee. If any officer or signatory whose signature appears on any Certificate ceases to be such officer or signatory before the date of delivery of said Certificate, such signature shall nevertheless be as effective as if the officer or signatory had remained in office until such date.

Section 2.07. Application of Proceeds. The net proceeds received by the Trustee from the sale of the Certificates in the aggregate amount of \$23,437,314.00, being the face amount of the Certificates (\$22,650,000), plus a premium of \$787,314.00, shall forthwith be deposited by the Trustee in the following respective funds:

(a) The Trustee shall deposit in the Delivery Costs Fund an amount equal to \$661,741.28;

~~(b) The Trustee shall deposit in the Reserve Fund an amount equal to \$\_\_\_\_\_ being equal to the Reserve Requirement;~~

~~(b) The Trustee shall transfer the sum of \$1,567,056.45 to the Escrow Bank for deposit in the Escrow Fund which, together with moneys released from the reserve fund established for the 2002 Certificates, will provide for the defeasance of the 2002 Certificates; and~~

~~(c) The Trustee shall transfer the sum of \$21,208,516.27 to Rabobank, N.A. to provide for the prepayment of the 2013 Lease.~~

The Trustee may establish a temporary fund or account in its records to facilitate such deposits and transfers.

Section 2.08. Transfer and Exchange.

(a) *Transfer of Certificates*. The registration of any Certificate may, in accordance with its terms, be transferred upon the Registration Books by the person in whose name it is registered, in person or by his attorney duly authorized in writing upon surrender of such Certificate for cancellation at the Principal Corporate Trust Office, accompanied by delivery of a written instrument of transfer in a form approved by the Trustee, duly executed. Whenever any Certificate or Certificates shall be surrendered for registration of transfer, the Trustee shall execute and deliver a new Certificate or Certificates for like aggregate principal amount in authorized denominations. The City shall pay any costs of the Trustee incurred in connection with such transfer, except that the Trustee may require the payment by the Certificate Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer. The Trustee shall not be required to transfer (i) any Certificates or portion thereof during the period between the date fifteen (15) days prior to the date of selection of Certificates for redemption and such date of selection, or (ii) any Certificates selected for redemption.

Certificates shall be delivered only to an Owner that has executed and delivered to the Trustee an Investor Letter. The Trustee shall not register the transfer of any Bond unless the Trustee receives an Investor Letter from the proposed transferee.

Notwithstanding any other provision hereof, Bonds may not be registered in the name of, or transferred to, any person except an Approved Buyer.

(b) *Exchange of Certificates*. Certificates may be exchanged, upon surrender thereof, at the Principal Corporate Trust Office for a like aggregate principal amount of Certificates of other authorized denominations of the same maturity. Whenever any Certificate or Certificates shall

be surrendered for exchange, the Trustee shall execute and deliver a new Certificate or Certificates for like aggregate principal amount in authorized denominations. The City shall pay any costs of the Trustee incurred in connection with such exchange, except that the Trustee may require the payment by the Certificate Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. The Trustee shall not be required to exchange (i) any Certificate or any portion thereof during the period between the date fifteen (15) days prior to the date of selection of Certificates for redemption and such date of selection, or (ii) any Certificate selected for redemption.

Section 2.09. Certificates Mutilated, Lost, Destroyed or Stolen. If any Certificate shall become mutilated, the Trustee, at the expense of the Owner of said Certificate, shall execute and deliver a new Certificate of like tenor, maturity and amount in exchange and substitution for the Certificate so mutilated, but only upon surrender to the Trustee of the Certificate so mutilated. Every mutilated Certificate so surrendered to the Trustee shall be canceled by it and destroyed with a certificate of destruction furnished to the City. If any Certificate shall be lost, destroyed or stolen, evidence of such loss, destruction or theft shall be submitted to the Trustee, and, if such evidence is satisfactory to the Trustee and if an indemnity satisfactory to the Trustee shall be given, the Trustee, at the expense of the Certificate Owner, shall execute and deliver a new Certificate of like tenor, maturity and amount and numbered as the Trustee shall determine in lieu of and in substitution for the Certificate so lost, destroyed or stolen. The Trustee may require payment by the City of the expenses which may be incurred by the Trustee in carrying out the duties under this Section 2.09. Any Certificate executed and delivered under the provisions of this Section 2.09 in lieu of any Certificate alleged to be lost, destroyed or stolen shall be equally and fractionally entitled to the benefits of this Trust Agreement with all other Certificates secured by this Trust Agreement. The Trustee shall not be required to treat both the original Certificate and any replacement Certificate as being Outstanding for the purpose of determining the principal amount of Certificates which may be executed and delivered hereunder or for the purpose of determining any percentage of Certificates Outstanding hereunder, but both the original and replacement Certificate shall be treated as one and the same. Notwithstanding any other provision of this Section 2.09, in lieu of delivering a new Certificate to replace a Certificate which has been mutilated, lost, destroyed or stolen, and which has matured or has been called for redemption, the Trustee may make payment with respect to such Certificate upon receipt of the aforementioned indemnity.

Section 2.10. Payment. Payment of interest due with respect to any Certificate on any Interest Payment Date shall be made to the person appearing on the Registration Books as the Owner thereof as of the Regular Record Date immediately preceding such Interest Payment Date, such interest to be paid by check mailed on the Interest Payment Date by first class mail to such Owner at his address as it appears on the Registration Books as of such Regular Record Date or, upon written request filed with the Trustee prior to the Regular Record Date by an Owner of at least \$1,000,000 in aggregate principal amount of Certificates, by wire transfer in immediately available funds to an account in the United States designated by such Owner in such written request. Any such written request shall remain in effect until rescinded in writing by the Owner. The principal and redemption price with respect to the Certificates at maturity or upon prior redemption shall be payable by check denominated in lawful money of the United States of America upon surrender of the Certificates at the Principal Corporate Trust Office, provided, however, that, so long as the Original Purchaser or another Owner owns all of the Outstanding Certificates, no presentation and surrender shall be required for purposes of receiving mandatory redemption payments pursuant to Section 4.01(c).

Section 2.11. Execution of Documents and Proof of Ownership. Any request, direction, consent, revocation of consent, or other instrument in writing required or permitted by this Trust Agreement to be signed or executed by Certificate Owners may be in any number of concurrent instruments of similar tenor, and may be signed or executed by such Owners in



person or by their attorneys or agents appointed by an instrument in writing for that purpose, or by any bank, trust company or other depository for such Certificates. Proof of the execution of any such instrument, or of any instrument appointing any such attorney or agent, and of the ownership of Certificates shall be sufficient for any purpose of this Trust Agreement (except as otherwise herein provided), if made in the following manner:

(a) The fact and date of the execution by any Owner or his attorney or agent of any such instrument and of any instrument appointing any such attorney or agent, may be proved by a certificate, which need not be acknowledged or verified, of an officer of any bank or trust company located within the United States of America, or of any notary public, or other officer authorized to take acknowledgments of deeds to be recorded in such jurisdictions, stating that the persons signing such instruments acknowledged before him the execution thereof. Where any such instrument is executed by an officer of a corporation or association or a member of a partnership on behalf of such corporation, association or partnership, such certificate shall also constitute sufficient proof of his authority.

(b) The fact of the ownership of Certificates by any person and the amount, the maturity and the numbers of such Certificates and the date of his holding the same shall be proved by the Registration Books.

Any request or consent of the Owner of any Certificate shall bind every future Owner of the same Certificate in respect of anything done or suffered to be done by the Trustee pursuant to such request or consent.

Section 2.12. Registration Books. The Trustee shall keep or cause to be kept, at its Principal Corporate Trust Office, sufficient records for the registration and registration of transfer of the Certificates, which shall at all reasonable times be open to inspection by the City and the Corporation during regular business hours on any Business Day with reasonable prior notice; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on the Registration Books, Certificates as hereinbefore provided.

Section 2.13. CUSIP Numbers. The Trustee, the City and the Corporation shall not be liable for any defect or inaccuracy in the CUSIP number that appears on any Certificate or in any redemption notice. The Trustee may, in its discretion, include in any redemption notice a statement to the effect that the CUSIP numbers on the Certificates have been assigned by an independent service and are included in such notice solely for the convenience of the Owners and that neither the Trustee, the City nor the Corporation shall be liable for any inaccuracies in such numbers.

Section 2.14. Use of Depository. Notwithstanding any provision of this Trust Agreement to the contrary:

(a) The Certificates shall be initially executed, delivered and registered in the name of "Cede & Co.," as nominee of The Depository Trust Company, the depository designated by the Original Purchaser, and shall be evidenced by one Certificate maturing on each of the maturity dates set forth in Section 2.03 hereof to be in a denomination corresponding to the total principal therein designated to mature on such date. Registered ownership of such Certificates, or any portions thereof, may not thereafter be transferred except:

(i) to any successor of The Depository Trust Company or its nominee, or of any substitute depository designated pursuant to paragraph (ii) of this subsection (a) ("substitute depository"); provided that any successor of The Depository Trust

~~Company or substitute depository shall be qualified under any applicable laws to provide the service proposed to be provided by it;~~

~~(ii) to any substitute depository designated in a written request of the City, upon (A) the resignation of The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository or (B) a determination by the City that The Depository Trust Company or its successor is no longer able to carry out its functions as depository; provided that any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it; or~~

~~(iii) to any person as provided below, upon (A) the resignation of The Depository Trust Company or its successor (or any substitute depository or its successor) from its functions as depository or (B) a determination by the City that The Depository Trust Company or its successor is no longer able to carry out its functions as depository; provided that no substitute depository which is not objected to by the City and the Trustee can be obtained.~~

~~(b) In the case of any transfer pursuant to paragraph (i) or paragraph (ii) of subsection (a) of this Section 2.14, upon receipt of all Outstanding Certificates by the Trustee, together with a written request of a City Representative to the Trustee, a single new Certificate shall be executed and delivered for each maturity of such Certificate then outstanding, registered in the name of such successor or such substitute depository or their nominees, as the case may be, all as specified in such written request of a City Representative. In the case of any transfer pursuant to paragraph (iii) of subsection (a) of this Section 2.14, upon receipt of all Outstanding Certificates by the Trustee together with a written request of a City Representative, new Certificates shall be executed and delivered in such denominations and registered in the names of such persons as are requested in a written request of the City provided the Trustee shall not be required to deliver such new Certificates within a period less than sixty (60) days from the date of receipt of such a written request of a City Representative.~~

~~(c) In the case of partial redemption or an advance refunding of any Certificates evidencing all of the principal maturing in a particular year, The Depository Trust Company shall, at the City's expense, deliver the Certificates to the Trustee for cancellation and re-registration to reflect the amounts of such reduction in principal.~~

~~(d) The City and the Trustee shall be entitled to treat the person in whose name any Certificate is registered as the absolute Owner thereof for all purposes of this Trust Agreement and any applicable laws, notwithstanding any notice to the contrary received by the Trustee or the City and the City and the Trustee shall have no responsibility for the accuracy of any records maintained by DTC or any participant in DTC or transmitting payments to, communication with, notifying or otherwise dealing with any beneficial owners of the Certificates. Neither the City nor the Trustee will have any responsibility or obligations, legal or otherwise, to the beneficial owners or to any other party including The Depository Trust Company or its successor (or substitute depository or its successor), except for the registered owner of any Certificate.~~

~~(e) So long as all outstanding Certificates are registered in the name of Cede & Co. or its registered assign, the City and the Trustee shall reasonably cooperate with Cede & Co., as sole registered Owner, or its registered assign in effecting payment of the principal and interest due with respect to the Certificates by arranging for payment in such manner that funds for such payments are properly identified and are made immediately available on the date they are due, in accordance with the Letter of Representations between DTC and the Trustee.~~

~~(f) So long as all Outstanding Certificates are registered in the name of Cede & Co. or its registered assigns (hereinafter, for purposes of this paragraph (f), the "Owner"):~~

~~(i) All notices and payments addressed to the Owners shall contain the Certificates' CUSIP number.~~

~~(ii) Notices to the Owner shall be forwarded in the manner set forth in the form of DTC's standard form blanket issuer letter of representations executed by the City and received and accepted by DTC.~~

### ARTICLE III

#### ESTABLISHMENT AND DISBURSEMENT OF DELIVERY COSTS FUND

Section 3.01. Delivery Costs Fund. The Trustee shall establish a special fund designated as the "Delivery Costs Fund;" shall keep such fund separate and apart from all other funds and moneys held by it; and shall administer such fund as provided herein. There shall be deposited in the Delivery Costs Fund the proceeds of sale of the Certificates required to be deposited therein pursuant to Section 2.07(a) hereof and any other funds from time to time deposited with the Trustee for such purpose and identified in writing to the Trustee.

Section 3.02. Payment of Delivery Costs. The moneys in the Delivery Costs Fund shall be disbursed by the Trustee to pay the Delivery Costs.

(a) The Trustee shall disburse moneys in the Delivery Costs Fund only upon a receipt of a sequentially numbered requisition, signed by a City Representative, setting forth the amounts to be disbursed for payment or reimbursement of Delivery Costs and the name and address of the person or persons to whom said amounts are to be disbursed, stating that the amounts to be disbursed are for Delivery Costs properly chargeable to the Delivery Costs Fund.

(b) The Trustee shall be responsible for the safekeeping and investment (in accordance with Section 8.02 hereof) of the moneys held in the Delivery Costs Fund and the payment thereof in accordance with this Section 3.02, but the Trustee shall not be responsible for the truth or accuracy of such requisitions, may rely conclusively thereon and shall be under no duty to investigate or verify any statements made therein.

(c) Upon written notice from a City Representative that all Delivery Costs have been paid, but in no event later than July 23, 2015, the Trustee shall transfer any moneys then remaining in the Delivery Costs Fund to the Lease Payment Fund and applied for the purposes of the Lease Payment, the Delivery Costs Fund shall be closed, the Trustee shall no longer be obligated to make payments for Delivery Costs and all further Delivery Costs shall be paid by the City.

ARTICLE IV  
REDEMPTION OF CERTIFICATES

Section 4.01. Redemption.

(a) *Optional Redemption.* The Certificates are not subject to optional redemption prior to June 1, 2025. The Certificates are subject to optional redemption in whole on any date or in part, once each calendar year, in a minimum amount of \$250,000, on an Interest Payment Date on or after June 1, 2025, at a redemption price equal to 102% of the principal amount thereof, together with accrued interest to the date fixed for redemption, from the proceeds of the optional prepayment of Lease Payments made by the City pursuant to the Lease Agreement.

(b) *Redemption From Net Proceeds of Insurance, Title Insurance, Condemnation or Eminent Domain Award.* The Certificates are subject to mandatory redemption in whole or in part on any date from the Net Proceeds of an insurance, title insurance, condemnation, or eminent domain award to the extent credited towards the prepayment of the Lease Payments by the City pursuant to Section 10.3 of the Lease Agreement, at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date fixed for redemption, without premium.

(c) *Mandatory Redemption.* The Certificates maturing on October 1, \_\_\_\_\_, are subject to mandatory redemption in part on October 1, \_\_\_\_\_, and on each October 1, thereafter, to and including October 1, \_\_\_\_\_, each June 1 and December 1, commencing December 1, 2015, from the principal components of scheduled Lease Payments required to be paid by the City pursuant to Section 4.4 of the Lease Agreement with respect to each such redemption date (subject to abatement, as set forth in Section 6.3 of the Lease Agreement), at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date fixed for redemption, without premium, as follows:

<u>Redemption Date</u>	<u>Principal Amount of Certificates to be Redeemed</u>	<u>Redemption Date</u>	<u>Principal Amount of Certificates to be Redeemed</u>
<u>12/1/15</u>	<u>\$130,000</u>	<u>12/1/25</u>	<u>\$580,000</u>
<u>6/1/16</u>	<u>130,000</u>	<u>6/1/26</u>	<u>590,000</u>
<u>12/1/16</u>	<u>135,000</u>	<u>12/1/26</u>	<u>600,000</u>
<u>6/1/17</u>	<u>435,000</u>	<u>6/1/27</u>	<u>610,000</u>
<u>12/1/17</u>	<u>445,000</u>	<u>12/1/27</u>	<u>625,000</u>
<u>6/1/18</u>	<u>450,000</u>	<u>6/1/28</u>	<u>635,000</u>
<u>12/1/18</u>	<u>465,000</u>	<u>12/1/28</u>	<u>650,000</u>
<u>6/1/19</u>	<u>460,000</u>	<u>6/1/29</u>	<u>660,000</u>
<u>12/1/19</u>	<u>470,000</u>	<u>12/1/29</u>	<u>675,000</u>
<u>6/1/20</u>	<u>475,000</u>	<u>6/1/30</u>	<u>685,000</u>
<u>12/1/20</u>	<u>490,000</u>	<u>12/1/30</u>	<u>700,000</u>
<u>6/1/21</u>	<u>460,000</u>	<u>6/1/31</u>	<u>715,000</u>
<u>12/1/21</u>	<u>470,000</u>	<u>12/1/31</u>	<u>725,000</u>
<u>6/1/22</u>	<u>475,000</u>	<u>6/1/32</u>	<u>740,000</u>
<u>12/1/22</u>	<u>485,000</u>	<u>12/1/32</u>	<u>755,000</u>
<u>6/1/23</u>	<u>525,000</u>	<u>6/1/33</u>	<u>770,000</u>
<u>12/1/23</u>	<u>535,000</u>	<u>12/1/33</u>	<u>785,000</u>
<u>6/1/24</u>	<u>545,000</u>	<u>6/1/34</u>	<u>800,000</u>
<u>12/1/24</u>	<u>555,000</u>	<u>12/1/34</u>	<u>815,000</u>
<u>6/1/25</u>	<u>570,000</u>	<u>6/1/35†</u>	<u>830,000</u>

†Maturity.

In the event that the Trustee shall redeem Certificates in part but not in whole pursuant to subsections (a) or (b) of this Section 4.01, the amount of the Certificates to be redeemed in each subsequent year pursuant to this subsection (c) shall be reduced to correspond to the principal components of the Lease Payments prevailing following such redemption as determined pursuant to Section 4.4(b) of the Lease Agreement.

Section 4.02. Selection of Certificates for Redemption. Whenever provision is made in this Trust Agreement for the redemption of Certificates and less than all Outstanding Certificates are to be redeemed, the Trustee shall select Certificates for redemption from the Outstanding Certificates not previously called for redemption in such order of maturity as shall be designated by the City, except for redemption pursuant to Section 4.01(c), (and, in lieu of such designation, *pro rata* among maturities) and by lot within a maturity. The Trustee shall select Certificates for redemption within a maturity by lot in any manner which the Trustee shall, in its sole discretion, deem appropriate. For the purposes of such selection, Certificates shall be deemed to be composed of \$5,000 portions and any such portion may be separately redeemed. The Trustee shall promptly notify the City and the Corporation in writing of the Certificates so selected for redemption. Selection by the Trustee of Certificates for redemption shall be final and conclusive. Upon the occurrence of an optional redemption in part, the selection of Certificates to be redeemed shall be subject to the approval of AGM.

Section 4.03. Notice of Redemption. Unless waived in writing by any Owner of a Certificate to be redeemed, notice of any such redemption shall be given by the Trustee on behalf and at the expense of the City, by mailing a copy of a redemption notice by first class mail, postage prepaid, at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to such Owner of the Certificate or Certificates to be redeemed at the address shown on the Certificate Registration Books maintained by the Trustee or at such other address as is furnished in writing by such Owner to the Trustee; *provided, however*, that neither the failure to receive such notice nor any defect in any notice shall affect the sufficiency of the proceedings for the redemption of the Certificates.

All notices of redemption shall be dated and shall state: (i) the redemption date; (ii) the redemption price; (iii) if less than all Outstanding Certificates of a maturity are to be redeemed, the Certificate numbers (and, in the case of partial redemption, the respective principal amounts) of the Certificates to be redeemed; (iv) that on the redemption date the redemption price will become due and payable upon each such Certificate or portion thereof called for redemption and that interest with respect thereto shall cease to accrue from and after said date; (v) the place where such Certificates are to be surrendered for payment of the redemption price, which place of payment shall be the Principal Corporate Trust Office; (vi) the CUSIP numbers of all Certificates being redeemed; (vii) the original date of execution and delivery of the Certificates; (viii) the rate of interest payable with respect to each maturity of Certificates being redeemed; (ix) the maturity date of each Certificate being redeemed; and (x) any other descriptive information needed to identify accurately the Certificates being redeemed.

Notwithstanding the foregoing, in the case of any optional redemption of the Certificates under Section 4.01(a), the notice of redemption shall state that the redemption is conditioned upon receipt by the Trustee of sufficient moneys to redeem the Certificates on the scheduled redemption date, and that the optional redemption shall not occur if, by no later than the scheduled redemption date, sufficient moneys to redeem the Certificates have not been deposited with the Trustee. In the event that the Trustee does not receive sufficient funds by the scheduled optional redemption date to so redeem the Certificates to be optionally redeemed, such event shall not constitute an Event of Default; the Trustee shall send written notice to the Owners, to the Securities Depositories and to one or more of the Information Services to the effect that the redemption did not occur as anticipated, and the Certificates for which notice of

optional redemption was given shall remain Outstanding for all purposes of this Trust Agreement.

Notice of redemption having been given as aforesaid and the deposit of the redemption price having been made by the City, the Certificates or portions of Certificates so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date interest with respect to such Certificates or portions of Certificates shall cease to be payable. Upon surrender of such Certificates for redemption in accordance with said notice, such Certificates shall be paid by the Trustee at the redemption price. Upon the payment of the redemption price of Certificates being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Certificates being redeemed with the proceeds of such check or other transfer, to the extent possible. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. All Certificates which have been redeemed shall be canceled by the Trustee, shall not be redelivered and shall be destroyed pursuant to Section 14.07.

In addition to the foregoing notice to the Owners, notice shall also be given by the Trustee, by telecopy, registered, certified or overnight mail, to all Securities Depositories and to an Information Service which shall state the information set forth above, but no defect in said notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption.

The Trustee shall have no responsibility for a defect in the CUSIP number that appears on any Certificate or in the redemption notice. The redemption notice may provide that the CUSIP numbers have been assigned by an independent service and are included in the notice solely for the convenience of Certificate Owners and that the Trustee and the City shall not be liable in any way for inaccuracies in said numbers.

Section 4.04. Partial Redemption of Certificate. Upon surrender of any Certificate redeemed in part only, the Trustee shall execute and deliver to the Owner thereof a new Certificate or Certificates of authorized denominations equal in aggregate principal amount to the unredeemed portion of the Certificate surrendered and of the same interest rate and the same maturity.

Section 4.05. Purchase of Certificates. In lieu of redemption of Certificates as provided in this Article IV, amounts held by the Trustee for such redemption may also be used on any Interest Payment Date, upon receipt by the Trustee at least ninety (90) days prior to the next scheduled Interest Payment Date of the written request of a City Representative, for the purchase of Certificates at public or private sale as and when and at such prices (including brokerage, accrued interest and other charges) as the City may in its discretion direct. Such purchases may be effected through the investment department of the Trustee or of an affiliate of the Trustee. The aggregate principal amount of Certificates of the same maturity purchased in lieu of redemption pursuant to this Section 4.05 shall not exceed the aggregate principal amount of Certificates of such maturity which would otherwise be subject to such redemption. Remaining moneys, if any, shall be deposited in the Lease Payment Fund. The exercise of any provision of this Trust Agreement which permits the purchase of Certificates in lieu of redemption shall require prior written approval of AGM wherein any Certificate so purchased is not extinguished.

## ARTICLE V

### LEASE PAYMENTS; LEASE PAYMENT FUND

Section 5.01. Assignment of Rights in Lease Agreement. The Corporation has, in the Assignment Agreement, transferred, assigned and set over to the Trustee certain of its rights but none of its obligations set forth in the Lease Agreement, including but not limited to all of the Corporation's rights to receive and collect Lease Payments and all other amounts required to be deposited in the Lease Payment Fund pursuant to the Lease Agreement or pursuant hereto. All Lease Payments and such other amounts to which the Corporation may at any time be entitled shall be paid directly to the Trustee and all of the Lease Payments collected or received by the Corporation shall be deemed to be held and to have been collected or received by the Corporation as the agent of the Trustee, and if received by the Corporation at any time shall be deposited by the Corporation with the Trustee within one Business Day after the receipt thereof, and all such Lease Payments and such other amounts shall be forthwith deposited by the Trustee upon the receipt thereof in the Lease Payment Fund.

Section 5.02. Establishment of Lease Payment Fund. The Trustee shall establish a special fund designated as the "Lease Payment Fund." All moneys at any time deposited by the Trustee in the Lease Payment Fund shall be held by the Trustee in trust for the benefit of the Owners of the Certificates. So long as any Certificates are Outstanding, neither the City nor the Corporation shall have any beneficial right or interest in the Lease Payment Fund or the moneys deposited therein, except only as provided in this Trust Agreement, and such moneys shall be used and applied by the Trustee as hereinafter set forth.

Section 5.03. Deposits. There shall be deposited in the Lease Payment Fund all Lease Payments received by the Trustee, including any moneys received by the Trustee for deposit therein pursuant to Sections 4.01, 5.01 or Article VII hereof, or Article X of the Lease Agreement, and any other moneys required to be deposited therein pursuant to the Lease Agreement or pursuant to this Trust Agreement.

Section 5.04. Application of Moneys. All amounts in the Lease Payment Fund shall be used and withdrawn by the Trustee solely for the purpose of paying the principal and interest with respect to the Certificates as the same shall become due and payable in accordance with the provisions of Article II and Article IV hereof.

Section 5.05. Surplus. Any surplus remaining in the Lease Payment Fund after redemption and/or payment of all Certificates, including accrued interest (if any) and payment of any applicable fees and expenses to the Trustee, or provision for such redemption or payment having been made to the satisfaction of the Trustee and payment of any amounts owed to AGM, shall be withdrawn by the Trustee and remitted to the City.



## ARTICLE VI

### RESERVE FUND

Section 6.01. Establishment of Reserve Fund. The Trustee shall establish a special fund designated as the "Reserve Fund." All moneys, equal to the Reserve Requirement, at any time on deposit in the Reserve Fund shall be held by the Trustee in trust for the benefit of the Owners of the Certificates, and applied solely as provided herein.

Section 6.02. Deposits. In lieu of a cash deposit to the Reserve Fund the Reserve Fund Policy shall be delivered to the Trustee on the Closing Date. The prior written consent of AGM shall be a condition precedent to the deposit of any credit instrument (other than the Reserve Fund Policy) provided in lieu of a cash deposit into the Reserve Fund. Notwithstanding anything to the contrary set forth in this Trust Agreement, amounts on deposit in the Reserve Fund shall be applied solely to the payment of principal and interest due with respect to the Certificates

Section 6.03. Transfers of Excess. The Trustee shall, on or before each May 1 and November 1, value investments in the Reserve Fund at market value and transfer any moneys in the Reserve Fund then in excess of the Reserve Requirement in accordance with Section 8.04; *provided, however*, that the Trustee shall not liquidate an investment to make such transfer of excess unless so directed in writing by a City Representative.

Section 6.04. Application in Event of Deficiency in the Lease Payment Fund. If, on any Interest Payment Date, the moneys available in the Lease Payment Fund do not equal the amount of the principal, interest and redemption premium (if any) with respect to the Certificates then coming due and payable, the Trustee shall apply the moneys available in the Reserve Fund to make delinquent Lease Payments by transferring the amount necessary for this purpose to the Lease Payment Fund or shall draw on the Reserve Fund Policy and apply amounts received from such draw to make delinquent Lease Payments by transferring the amount necessary for this purpose to the Lease Payment Fund. To the extent there is cash or investments on deposit in the Reserve Fund, such cash or investments shall be applied first before there is any draw on the Reserve Fund Policy or any other credit facility credited to the Reserve Fund in lieu of cash (a "Credit Facility"). Payment of any Reserve Fund Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Credit Facilities (including the Reserve Fund Policy) on which there is available coverage shall be made on a *pro rata* basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the Reserve Fund. Payment of Reserve Fund Policy Costs and reimbursement of amounts with respect to other Credit Facilities shall be made on a *pro rata* basis prior to replenishment of any cash drawn from the Reserve Fund. For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw. Upon receipt of any delinquent Lease Payment with respect to which moneys have been advanced from the Reserve Fund or there has been a draw on the Reserve Fund Policy, such Lease Payment shall be deposited in the Reserve Fund to the extent of such advance and first applied to reimburse a draw on the Reserve Fund Policy and then to replenish any cash drawn therefrom.

The Trustee shall ascertain the necessity for a claim upon the Reserve Fund Policy and to provide notice to AGM in accordance with the terms of the Reserve Fund Policy at least five (5) business days prior to each date upon which interest or principal is due with respect to the Certificates.

The City agrees to repay any draws under the Reserve Fund Policy and pay all related reasonable expenses incurred by AGM. Interest shall accrue and be payable on such draws and expenses from the date of payment by AGM at the Late Payment Rate. "Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Certificates and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such national bank as AGM shall specify.

Repayment of draws and payment of expenses and accrued interest thereon at the Late Payment Rate (collectively, "Reserve Fund Policy Costs") shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Reserve Fund Policy Costs related to such draw.

Amounts in respect of Reserve Fund Policy Costs paid to AGM shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to AGM on account of principal due, the coverage under the Reserve Policy will be increased by a like amount, subject to the terms of the Reserve Fund Policy.

If the City shall fail to pay any Reserve Fund Policy Costs in accordance with the requirements of this Section 6.04, AGM shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under the Trust Agreement, other than (i) acceleration of the maturity of the Certificates, or (ii) remedies which would adversely affect Owners.

Neither this Trust Agreement nor the Lease Agreement shall be discharged until all amounts due to AGM shall have been paid in full. The City's obligation to pay such amounts shall expressly survive payment in full of the Certificates.

Section 6.05. Transfer To Make All Lease Payments. If, on any Interest Payment Date, the moneys on deposit in the Reserve Fund and the Lease Payment Fund (excluding amounts required for payment of principal and interest with respect to Certificates not presented for payment) are sufficient to pay all Outstanding Certificates, including all principal and interest, the Trustee shall transfer all amounts then on deposit in the Reserve Fund to the Lease Payment Fund to be applied to the payment of the Lease Payments, and such moneys shall be distributed to the Owners of Certificates in accordance with Article II and IV of this Trust Agreement. Any amounts remaining in the Reserve Fund upon payment in full of all Outstanding Certificates and all amounts due AGM and the Trustee hereunder, or upon provision for such payment as provided in Section 15.01, shall be withdrawn by the Trustee and paid to the City.

## ARTICLE VI

### INSURANCE AND CONDEMNATION FUND; INSURANCE; EMINENT DOMAIN; TITLE INSURANCE

#### Section 7.01. Establishment of Insurance and Condemnation Fund; Application of Net Proceeds of Insurance Award.

(a) Any Net Proceeds of insurance against damage to or destruction of any part of the Property collected by the City in the event of any such damage or destruction shall be paid to the Trustee by the City pursuant to Section 6.2(a) of the Lease Agreement and deposited by the Trustee promptly upon receipt thereof in a special fund designated as the "Insurance and Condemnation Fund" to be established by the Trustee when deposits are required to be made therein.

(b) Within ninety (90) days following the date of such deposit, the City shall determine and notify the Trustee in writing of its determination either (i) that the replacement, repair, restoration, modification or improvement of the Property is not economically feasible or in the best interest of the City, or (ii) that all or a portion of such Net Proceeds are to be applied to the prompt replacement, repair, restoration, modification or improvement of the damaged or destroyed portions of the Property.

(c) In the event the City's determination is as set forth in clause (i) of paragraph (b) above, such Net Proceeds shall be promptly transferred by the Trustee to the Lease Payment Fund, applied to the prepayment of Lease Payments pursuant to Section 10.3 of the Lease Agreement and applied to the redemption of Certificates as provided in Section 4.01(b) hereof; *provided, however*, that in the event of damage or destruction of the Property in full, such Net Proceeds may be transferred to the Lease Payment Fund only if sufficient, together with other moneys available therefor, to cause the prepayment of the principal components of all unpaid Lease Payments pursuant to Section 10.3 of the Lease Agreement, otherwise such Net Proceeds shall be applied to the replacement, repair, restoration, modification or improvement of the Property; *provided further, however*, that in the event of damage or destruction of the Property in part, such Net Proceeds may be transferred to the Lease Payment Fund and applied to the prepayment of Lease Payments only if the resulting Lease Payments represent fair consideration for the remaining portions of the Property, evidenced by a certificate signed by a City Representative and a Corporation Representative.

(d) In the event the City's determination is as set forth in clause (ii) of paragraph (b) above, Net Proceeds deposited in the Insurance and Condemnation Fund shall be applied to the prompt replacement, repair, restoration, modification or improvement of the damaged or destroyed portions of the Property by the City, and disbursed by the Trustee upon receipt of requisitions signed by a City Representative stating with respect to each payment to be made (i) the requisition number, (ii) the name and address of the person, firm or corporation to whom payment is due, (iii) the amount to be paid and (iv) that each obligation mentioned therein has been properly incurred, is a proper charge against the Insurance and Condemnation Fund, has not been the basis of any previous withdrawal, and specifying in reasonable detail the nature of the obligation, accompanied by a bill or a statement of account for such obligation. The Trustee shall not be responsible for the representations made in such requisitions and may conclusively rely thereon and shall be under no duty to investigate or verify any statements made therein. Any balance of the Net Proceeds remaining after such work has been completed shall be paid to the City.

Section 7.02. Application of Net Proceeds of Eminent Domain Award. If all or any part of the Property shall be taken by eminent domain proceedings (or sold to a government threatening to exercise the power of eminent domain), the Net Proceeds therefrom shall be deposited with the Trustee in the Insurance and Condemnation Fund pursuant to Section 6.2(b) of the Lease Agreement and shall be applied and disbursed by the Trustee as follows:

(a) If the City has given written notice to the Trustee of its determination that (i) such eminent domain proceedings have not materially affected the operation of the Property or the ability of the City to meet any of its obligations with respect to the Property under the Lease Agreement, and (ii) such proceeds are not needed for repair or rehabilitation of the Property, the City shall so certify to the Trustee and the Trustee, at the City's written request, shall transfer such proceeds to the Lease Payment Fund to be credited towards the prepayment of the Lease Payments pursuant to Section 10.3 of the Lease Agreement and applied to the redemption of Certificates in the manner provided in Section 4.01(b) hereof.

(b) If the City has given written notice to the Trustee of its determination that (i) such eminent domain proceedings have not materially affected the operation of the Property or the ability of the City to meet any of its obligations with respect to the Property under the Lease Agreement, and (ii) such proceeds are needed for repair, rehabilitation or replacement of the Property, the City shall so certify to the Trustee and the Trustee, at the City's written request, shall pay to the City, or to its order, from said proceeds such amounts as the City may expend for such repair or rehabilitation, upon the filing with the Trustee of requisitions of the City Representative in the form and containing the provisions set forth in Section 7.01. The Trustee shall not be responsible for the representations made in such requisitions and may conclusively rely thereon and shall be under no duty to investigate or verify any statements made therein.

(c) If (i) less than all of the Property shall have been taken in such eminent domain proceedings or sold to a government threatening the use of eminent domain powers, and if the City has given written notice to the Trustee of its determination that such eminent domain proceedings have materially affected the operation of the Property or the ability of the City to meet any of its obligations with respect to the Property under the Lease Agreement or (ii) all of the Property shall have been taken in such eminent domain proceedings, then the Trustee shall transfer such proceeds to the Lease Payment Fund to be credited toward the prepayment of the Lease Payments pursuant to Section 10.3 of the Lease Agreement and applied to the redemption of Certificates in the manner provided in 4.01(b) hereof.

(d) In making any determination under this Section 7.02, the City may, but shall not be required to, obtain at its expense, the report of an independent engineer or other independent professional consultant, a copy of which shall be filed with the Trustee. Any such determination by the City shall be final.

Section 7.03. Application of Net Proceeds of Title Insurance Award. The Net Proceeds from a title insurance award shall be deposited with the Trustee in the Insurance and Condemnation Fund pursuant to Section 6.2(c) of the Lease Agreement and shall be transferred to the Lease Payment Fund to be credited towards the prepayment of Lease Payments required to be paid pursuant to Section 10.3 of the Lease Agreement and applied to the redemption of Certificates in the manner provided in Section 4.01(b).

Section 7.04. Cooperation. The Corporation and the Trustee shall cooperate fully with the City, at the expense of the City, in filing any proof of loss with respect to any insurance policy maintained pursuant to Article V of the Lease Agreement and in the prosecution or defense of any prospective or pending condemnation proceeding with respect to the Property or any portion thereof. Neither the Trustee nor the Corporation shall be obligated to join in such

action if it believes it will be exposed to liability or has not been indemnified to its satisfaction from any loss, liability or expense including, but not limited to, attorneys fees.

## ARTICLE III

### MONEYS IN FUNDS; INVESTMENT

Section 8.01. Held in Trust. The moneys and investments held by the Trustee under this Trust Agreement are irrevocably held in trust for the benefit of the Owners of the Certificates and for the purposes herein specified and such moneys, and any income or interest earned thereon, shall be expended only as provided in this Trust Agreement and shall not (except as set forth in Section 9.03 hereof) be subject to levy, attachment or lien by or for the benefit of any creditor of the Corporation, the Trustee, the City or any Owner of Certificates.

Section 8.02. Investments Authorized. Moneys held by the Trustee hereunder shall, upon written order of a City Representative, be invested and reinvested by the Trustee in Permitted Investments. The Trustee may deem all investments directed by a City Representative as Permitted Investments without independent investigation thereof. If a City Representative shall fail to so direct investments, the Trustee shall invest the affected moneys in Permitted Investments described in paragraph (f) of the definition thereof as shown in Exhibit A hereto. Such investments, if registrable, shall be registered in the name of and held by the Trustee or its nominee. The Trustee may purchase or sell to itself or any affiliate, as principal or agent, investments authorized by this Section 8.02. Such investments and reinvestments shall be made giving full consideration to the time at which funds are required to be available. The Trustee may act as principal or agent in the making or disposing of any investment and make or dispose of any investment through its investment department or that of an affiliate and shall be entitled to its customary fees therefor. The Trustee is hereby authorized, in making or disposing of any investment permitted by this Section 8.02, to deal with itself (in its individual capacity) or with one or more of its affiliates, whether it or such affiliate is acting as an agent of the Trustee or for any third person or dealing as principal for its own account.

Unless otherwise consented to by AGM, so long as any Certificates remain outstanding or any amounts are owed to AGM by the City, the City shall not enter into any interest rate exchange agreement, cap, collar, floor, ceiling or other agreement or instrument involving reciprocal payment obligations between the City and a counterparty based on interest rates applied to a notional amount of principal.

Section 8.03. Accounting. The Trustee shall furnish to the City, at least monthly, an accounting which may be in the form of its customary accounting statements of all investments made by the Trustee; provided that the Trustee shall not be obligated to deliver an accounting for any fund or account that (a) has a balance of \$0.00 and (b) has not had any activity since the last reporting date. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with Section 8.02 hereof. The City acknowledges that to the extent that regulations of the Comptroller of the Currency or other applicable regulatory agency grant the City the right to receive brokerage confirmations of security transactions, the City waives receipt of such confirmations. The Trustee shall furnish to the City periodic statements of account which shall include detail of all investment transactions made by the Trustee.

Section 8.04. Allocation of Earnings. Unless and until otherwise directed by the City to the Trustee in writing, all interest or income received by the Trustee on investment of the Lease Payment Fund shall be retained in the Lease Payment Fund. Amounts retained or deposited in the Lease Payment Fund pursuant to this Section 8.04 shall be applied as a credit against the Lease Payment due by the City pursuant to the Lease Agreement on the Lease Payment Date following the date of deposit. All interest received by the Trustee on investment of the Reserve Fund shall be retained in the Reserve Fund in the event that amounts on deposit in the Reserve

Fund are less than the Reserve Requirement. Reserve Fund investments may not have maturities extending beyond five years, except for the Reserve Fund Policy and investment agreements or repurchase agreements approved by AGM. In the event that amounts then on deposit in the Reserve Fund on the valuation date described in Section 6.03 hereof equal or exceed the Reserve Requirement, such excess shall be transferred to the Lease Payment Fund. Transfers to the Lease Payment Fund from the Reserve Fund shall be made by the Trustee on or prior to each June 1 and December 1. All interest or income in the Delivery Costs Fund shall be retained in the Delivery Costs Fund until the Delivery Costs Fund is closed pursuant to Section 3.02 hereof. All interest or income in the Project Fund shall be retained in the Project Fund until the Project Fund is closed pursuant to Section 3.05 hereof.

Section 8.05. Acquisition, Disposition and Valuation of Investments. The City covenants that all investments of amounts deposited in any fund or account created by or pursuant to this Trust Agreement, or otherwise containing gross proceeds of the Certificates (within the meaning of section 148 of the Code) shall be acquired, disposed of, and valued at their market value.

ARTICLE IX  
THE TRUSTEE

Section 9.01. Appointment of Trustee. U.S. Bank National Association, a national banking association organized and existing under the laws of the United States of America with a Principal Corporate Trust Office in Los Angeles, California, is hereby appointed Trustee, registrar and paying agent by the Corporation and the City for the purpose of receiving all moneys required to be deposited with the Trustee hereunder and to allocate, use and apply the same as provided in this Trust Agreement. The Corporation and the City agree that they will maintain a Trustee which shall be a corporation or association organized under the laws of any state, the United States of America, or the District of Columbia, authorized under such laws to exercise corporate trust powers, which shall have (or, in the case of a bank or trust company included in a bank holding company system, the related bank holding company shall have) a combined capital and surplus of at least fifty million dollars (\$50,000,000), subject to supervision or examination by federal or State authority, so long as any Certificates are Outstanding and acceptable to AGM. If such corporation or association publishes a report of condition at least annually pursuant to law or to the requirements of any supervising or examining authority above referred to then for the purpose of this Section 9.01, the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section 9.01, the Trustee shall resign immediately in the manner and with the effect specified in Section 9.07.

The Trustee is hereby authorized to pay the Certificates when duly presented for payment at maturity, or on redemption, or on purchase by the Trustee prior to maturity in accordance with Section 4.05 hereof, and to cancel all Certificates upon payment thereof. The Trustee shall keep records in accordance with industry standards of all funds administered by it and of all Certificates paid and discharged.

Section 9.02. Acceptance of Trusts. The Trustee hereby accepts the trusts imposed upon it by this Trust Agreement and agrees to perform said trusts, but only upon and subject to the following express terms and conditions:

(a) The Trustee, prior to the occurrence of an Event of Default and after the curing or waiver of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Trust Agreement and no implied duties or obligations shall be read into this Trust Agreement against the Trustee. In case an Event of Default has occurred (which has not been cured or waived) the Trustee may exercise such of the rights and powers vested in it by this Trust Agreement and shall use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) No provision in this Trust Agreement shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(c) The Trustee may execute any of the trusts or powers hereof and perform the duties required of it hereunder either directly or by or through attorneys, receivers or agents and shall be entitled to advice of counsel concerning all matters of trust and its duty hereunder and shall



be absolutely protected in relying thereon. The Trustee shall not be responsible for the misconduct of such persons selected by it with reasonable care.

(d) The Trustee shall not be responsible for any recital herein, in the Assignment Agreement or in the Certificates, or for any of the supplements thereto or instruments of further assurance, or for the sufficiency of the security for the Certificates delivered hereunder or intended to be secured hereby and the Trustee shall not be bound to ascertain or inquire as to the observance or performance of any covenants, conditions or agreements on the part of the Corporation or the City under the Lease Agreement.

(e) The Trustee shall not be accountable for the use of any Certificates delivered hereunder or the proceeds thereof. The Trustee, in its individual or any other capacity, may become the Owner or pledgee of Certificates secured hereby with the same rights which it would have if it were not the Trustee; may acquire and dispose of other bonds or evidence of indebtedness of the City with the same rights it would have if it were not the Trustee; and may act as a depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Owners of Certificates, whether or not such committee shall represent the Owners of the majority in principal amount of the Certificates then Outstanding.

(f) In the absence of bad faith on its part, the Trustee shall be protected in acting or refraining from acting upon any notice, request, consent, requisition, certificate, order, affidavit, facsimile, letter, telegram or other paper or document believed by it to be genuine and to have been signed or sent by the proper person or persons. Any action taken or omitted to be taken by the Trustee in good faith pursuant to this Trust Agreement upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the Owner of any Certificate, shall be conclusive and binding upon all future Owners of the same Certificate and upon Certificates executed and delivered in exchange therefor or in place thereof. The Trustee shall not be bound to recognize any person as an Owner of any Certificate or to take any action at his request unless such person is the registered owner as shown on the Registration Books.

(g) As to the existence or non-existence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a certificate signed by a Corporation Representative or a City Representative as sufficient evidence of the facts therein contained and prior to the occurrence of an Event of Default of which the Trustee has been given notice or is deemed to have notice, shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient. The Trustee may accept a certificate of a Corporation Representative or a City Representative to the effect that an authorization in the form therein set forth has been adopted by the Corporation or the City, as the case may be, as conclusive evidence that such authorization has been duly adopted, and is in full force and effect.

(h) The permissive right of the Trustee to do things enumerated in this Trust Agreement shall not be construed as a duty and the Trustee shall not be answerable for other than its negligence or willful misconduct. The immunities and exceptions from liability of the Trustee shall extend to its officers, directors, employees, affiliates and agents.

(i) The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default hereunder except failure by the City to make any of the Lease Payments to the Trustee required to be made by the City pursuant to the Lease Agreement or failure by the Corporation or the City to file with the Trustee any document required by this Trust Agreement or a Lease Agreement to be so filed subsequent to the delivery of the Certificates, unless the Trustee shall be specifically notified in writing of such default by the Corporation, the City or

by the Owners of at least five percent (5%) in aggregate principal amount of Certificates then Outstanding and all notices or other instruments required by this Trust Agreement to be delivered to the Trustee must, in order to be effective, be delivered at the Principal Corporate Trust Office, and in the absence of such notice so delivered the Trustee may conclusively assume there is no Event of Default except as aforesaid.

(j) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(k) Notwithstanding anything elsewhere in this Trust Agreement with respect to the execution of any Certificates, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of this Trust Agreement, the Trustee shall have the right, but shall not be required, to demand any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of such action, deemed desirable by the Trustee for the purpose of establishing the right of the City to the withdrawal of any cash, or the taking of any other action by the Trustee.

(l) All moneys received by the Trustee shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required by law. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of moneys made by it in accordance with Article VIII of this Trust Agreement.

(m) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of AGM or the Owners of a majority in aggregate principal amount of the Outstanding Certificates relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Trust Agreement.

(n) Before taking any action under Article XIV hereof or this Section 9.02 at the request or direction of the Certificate Owners or AGM, the Trustee may require payment or reimbursement of its fees and expenses, including fees and expenses of counsel and receipt of an indemnity bond satisfactory to it from the Certificate Owners or AGM to protect it against all liability, except liability which is adjudicated to have resulted from its own negligence or willful misconduct in connection with any action so taken. Before being required to take any action, the Trustee may require an opinion of Independent Counsel acceptable to the Trustee, which opinion shall be made available to the other parties hereto upon request, which counsel may be counsel to any of the parties hereto, or a verified certificate of any party hereto, or both, concerning the proposed action. If it does so in good faith, the Trustee shall be absolutely protected in relying thereon.

(o) Under no circumstances shall the Trustee be liable for the obligations evidenced by the Certificates.

(p) The Trustee shall not be accountable for the use or application by the City or the Corporation or any other party of any funds which the Trustee has released in accordance with the terms of this Trust Agreement.

(q) The Trustee has no obligation or duty to insure compliance by the City with the Code.

(r) The Trustee makes no representation or warranty, express or implied, as to the title, value, design, compliance with specifications or legal or environmental requirements, quality,

durability, operation, condition, merchantability or fitness for any particular purpose or fitness for the use contemplated by the City or the Corporation of the Property. In no event shall the Trustee be liable for incidental, indirect, special or consequential damages in connection with or arising from the Lease Agreement or this Trust Agreement for the existence, furnishing or use of the Property.

(s) The Trustee makes no representations as to the validity or sufficiency of the Certificates and shall incur no responsibility in respect thereof, other than in connection with the duties or obligations herein or in the Certificates assigned to or imposed upon it. The Trustee shall not be responsible for the validity or sufficiency of the Lease Agreement or the assignment under the Assignment Agreement. The Trustee shall not be liable for the sufficiency or collection of any Lease Payments or other moneys required to be paid to it under the Lease Agreement (except as provided in this Trust Agreement), its right to receive moneys pursuant to the Lease Agreement, or the value of or title to the premises upon which the Property is located or the Property. The Trustee makes no representations and shall have no responsibility for any official statement or other offering material prepared or distributed with respect to the Certificates.

(t) In accepting the trust hereby created, the Trustee acts solely as Trustee for the Owners and not in its individual capacity and all persons, including without limitation the Owners and the City or the Corporation having any claim against the Trustee arising from this Trust Agreement shall look only to the funds and accounts held by the Trustee hereunder for payment except as otherwise provided herein.

(u) The Trustee is authorized and directed to execute the Assignment Agreement in its capacity as Trustee hereunder.

(v) The Trustee will not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, Acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to any project refinanced with the proceeds of the Certificates, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event and/or occurrences beyond the control of the Trustee.

Section 9.03. Fees, Charges and Expenses of Trustee. The City shall pay and reimburse the Trustee for reasonable fees for its services rendered hereunder and under the Assignment Agreement and all advances and expenditures, including but not limited to, advances to and fees and expenses of independent appraisers, accountants, consultants, counsel, agents and attorneys or other experts employed by the Trustee in connection with such services and the Trustee shall, in the Event of Default, have a first and prior lien on the funds held hereunder to secure the same. The Trustee's rights hereunder, including its rights under Section 12.03 hereof, shall survive its resignation or removal and final payment of the Certificates.

Section 9.04. Notice to Certificate Owners of Default. If an Event of Default occurs of which the Trustee has been given or is deemed to have notice pursuant to Section 9.02(i) hereof, then the Trustee shall, within ninety (90) days of the occurrence thereof, give written notice thereof at the expense of the City by first class mail, postage prepaid, to the Owner of each Certificate, unless such Event of Default shall have been cured before the giving of such notice;

*provided, however* that unless such Event of Default consists of the failure by the City to make any Lease Payment when due, the Trustee may elect not to give such notice if and so long as the Trustee in good faith determines that it is in the best interests of the Certificate Owners not to give such notice.

Section 9.05. Intervention by Trustee. In any judicial proceeding to which the Corporation or the City is a party which, in the opinion of the Trustee and its counsel, has a substantial bearing on the interests of Owners of the Certificates, the Trustee may intervene on behalf of the Certificate Owners and shall do so if requested in writing by AGM or the Owners of at least twenty-five percent (25%) of the aggregate principal amount of Certificates then Outstanding and AGM, provided the Trustee shall have no duty to take such action unless it has received payment or reimbursement and has been indemnified to its satisfaction as provided in Section 9.02(n) hereof against all risk or liability arising from such action.

Section 9.06. Removal of Trustee. Upon thirty (30) days' notice, the City (so long as no Event of Default shall have occurred and be continuing), AGM or the Owners of at least a majority of the aggregate principal amount of Certificates then Outstanding may, with the consent of the Corporation, remove the Trustee initially appointed, and any successor thereto, by an instrument or concurrent instruments in writing delivered to the Trustee and the Corporation, and may appoint a successor or successors thereto; provided that any such successor shall be a corporation or association meeting the requirements set forth in Section 9.01 hereof.

Section 9.07. Resignation by Trustee. The Trustee and any successor Trustee may, at any time, resign by giving thirty (30) days' written notice by registered or certified mail to the City, and the Corporation and AGM.

Section 9.08. Appointment of Successor Trustee. In the event of the removal or resignation of the Trustee pursuant to Sections 9.06 or 9.07 hereof, the City shall promptly appoint a successor Trustee. In the event the City shall, for any reason whatsoever, fail to appoint a successor Trustee within thirty (30) days following the delivery to the Trustee of the instrument described in Section 9.06 hereof or within thirty (30) days following the receipt of notice by the City pursuant to Section 9.07 hereof, the Trustee may apply to a court of competent jurisdiction at the expense of the City, for the appointment of a successor Trustee meeting the requirements of Section 9.01 hereof. Any such successor Trustee appointed by such court shall become the successor Trustee hereunder notwithstanding any action by the City purporting to appoint a successor Trustee following the expiration of such thirty (30) day period. Any resignation or removal of the Trustee and appointment of a successor Trustee shall become effective upon acceptance of appointment by the successor Trustee.

Section 9.09. Merger or Consolidation. Any company or association into which the Trustee may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company or association to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided that such company or association shall be eligible under Section 9.01 hereof, shall be the successor to the Trustee and vested with all of the title to the trust estate and all of the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any paper or further act, anything herein to the contrary notwithstanding.

Section 9.10. Concerning any Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its or his predecessor and also the Corporation and the City an instrument in writing accepting such appointment hereunder and thereupon such successor, without any further act, deed or conveyance, shall become fully

vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessors; but such predecessor shall, nevertheless, on the written request of the City, or of its successor, execute and deliver an instrument transferring to such successor all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it as the Trustee hereunder to its successor. Upon such acceptance, the City shall mail, by first class mail, postage prepaid, or cause the mailing of, notice thereof to the Certificate Owners at their respective addresses set forth on the Registration Books. Should any instrument in writing from the City be required by any successor Trustee for more fully and certainly vesting in such successor the estate, rights, powers and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the City. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all other instruments provided for in this Article IX, shall be filed or recorded by the successor Trustee in each recording office where the Assignment Agreement shall have been filed or recorded.

## ARTICLE X

### MODIFICATION OR AMENDMENT OF AGREEMENTS

Section 10.01. Amendments Permitted. This Trust Agreement and the rights and obligations of the Owners of the Certificates, the Lease Agreement and the rights and obligations of the parties thereto, the Site and Facility Lease and the rights and obligations of the parties thereto and the Assignment Agreement and the rights and obligations of the parties thereto, may be modified or amended at any time by a supplemental agreement which shall become effective when the written consent of AGM or, if AGM is in breach of its obligations under the Municipal Bond Insurance Policy, the Owners of at least sixty percent (60%) in aggregate principal amount of the Certificates then Outstanding, exclusive of Certificates disqualified as provided in Section 10.03 hereof, shall have been filed with the Trustee. No such modification or amendment shall (1) extend or have the effect of extending the fixed maturity of any Certificate or reducing the interest rate with respect thereto or extending the time of payment of interest, or reducing the amount of principal thereof, without the express consent of the Owner of such Certificate and AGM; or (2) reduce or have the effect of reducing the percentage of Certificates required for the affirmative vote or written consent to an amendment or modification of a Lease Agreement; or (3) modify any of the rights or obligations of the Trustee without its written assent thereto. Any such supplemental agreement shall become effective as provided in Section 10.02 hereof.

This Trust Agreement and the rights and obligations of the Owners of the Certificates and the Lease Agreement and the rights and obligations of the respective parties thereto, may (upon written notice to AGM) be modified or amended at any time by a supplemental agreement, without the consent of any such Owners, but only to the extent permitted by law and only (1) to add to the covenants and agreements of the Corporation or the City; (2) to cure, correct or supplement any ambiguous or defective provision contained herein or therein and which shall not, in the opinion of nationally recognized bond counsel, adversely affect the interests of the Owners of the Certificates; (3) in regard to questions arising hereunder or thereunder, as the parties hereto or thereto may deem necessary or desirable and which shall not, in the opinion of nationally recognized bond counsel, materially adversely affect the interests of the Owners of the Certificates; (4) to make such additions, deletions or modifications as may be necessary or appropriate in the opinion of bond counsel to assure the exclusion from gross income for federal income tax purposes of the interest component of Lease Payments and the interest payable with respect to the Certificates; (5) to add to the rights of the Trustee; or (6) to maintain the rating or ratings assigned to the Certificates. Any such supplemental agreement shall become effective upon execution and delivery by the parties hereto or thereto, as the case may be.

This Trust Agreement and the Lease Agreement may not be modified or amended at any time by a supplemental agreement which would modify any of the rights and obligations of the Trustee without its written assent thereto.

The Trustee may request an opinion of Independent Counsel that any amendment entered into hereunder complies with the provisions of this Article X and the Trustee may rely conclusively on such opinion.

Section 10.02. Procedure for Amendment with Written Consent of Certificate Owners. This Trust Agreement and the Lease Agreement may be amended by supplemental agreement as provided in this Section 10.02 in the event the consent of the Owners of the Certificates is required pursuant to Section 10.01 hereof. A copy of such supplemental agreement (or a summary thereof), together with a request to the Certificate Owners for their consent thereto,

shall be mailed by first class mail, postage prepaid, by the Trustee at the expense of the City, to each Owner of a Certificate at his address as set forth on the Registration Books, but failure to mail copies of such supplemental agreement and request shall not affect the validity of the supplemental agreement when assented to as in this Section 10.02 provided.

Such supplemental agreement shall not become effective unless there shall be filed with the Trustee the written consents of AGM or, if AGM is in breach of its obligations under the Municipal Bond Insurance Policy, the Owners of at least sixty percent (60%) in aggregate principal amount of the Certificates then Outstanding (exclusive of Certificates disqualified as provided in Section 10.03 hereof) and a notice shall have been mailed as hereinafter in this Section 10.02 provided. Each such consent shall be effective only if accompanied by proof of ownership of the Certificates for which such consent is given, which proof shall be such as is permitted by Section 2.11 hereof. Any such consent shall be binding upon the Owner of the Certificate giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof) unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Trustee prior to the date when the notice hereinafter in the following paragraph of this Section 10.02 provided for has been mailed.

After the Owners of the required percentage of Certificates shall have filed their consents to such supplemental agreement, the Trustee shall mail by first class mail, postage prepaid, a notice at the expense of the City, to the Owners of the Certificates in the manner hereinbefore provided in this Section 10.02 for the mailing of such supplemental agreement of the notice of adoption thereof, stating in substance that such supplemental agreement has been consented to by the Owners of the required percentage of Certificates and will be effective as provided in this Section 10.02 (but failure to mail copies of said notice shall not affect the validity of such supplemental agreement or consents thereto). A record, consisting of the papers required by this Section 10.02 to be filed with the Trustee, shall be conclusive proof of the matters therein stated. Such supplemental agreement shall become effective upon the mailing of such last-mentioned notice, and such supplemental agreement shall be deemed conclusively binding upon the parties hereto and the Owners of all Certificates at the expiration of sixty (60) days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such sixty (60) day period.

Section 10.03. Disqualified Certificates. Certificates owned or held by or for the account of the City or by any person directly or indirectly controlled or controlled by, or under direct or indirect common control with the City (except any Certificates held in any pension or retirement fund) shall not be deemed Outstanding for the purpose of any vote, consent, waiver or other action or any calculation of Outstanding Certificates provided for in this Trust Agreement, and shall not be entitled to vote upon, consent to, or take any other action provided for in this Trust Agreement; *provided, however,* that the Trustee shall not be liable for determining whether Certificates are owned or held by the City or any such other person unless such Certificates are registered in the name of the City or such other person on the Registration Books.

Section 10.04. Effect of Supplemental Agreement. From and after the time any supplemental agreement becomes effective pursuant to this Article X, this Trust Agreement or a Lease Agreement, as the case may be, shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations of the parties hereto or thereto and all Owners of Certificates Outstanding, as the case may be, shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any supplemental agreement shall be deemed

to be part of the terms and conditions of this Trust Agreement or a Lease Agreement, as the case may be, for any and all purposes.

Section 10.05. Endorsement or Replacement of Certificates Delivered After Amendments. The City may determine that Certificates delivered after the effective date of any action taken as provided in this Article X shall bear a notation, by endorsement or otherwise, in form approved by the Trustee, as to such action. In that case, upon demand of the Owner of any Certificate Outstanding at such effective date and presentation of his Certificate for such purpose at the Principal Corporate Trust Office, a suitable notation shall be made on such Certificate. The City may determine that the delivery of substitute Certificates, so modified as in the opinion of the City is necessary to conform to such Certificate Owners' action, is necessary and such substitute Certificates shall thereupon be prepared, executed and delivered. In that case, upon demand of the Owner of any Certificate then Outstanding, such substitute Certificate shall be exchanged at the Principal Corporate Trust Office, at the expense of the City, for a Certificate of the same character then Outstanding, upon surrender of such Outstanding Certificate.

Section 10.06. Amendatory Endorsement of Certificates. The provisions of this Article X shall not prevent any Certificate Owner from accepting any amendment as to the particular Certificates held by him, provided that proper notation thereof is made on such Certificates.



## ARTICLE XI

### COVENANTS

Section 11.01. Compliance With and Enforcement of Lease Agreement. The City covenants and agrees with the Owners of the Certificates and AGM to perform all obligations and duties imposed on it under the Lease Agreement. The Corporation covenants and agrees with the Owners of the Certificates to perform all obligations and duties imposed on it under the Lease Agreement.

The City will not do or permit anything to be done, or omit or refrain from doing anything, in any case where any such act done or permitted to be done, or any such omission of or refraining from action, would or might be a ground for cancellation or termination of their respective Lease Agreement by the Corporation thereunder. The Corporation and the City, immediately upon receiving or giving any notice, communication or other document in any way relating to or affecting their respective estates, or either of them, in the Property, which may or can in any manner affect such estate of the City or the Corporation, will deliver the same, or a copy thereof, to the Trustee and AGM.

Section 11.02. Observance of Laws and Regulations. The City and the Corporation will well and truly keep, observe and perform all valid and lawful obligations or regulations now or hereafter imposed on them by contract, or prescribed by any law of the United States, or of the State, or by any officer, board or commission having jurisdiction or control, as a condition of the continued enjoyment of any and every right, privilege or franchise now owned or hereafter acquired by the City or the Corporation, respectively, including its right to exist and carry on business as a public entity, to the end that such rights, privileges and franchises shall be maintained and preserved, and shall not become abandoned, forfeited or in any manner impaired.

Section 11.03. Prosecution and Defense of Suits. The City shall promptly, upon request of the Trustee or any Certificate Owner, from time to time take such action as may be necessary or proper to remedy or cure any defect in or cloud upon the title to the Property, whether now existing or hereafter developing and shall prosecute all such suits, actions and other proceedings as may be appropriate for such purpose and shall indemnify and save the Trustee and every Certificate Owner harmless from all loss, cost, damage and expense, including attorneys' fees, which they or any of them may incur by reason of any such defect, cloud, suit, action or proceeding.

Section 11.04. Recordation and Filing. The City shall record and file, or cause to be recorded and filed, the Site and Facility Lease, the Lease Agreement (or a memorandum thereof), the Assignment Agreement and all such documents as may be required by law (and shall take all further actions which may be necessary or be reasonably required by the Trustee), all in such manner, at such times and in such places as may be required by law in order fully to preserve, protect and perfect the security of the Trustee and the Certificate Owners.

Section 11.05. Budgets. The City shall supply to the Trustee and AGM as soon as practicable, but not later than July 1 in each year, a written determination by a City Representative that the City has made adequate provision in its annual budget for the payment of Lease Payments due under the Lease Agreement in the Fiscal Year covered by such budget. The determination given by the City to the Trustee shall be that the amounts so budgeted are fully adequate for the payment of all Lease Payments and Additional Payments due under the Lease Agreement in the annual period covered by such budget.

Section 11.06. Further Assurances. The Corporation and the City will make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Trust Agreement and the Lease Agreement, or as may be requested by the Trustee and for the better assuring and confirming unto the Owners of the Certificates and the Trustee the rights and benefits provided herein.

Section 11.07. Satisfaction of Conditions Precedent. The City hereby certifies, recites and declares that all acts, conditions and things required by the constitution and statutes of the State, the Lease Agreement and this Trust Agreement to exist, to have happened and to have been performed precedent to and in the delivery of the Certificates, do exist, have happened and have been performed in due time, form and manner as required by law.

~~Section 11.08. Continuing Disclosure. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision of this Trust Agreement, failure of the City to comply with the Continuing Disclosure Certificate shall not be considered an Event of Default; however, the Trustee shall, upon payment of its fees and expenses, including counsel fees, and receipt of indemnity satisfactory to it, at the request of any Participating Underwriter or the holders of at least 25% aggregate principal amount of Outstanding Certificates, or any holder or beneficial owner of the Certificates may, take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.~~

## ARTICLE XII

### LIMITATION OF LIABILITY

Section 12.01. Limited Liability of City. Except for the payment of Lease Payments when due in accordance with the Lease Agreement and the performance of the other covenants and agreements of the City contained in the Lease Agreement and this Trust Agreement, the City shall have no pecuniary obligation or liability to any of the other parties or to the Owners of the Certificates with respect to this Trust Agreement or the terms, execution, delivery or transfer of the Certificates, or the distribution of Lease Payments to the Owners by the Trustee, except as expressly set forth herein.

Section 12.02. No Liability of City or Corporation for Trustee Performance. Neither the City nor the Corporation shall have any obligation or liability to any of the other parties or to the Owners of the Certificates with respect to the performance by the Trustee of any duty imposed upon it under this Trust Agreement.

Section 12.03. Indemnification of Trustee. The City shall to the extent permitted by law indemnify and save the Trustee, its officers, employees, directors, affiliates and agents harmless from and against all claims, losses, costs, expenses, liability and damages, including legal fees and expenses (including allocated costs of internal counsel), arising out of (i) the use, maintenance, condition or management of, or from any work or thing done on, the Property by the Corporation or the City; (ii) any breach or default on the part of the Corporation or the City the performance of any of their respective obligations under the Lease Agreement, the Assignment Agreement, this Trust Agreement and any other agreement made and entered into for purposes of the Property; (iii) any act of the Corporation or the City or of any of their respective agents, contractors, servants, employees, licensees with respect to the Property; (iv) any act of any assignee of, or purchaser from the Corporation or the City or of any of its or their respective agents, contractors, servants, employees or licensees with respect to the Property; (v) the authorization of payment of Delivery Costs; (vi) the actions of any other party, including but not limited to the ownership, operation or use of the Property by the Corporation or the City including, without limitation, the use, storage, presence, disposal or release of any Hazardous Substances on or about the Property; (vii) the Trustee's exercise and performance of its powers and duties hereunder or as assigned to it under the Assignment Agreement; (viii) the offering and sale of the Certificates; (ix) the presence under or about or release from the Property, or any portion thereof, of any substance, material or waste which is or becomes regulated or classified as hazardous or toxic under State, local or federal law, or the violation of any such law by the City; or (x) any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements made, in the light of the circumstances under which they were made, not misleading, in any official statement or other offering document utilized in connection with the sale of the Certificates. Such indemnification shall include the costs and expenses of defending against any claim or liability arising under this Trust Agreement. No indemnification will be made under this Section 12.03 or elsewhere in this Trust Agreement for willful misconduct or negligence under this Trust Agreement by the Trustee, its officers, affiliates or employees. The City's obligations hereunder shall remain valid and binding notwithstanding maturity and payment of the Certificates or resignation or removal of the Trustee.

Section 12.04. Limitation of Rights to Parties and Certificate Owners. Nothing in this Trust Agreement or in the Certificates expressed or implied is intended or shall be construed to give any person other than the City, the Corporation, the Trustee, AGM and the Owners of the Certificates, any legal or equitable right, remedy or claim under or in respect of this Trust Agreement or any covenant, condition or provision hereof; and all such covenants, conditions

and provisions are and shall be for the sole and exclusive benefit of the City, the Corporation, the Trustee, AGM and said Owners. |

## ARTICLE XIII

### EVENTS OF DEFAULT AND REMEDIES OF CERTIFICATE OWNERS

Section 13.01. Assignment of Rights. Pursuant to the Assignment Agreement, the Corporation has transferred, assigned and set over to the Trustee all of the Corporation's rights in and to the Lease Agreement (excepting only the Corporation's rights under Sections 5.8, 7.3 and 9.4 and the obligations under Section 4.7 thereof), including without limitation all of the Corporation's rights to exercise such rights and remedies conferred on the Corporation pursuant to the Lease Agreement as may be necessary or convenient (i) to enforce payment of the Lease Payments and any other amounts required to be deposited in the Lease Payment Fund or the Insurance and Condemnation Fund, and (ii) otherwise to exercise the Corporation's rights and take any action to protect the interests of the Trustee or the Certificate Owners in an Event of Default.

Section 13.02. Remedies. If an Event of Default shall happen, then and in each and every such case during the continuance of such Event of Default, the Trustee may (with the prior written consent of AGM), and shall upon request of AGM or, if AGM is in breach of its obligations under the Municipal Bond Insurance Policy, and shall upon request of the Owners of a majority in aggregate principal amount of the Certificates then Outstanding, and upon payment of its fees and expenses, including counsel fees, and being indemnified to its satisfaction therefor shall, exercise any and all remedies available pursuant to law or granted pursuant to the Lease Agreement; *provided, however,* that notwithstanding anything herein or in the Lease Agreement to the contrary, there shall be no right under any circumstances to accelerate the maturities of the Certificates or otherwise to declare any Lease Payment not then in default to be immediately due and payable.

Section 13.03. Application of Funds. All moneys held by the Trustee in the funds and accounts held hereunder and all moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article XIII or Article IX of the Lease Agreement shall be applied by the Trustee in the following order upon presentation of the several Certificates:

*First,* to the payment of the costs and expenses of the Trustee and of the Certificate Owners in declaring such Event of Default, and collecting moneys owed hereunder, including reasonable compensation to its or their agents, attorneys and counsel (including allocated costs of internal counsel), including all fees and expenses past due; and

*Second,* to the payment of the whole amount then owing and unpaid with respect to the Certificates for principal and interest, with interest on the overdue principal and installments of interest at the rate per annum payable with respect to the Certificates (but such interest on overdue installments of interest shall be paid only to the extent funds are available therefor following payment of principal and interest and interest on overdue principal, as aforesaid), and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid with respect to the Certificates, then to the payment of such principal and interest without preference or priority of principal over interest, or of interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and interest; and.

*Third,* any amount due to AGM, not paid pursuant to First or Second above, and unpaid.

Section 13.04. Institution of Legal Proceedings. If one or more Events of Default shall happen and be continuing, or if there shall be nonpayment of principal or interest with respect

to the Certificates, the Trustee in its discretion may and shall, upon the written request of the Owners of a majority in principal amount of the Certificates then Outstanding, and upon payment of its fees and expenses, including counsel fees, and being indemnified to its satisfaction therefor, shall, proceed to protect or enforce its rights or the rights of the Owners of Certificates by a suit in equity or action at law, either for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or by mandamus or other appropriate proceeding for the enforcement of any other legal or equitable remedy as the Trustee shall deem most effectual in support of any of its rights or duties hereunder. If one or more Events of Default shall occur and be continuing, the Trustee shall be entitled as a matter of right to the appointment of a receiver or receivers for the Property and for any property securing the Certificates and the revenues, income, produce, and profits thereon. In the case of any receivership, insolvency, bankruptcy, reorganization, or other judicial proceedings affecting the City or the Property, the Trustee shall be entitled to file such proofs of claim and other documents as may be necessary or advisable in order to have the claims of the Trustee and Owners allowed in such proceedings for the entire amount due and payable under this Trust Agreement at the time of the institution of such proceedings, and also for any additional amount which may become due and payable thereafter, without prejudice to the right of any Owner to file a claim on his or her own behalf. The Trustee shall not be obligated to take any such action unless offered compensation, indemnity for its potential liability, and reimbursement for its legal fees and expenses in accordance with this Section 13.04.

Section 13.05. Non-waiver. Nothing in this Article XIII or in any other provision of this Trust Agreement or in the Certificates, shall affect or impair the obligation of the City to pay or prepay the Lease Payments as provided in the Lease Agreement, or affect or impair the right of action, which is absolute and unconditional, of the Certificate Owners to institute suit to enforce and collect such payment. No delay or omission of the Trustee or of any Owner of any of the Certificates to exercise any right or power arising upon the happening of any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein, and every power and remedy given by this Article XIII to the Trustee, AGM or to the Owners of Certificates may be exercised from time to time and as often as shall be deemed expedient by the Trustee or the Certificate Owners.

Section 13.06. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the Certificate Owners is intended to be exclusive of any other remedy, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise.

Section 13.07. Power of Trustee to Control Proceedings. In the event that the Trustee, upon the happening of an Event of Default, shall have taken any action, by judicial proceedings or otherwise, pursuant to its duties hereunder, whether upon its own discretion or upon the request of the Owners of a majority in principal amount of the Certificates then Outstanding, it shall have full power, in the exercise of its discretion for the best interests of the Owners of the Certificates, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; *provided, however*, that the Trustee shall not discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, without the consent of a majority in aggregate principal amount of the Certificates Outstanding.

Section 13.08. Limitation on Certificate Owners' Right to Sue. No Owner of any Certificate executed and delivered hereunder shall have the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Trust Agreement, unless (a) such Owner shall have previously given to the Trustee written notice of the occurrence of an Event of Default hereunder; (b) the Owners of at least twenty-five percent (25%) in aggregate

principal amount of all the Certificates then Outstanding shall have made written request upon the Trustee to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (c) said Owners shall have tendered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee shall have refused or omitted to comply with such request for a period of sixty (60) days after such written request shall have been received by, and said tender of indemnity shall have been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of Certificates of any remedy hereunder; it being understood and intended that no one or more Owners of Certificates shall have any right in any manner whatever by his or their action to enforce any right under this Trust Agreement, except in the manner herein provided, and that all proceedings at law or in equity with respect to an Event of Default shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Owners of the Outstanding Certificates.

The right of any Owner of any Certificate to receive payment of said Owner's fractional interest in the Lease Payments as the same become due, or to institute suit for the enforcement of such payment, shall not be impaired or affected without the consent of such Owner, notwithstanding the foregoing provisions of this Section 13.08 or any other provision of this Trust Agreement.

Section 13.09. Parties Interested Herein. Nothing in this Trust Agreement expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the City, the Corporation, ~~and the Trustee~~ and AGM, their officers, employees and agents, and the Owners any right, remedy or claim under or by reason of this Trust Agreement, or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Trust Agreement contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Corporation, ~~and the Trustee~~ and AGM, their officers, employees and agents, and the Owners.

## ARTICLE XIV

### PROVISIONS RELATING TO AGM AND THE MUNICIPAL BOND INSURANCE POLICY

#### Section 14.01. Notices and Other Information.

(a) Any notice that is required to be given to an Owner, nationally recognized municipal securities information repositories or state information depositories pursuant to Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission or to the Trustee pursuant to this Trust Agreement or the Lease Agreement shall also be provided to AGM, simultaneously with the sending of such notices. In addition, all information furnished by the City pursuant to the Continuing Disclosure Certificate shall also be provided to AGM, simultaneously with the furnishing of such information. All notices required to be given to AGM shall be in writing and shall be sent by registered or certified mail addressed to the Assured Guaranty Municipal Corp., 31 West 52nd Street, New York, New York 10019, Attention: Managing Director—Surveillance, Re: Policy No. \_\_\_\_\_-N, Telephone: (212) 974-0100; Fax: (212) 339-3556. If such communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel of AGM and shall be marked to indicate “URGENT MATERIAL ENCLOSED.”

(b) AGM shall have the right to receive such additional information as it may reasonably request.

(c) The City will permit AGM to discuss the affairs, finances and accounts of the City or any information AGM may reasonably request regarding the security for the Certificates with appropriate officers of the City, and the City will use best efforts to enable AGM to have access to the facilities, books and records of the City on any Business Day upon reasonable prior notice.

(d) The Trustee shall notify AGM of any failure of the Corporation or the City to provide notices, certificates and other information required to be provided to the Trustee under the Trust Agreement or the Lease Agreement.

Section 14.02. Defeasance. In the event that the principal and/or interest due with respect to the Certificates shall be paid by AGM pursuant to the Municipal Bond Insurance Policy, the Certificates shall remain outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid, and the assignment and pledge of the Lease Payments and all covenants, agreements and other obligations of the City to the Owners shall continue to exist and shall run to the benefit of AGM and AGM shall be subrogated to the rights of such Owners, including, without limitation, any rights that such owners may have in respect of securities law violations arising from the offer and sale of the Certificates.

#### Section 14.03. Trustee-Related Provisions.

(a) AGM shall receive prior written notice of any name change of the Trustee or the resignation, removal or termination of the Trustee.

(b) No resignation, removal or termination of the Trustee shall take effect until a successor, acceptable to AGM, shall be appointed.

(c) The Trustee may be removed at any time at the request of AGM for any breach of its obligations under the Trust Agreement.



#### Section 14.04. Amendments and Supplements.

(a) With respect to amendments or supplements to this Trust Agreement, the Site and Facility Lease, the Assignment Agreement or the Lease Agreement which do not require the consent of the Owners, AGM must be given prior written notice of any such amendments or supplements.

(b) With respect to amendments or supplements to this Trust Agreement, the Site and Facility Lease, the Assignment Agreement or the Lease Agreement which do require the consent of the Owners, AGM's prior written consent is required.

(c) Copies of any amendments or supplements to this Trust Agreement or the Lease Agreement which are consented to by AGM shall be sent to the rating agencies that have assigned a rating to the Certificates.

(d) Notwithstanding any other provision of this Trust Agreement or the Lease Agreement, in determining whether the rights of Owners will be adversely affected by any action taken pursuant to the terms and provisions thereof, the effect on the Owners shall be considered as if there was no Municipal Bond Insurance Policy.

(e) AGM shall be deemed to be the sole holder of the Certificates for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the Owners are entitled to take pursuant the provisions of this Trust Agreement, pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. In furtherance thereof, the Trustee and each Owner appoint AGM as their agent and attorney-in-fact and agree that AGM may at any time during the continuation of any proceeding by or against the City under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, the Trustee and each Owner delegate and assign to AGM, to the fullest extent permitted by law, the rights of the Trustee and each Owner in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. Remedies granted to the Owners shall expressly include mandamus.

Section 14.05. AGM as Third Party Beneficiary. To the extent that this Trust Agreement or the Lease Agreement confer upon or give or grant to AGM any right, remedy or claim under or by reason of the Trust Agreement or the Lease Agreement, AGM is explicitly recognized as being a third party beneficiary hereunder and may enforce any such right, remedy or claim conferred, given or granted hereunder or thereunder. If AGM is in breach of its obligation under the Municipal Bond Insurance Policy or the Reserve Policy, such rights and remedies shall be exercised by the Original Purchaser or other single Owner that owns all of the Outstanding Certificates.

#### Section 14.06. Control Rights.

(a) Anything in this Trust Agreement or the Lease Agreement to the contrary notwithstanding, upon the occurrence and continuance of an Event of Default, AGM shall be

entitled to control and direct the enforcement of all rights and remedies granted to the Owners or the Trustee for the benefit of the Owners.

(b) The rights granted to AGM under the Site and Facility Lease, the Lease Agreement, the Assignment Agreement and/or this Trust Agreement to request, consent to or direct any action are rights granted to AGM in consideration of its issuance of the Municipal Bond Insurance Policy. Any exercise by AGM of such rights is merely an exercise of AGM's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the Owners and such action does not evidence any position of AGM, affirmative or negative, as to whether the consent of the Owners or any other person is required in addition to the consent of AGM.

#### Section 14.07. Consent Rights of AGM.

(a) Consent of AGM. Any provision of this Trust Agreement, the Site and Facility Lease, the Assignment Agreement or the Lease Agreement expressly recognizing or granting rights in or to AGM may not be amended without the prior written consent of AGM.

(b) Consent of AGM in Addition to Owner Consent. Wherever this Trust Agreement, the Site and Facility Lease, the Assignment Agreement or the Lease Agreement require the consent of Owners, AGM's consent shall also be required.

(c) Consent of AGM in the Event of Insolvency. Any reorganization or liquidation plan with respect to the City must be acceptable to AGM. In the event of any reorganization or liquidation, AGM shall have the right to vote on behalf of all Owners who hold Certificates guaranteed by AGM, absent a default by AGM under the Municipal Bond Insurance Policy.

The rights granted to AGM under this Trust Agreement or the Lease Agreement to request, consent to or direct any action are rights granted to AGM in consideration of its issuance of the Municipal Bond Insurance Policy. Any exercise by AGM of such rights is merely an exercise of AGM's contractual rights and shall not be construed or deemed to be taken for the benefit or on behalf, of the Owners and such action does not evidence any position of AGM, affirmative or negative, as to whether the consent of the Owners or any other person is required in addition to the consent of AGM.

#### Section 14.08. Payment Procedure Under the Municipal Bond Insurance Policy.

If, on the third Business Day prior to the related scheduled interest payment date or principal payment date ("Payment Date") there is not on deposit with the Trustee, after making all transfers and deposits required under this Trust Agreement, moneys sufficient to pay the principal and interest with respect to the Certificates due on such Payment Date, the Trustee shall give notice to AGM and to its designated agent (if any) (the "Insurer's Fiscal Agent") by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal and interest with respect to the Certificates due on such Payment Date, the Trustee shall make a claim under the Municipal Bond Insurance Policy and give notice to AGM and AGM's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest with respect to the Certificates and the amount required to pay principal with respect to the Certificates, confirmed in writing to AGM and AGM's Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the Municipal Bond Insurance Policy.

The Trustee shall notify, or cause the City to notify, within two Business Days of making a claim on the Municipal Bond Insurance Policy, each rating agency then rating the Certificates, of the making of such a claim to pay the Certificates.

The Trustee shall designate any portion of payment of principal with respect to Certificates paid by AGM, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Certificates registered to the then current Owners, whether DTC or its nominee or otherwise, and shall issue a replacement Certificate to AGM, registered in the name of Assured Guaranty Municipal Corp., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee's failure to so designate any payment or issue any replacement Certificate shall have no effect on the amount of principal or interest payable by the City with respect to any Certificate or the subrogation rights of AGM.

The Trustee shall keep a complete and accurate record of all funds deposited by AGM into the Municipal Bond Insurance Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal with respect to any Certificate. AGM shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

Upon payment of a claim under the Municipal Bond Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of Owners referred to herein as the "Municipal Bond Insurance Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the Municipal Bond Insurance Policy in trust on behalf of Owners and shall deposit any such amount in the Municipal Bond Insurance Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Owners in the same manner as principal and interest payments are to be made with respect to the Certificates under the sections of this Trust Agreement regarding payment of Certificates. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything in this Trust Agreement to the contrary, the City agrees to pay to AGM (i) a sum equal to the total of all amounts paid by AGM under the Municipal Bond Insurance Policy (the "Insurer Advances"); and (ii) interest on such Insurer Advances from the date paid by AGM until payment thereof in full, payable to AGM at the Late Payment Rate per annum (collectively, the "Insurer Reimbursement Amounts"). "Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest with respect to the Certificates, and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The City covenants and agrees that Insurer Reimbursement Amounts are secured on a parity with amounts due under the Lease Agreement.

Funds held in the Municipal Bond Insurance Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the Municipal Bond Insurance Policy Payments Account following a Payment Date shall promptly be remitted to AGM.

AGM shall, to the extent it makes any payment of principal or interest with respect to the Certificates, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Municipal Bond Insurance Policy. Each obligation of the City

to AGM under the Lease Agreement or this Trust Agreement shall survive discharge or termination of the Lease Agreement or this Trust Agreement.

The City shall pay or reimburse AGM any and all charges, fees, costs and expenses that AGM may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in the Site and Facility Lease, the Lease Agreement, the Assignment Agreement or this Trust Agreement; (ii) the pursuit of any remedies under the Site and Facility Lease, the Lease Agreement, the Assignment Agreement or this Trust Agreement or otherwise afforded by law or equity; (iii) any amendment, waiver or other action with respect to, or related to, the Site and Facility Lease, the Lease Agreement, the Assignment Agreement or this Trust Agreement whether or not executed or completed; or (iv) any litigation or other dispute in connection with the Site and Facility Lease, the Lease Agreement, the Assignment Agreement or this Trust Agreement or the transactions contemplated thereby, other than costs resulting from the failure of AGM to honor its obligations under the Municipal Bond Insurance Policy. AGM reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Site and Facility Lease, the Lease Agreement, the Assignment Agreement or this Trust Agreement.

After payment of reasonable fees and expenses of the Trustee, the application of funds realized upon default shall be applied to the payment of expenses of the City or rebate only after the payment of past due and current debt service on the Certificates and amounts required to restore the Reserve Fund to the Reserve Requirement.

AGM shall be entitled to pay principal or interest with respect to the Certificates that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer (as such terms are defined in the Municipal Bond Insurance Policy), whether or not AGM has received a Notice of Nonpayment (as such terms are defined in the Municipal Bond Insurance Policy) or a claim upon the Municipal Bond Insurance Policy.

ARTICLE XV  
MISCELLANEOUS

Section 15.01. Defeasance. If and when all Outstanding Certificates shall be paid and discharged and all other amounts due and owing hereunder have been paid (as set forth below) then, notwithstanding that any Certificates shall not have been surrendered for payment, all obligations of the Corporation, the Trustee and the City with respect to all Outstanding Certificates shall cease and terminate, except only the obligation of the City to pay or cause to be paid, from Lease Payments paid by or on behalf of the City from funds deposited pursuant to paragraph (b) of this Section 15.01, to the Owners of the Certificates not so surrendered and paid all sums due with respect thereto, and in the event of deposits pursuant to paragraph (b), the Certificates shall continue to represent direct and fractional interests of the Owners thereof in Lease Payments under the Lease Agreement.

Such payment and discharge may be accomplished in either of the following ways:

(a) by well and truly paying or causing to be paid the principal, and interest with respect to all Certificates Outstanding, as and when the same become due and payable; or

(b) by irrevocably depositing with the Trustee or an escrow holder security for the payment of Lease Payments as more particularly described in Section 10.1 of the Lease Agreement, to be applied to pay the Lease Payments as the same become due and payable and prepay the Lease Payments in full on any prepayment date, pursuant to Section 10.1 of the Lease Agreement.

Any funds held by the Trustee, at the time of one of the events described in paragraphs (a) or (b) of this Section 15.01, which are not required for the payment to be made to Owners shall, after payment of all fees and expenses of the Trustee and AGM, including attorneys fees (including allocated costs of internal counsel), be paid over to the City.

To accomplish defeasance, other than as described in paragraph (b) above, recognized certified public accountants or such other accountant as shall be acceptable to AGM ("Accountant") verifying the sufficiency of the escrow established to pay the Certificates in full on the maturity or redemption date ("Verification"), (ii) an escrow deposit agreement (which shall be acceptable in form and substance to AGM), and (iii) an opinion of nationally recognized bond counsel to the effect that (A) the Certificates are no longer Outstanding and (B) the defeasance will not adversely affect the exclusion from gross income for federal income tax purposes of interest with respect to the Certificates; each Verification and defeasance opinion shall be acceptable in form and substance to the City and AGM, and addressed, to the City and the Trustee and AGM. In the event a forward purchase agreement will be employed in the refunding, such agreement shall be subject to the approval of AGM and shall be accompanied by such opinions of counsel as may be required by AGM. AGM shall be provided with final drafts of the above-referenced documentation not less than five Business Days prior to the funding of the escrow.

Certificates shall be deemed Outstanding under this Trust Agreement unless and until they are in fact paid and retired or the above criteria are met.

Section 15.02. Records. The Trustee shall keep records in accordance with industry standards of all moneys received and disbursed by it under this Trust Agreement, which shall be available for inspection by the City, the Corporation, AGM and any Owner of at least five percent (5%) of the Outstanding principal amount of the Certificates, or the agent of any of

them, at any time during regular business hours on any Business Day upon reasonable prior notice.

Section 15.03. Notices. All written notices to be given under this Trust Agreement shall be given by first class mail, postage prepaid, to the party entitled thereto at its address set forth below, or at such address as the party may provide to the other party in writing from time to time. Notice shall be effective upon deposit in the United States first class mail, postage prepaid to the address set forth below:

If to the Corporation: Porterville Public Improvement Corporation  
c/o City of Porterville  
291 North Main Street  
Porterville, CA 93257  
Attention: City Manager  
Phone: (559) 782-7499

If to the City: City of Porterville  
291 North Main Street  
Porterville, CA 93257  
Attention: City Manager  
Phone: (559) 782-7499

If to the Trustee: U.S. Bank National Association  
633 West Fifth Street, 24th Floor  
Los Angeles, CA 90071  
Attention: Global Corporate Trust Services  
Phone: (213) 615-6051

If to AGM: See Section 14.01

The Trustee agrees to notify the Corporation and AGM in the event of any prepayment by the City of Lease Payments under the Lease Agreement and upon the termination of the Lease Agreement.

Section 15.04. Governing Law. This Trust Agreement shall be construed and governed in accordance with the laws of the State.

Section 15.05. Binding Effect; Successors. This Trust Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Whenever in this Trust Agreement the Corporation, the City or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Trust Agreement contained by or on behalf of the Corporation, the City or the Trustee shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 15.06. Execution in Counterparts. This Trust Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement.

Section 15.07. Destruction of Canceled Certificates. Whenever in this Trust Agreement provision is made for the surrender to or cancellation by the Trustee and the delivery to the City of any Certificates, the Trustee may, in lieu of such cancellation and delivery, destroy such Certificates and deliver a certificate of such destruction to the City.

Section 15.08. Headings. The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Trust Agreement. All

references herein to "Articles," "Sections," and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Trust Agreement; and the words "herein," "hereof," "hereunder" and other words of similar import refer to this Trust Agreement as a whole and not to any particular Article, Section or subdivision hereof.

Section 15.09. Waiver of Notice. Whenever in this Trust Agreement the giving of notice by first class mail, postage prepaid, or otherwise is required, the giving of such notice may be waived in writing by the person entitled to receive such notice and in any case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 15.10. Payments Due on Other than Business Day. If the date for making any payment as provided in this Trust Agreement is not a Business Day, such payment may be made on the next succeeding Business Day with the same force and effect as if done on the date provided therefore herein.

Section 15.11. Payment of Unclaimed Moneys. Notwithstanding any provisions of this Trust Agreement and subject to the escheat laws of the State, any moneys held by the Trustee in trust for the payment of the principal or interest due with respect to any Certificates and remaining unclaimed two years from the date of deposit of such funds, or if the law shall have been changed and the City has notified the Trustee of such change or the Trustee notifies the City, then on the date thirty (30) days prior to the then applicable escheat provision of State law, shall, on such date, be repaid to the City free from the trusts created by this Trust Agreement, and all liability of the Trustee with respect to such moneys shall thereupon cease; *provided, however,* that before the repayment of such moneys to the City as aforesaid, the Trustee may (at the cost and request of the City) first mail to the Owners to whom such amounts have not yet been paid, at the addresses shown on the Registration Books, a notice, in such form as may be deemed appropriate by the Trustee with respect to the amounts so payable and with respect to the provisions relating to the repayment to the City of the moneys held for the payment thereof. The Trustee shall not be liable for any interest on funds held by it. The City shall not be liable for any interest on the sums paid to it pursuant to this Section 15.11 and shall not be regarded as a trustee of such money.

Section 15.12. Separability of Invalid Provisions. In case any one or more of the provisions contained in this Trust Agreement or in the Certificates shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such invalidity, illegality or unenforceability shall not affect any other provision of this Trust Agreement, and this Trust Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The parties hereto hereby declare that they would have entered into this Trust Agreement and each and every other section, paragraph, sentence, clause or phrase hereof and authorized the delivery of the Certificates pursuant thereto irrespective of the fact that any one or more sections, paragraphs, sentences, clauses or phrases of this Trust Agreement may be held illegal, invalid or unenforceable.

IN WITNESS WHEREOF, the parties hereto have executed this Trust Agreement as of the date and year first above written.

U.S. BANK NATIONAL ASSOCIATION, as  
Trustee

By \_\_\_\_\_  
Ilse Vlach  
Assistant Vice President

PORTERVILLE PUBLIC IMPROVEMENT  
CORPORATION

By \_\_\_\_\_  
John D. Lollis  
Executive Director

Attest:

\_\_\_\_\_  
Patrice Hildreth  
Deputy Secretary

CITY OF PORTERVILLE

By \_\_\_\_\_  
John D. Lollis  
City Manager

Attest:

\_\_\_\_\_  
Patrice Hildreth  
Chief Deputy City Clerk



## EXHIBIT A

### DEFINITIONS

*"Additional Payments"* means the payments so designated and required to be paid by the City pursuant to Section 4.7 of the Lease Agreement.

*"AGM" means Assured Guaranty Municipal Corp., a New York stock insurance company, or any successor thereto or assigns thereof.*

*"Applicable Environmental Laws" means and shall include, but shall not be limited to, the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 USC Sections 9601 et seq.; the Resource Conservation and Recovery Act ("RCRA"), 42 USC Sections 6901 et seq.; the Federal Water Pollution Control Act, 33 USC Sections 1251 et seq.; the Clean Air Act, 42 USC Sections 7401 et seq.; the California Hazardous Waste Control Law ("HWCL"), California Health & Safety Code Sections 25100 et seq.; the Hazardous Substance Account Act ("HSAA"), California Health & Safety Code Sections 25300 et seq.; the Porter-Cologne Water Quality Control Act (the "Porter-Cologne Act"), California Water Code Sections 1300 et seq.; the Air Resources Act, California Health & Safety Code Sections 3900 et seq.; the Safe Drinking Water & Toxic Enforcement Act, California Health & Safety Code Sections 25249.5 et seq.; and the regulations under each thereof; and any other local, state, and/or federal laws or regulations, whether currently in existence or hereafter enacted, that govern:*

*(a) the existence, cleanup, and/or remedy of contamination on property;*

*(b) the protection of the environment from spilled, deposited, or otherwise emplaced contamination;*

*(c) the control of hazardous wastes; or*

*(d) the use, generation, transport, treatment, removal, or recovery of Hazardous Substances, including building materials.*

*"Approved Buyer" means (a) an affiliate of the Original Purchaser, or (b) banks, insurance companies or similar financial institutions or their affiliates;*

*"Assignment Agreement"* means the Assignment Agreement, dated as of June 1, 2015, by and between the Corporation and the Trustee, together with any duly authorized and executed amendments thereto.

*"Board"* means the City Council of the City.

*"Bond Counsel"* means (a) Quint & Thimmig LLP, or (b) any other attorney or firm of attorneys appointed by or acceptable to the City of nationally-recognized experience in the issuance of obligations the interest on which is excludable from gross income for federal income tax purposes under the Code.

*"Business Day"* means a day which is not a Saturday, Sunday or legal holiday on which banking institutions in the state in which the Principal Corporate Trust Office is located or in the State are closed or are required to close or a day on which the New York Stock Exchange is closed.

*"Certificates"* means the \$22,650,000 aggregate principal amount of certificates of participation to be executed and delivered pursuant to the Trust Agreement which evidence direct, undivided fractional Interests of the Owners thereof in Lease Payments.

*"City"* means City of Porterville, municipal corporation and chartered city duly organized and existing under and by virtue of the laws of the State.

*"City Representative"* means the Mayor, City Manager, the Finance Director, or the designee of any such official, or any other person authorized by resolution delivered to the Trustee to act on behalf of the City under or with respect to the Site and Facility Lease, the Lease Agreement and the Trust Agreement.

*"Closing Date"* means June 18, 2015, the date upon which there is a physical delivery of the Certificates in exchange for the amount representing the purchase price of the Certificates by the Original Purchaser.

*"Code"* means the Internal Revenue Code of 1986 as in effect on the Closing Date or (except as otherwise referenced in the Lease Agreement or the Trust Agreement) as it may be amended to apply to obligations issued on the Closing Date, together with applicable temporary and final regulations promulgated under the Code.

~~*"Continuing Disclosure Certificate"* shall mean that certain Continuing Disclosure Certificate executed by the City and dated the date of execution and delivery of the Certificates, as it may be amended from time to time in accordance with the terms thereof.~~

*"Corporation"* means the Porterville Public Improvement Corporation, a nonprofit, public benefit corporation organized and existing under and by virtue of the laws of the State.

*"Corporation Representative"* means the President, the Vice President, the Executive Director, the Treasurer and the Secretary of the Corporation, or the designee of any such official, or any other person authorized by resolution delivered to the Trustee to act on behalf of the Corporation under or with respect to the Site and Facility Lease, the Lease Agreement, the Assignment Agreement and the Trust Agreement.

*"Defeasance Obligations"* means (a) cash, (b) non callable direct obligations of the United States of America ("Treasuries"), (c) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (d) subject to the prior written consent of AGM, pre refunded municipal obligations rated "AAA" and "Aaa" by S&P and Moody's, respectively, or (e) subject to the prior written consent of AGM, securities eligible for "AAA" defeasance under then existing criteria of S&P AGM otherwise approves.

*"Delivery Costs"* means all items of expense directly or indirectly payable by or reimbursable to the City or the Corporation relating to the execution and delivery of the Site and Facility Lease, the Lease Agreement, the Trust Agreement and the Assignment Agreement or the execution, sale and delivery of the Certificates, including but not limited to filing and recording costs, settlement costs, printing costs, reproduction and binding costs, costs for statistical data, initial fees and charges of the Trustee (including the fees and expenses of its counsel), financing discounts, legal fees and charges, insurance fees and charges (including title insurance), financial and other professional consultant fees, costs of rating agencies for credit

ratings, fees for execution, transportation and safekeeping of the Certificates, the premiums for the Municipal Bond Insurance Policy and the Reserve Policy and charges and fees in connection with the foregoing.

*"Delivery Costs Fund"* means the fund by that name established and held by the Trustee pursuant to Article III of the Trust Agreement.

*"Escrow Agreement"* means that certain Escrow Deposit and Trust Agreement, dated the Closing Date, by and between the City and the Escrow Bank, as originally entered into or as it may be amended or supplemented pursuant to the provisions thereof, created to provide for the refunding of the 2002 Certificates.

*"Escrow Bank"* means U.S. Bank National Association, as escrow bank under the Escrow Agreement, or any successor thereto appointed as escrow bank thereunder in accordance with the provisions thereof.

*"Escrow Fund"* means the fund by that name created and maintained by the Escrow Bank pursuant to the Escrow Agreement.

*"Event of Default"* means an event of default under the Lease Agreement, as defined in Section 9.1 thereof.

*"Facility"* means those certain existing facilities more particularly described in Exhibit B to the Site and Facility Lease and in Exhibit B to the Lease Agreement.

*"Federal Securities"* means (a) Cash (insured at all times by the Federal Deposit Insurance Corporation), and (b) obligations of, or obligations guaranteed as to principal and interest by, the United States or any agency or instrumentality thereof, when such obligations are backed by the full faith and credit of the United States including: (i) United States treasury obligations, (ii) all direct or fully guaranteed obligations, (iii) Farmers Home Administration, (iv) General Services Administration, (v) Guaranteed Title XI financing, (vi) Government National Mortgage Association (GNMA), and (vi) State and Local Government Series.

*"Fiscal Year"* means the twelve-month period beginning on July 1 of any year and ending on June 30 of the next succeeding year, or any other twelve-month period selected by the City as its fiscal year.

*"Hazardous Substance"* means any substance that shall, at any time, be listed as "hazardous" or "toxic" in any Applicable Environmental Law or that has been or shall be determined at any time by any agency or court to be a hazardous or toxic substance regulated under Applicable Environmental Laws; and also means, without limitation, raw materials, building components, the products of any manufacturing, or other activities on the Property, wastes, petroleum, and source, special nuclear, or by-product material as defined by the Atomic Energy Act of 1954, as amended (42 USC Sections 3011 et seq.).

*"Independent Counsel"* means an attorney duly admitted to the practice of law before the highest court of the state in which such attorney maintains an office and who is not an employee of the Corporation, the City or the Trustee.

*"Information Services"* means the Electronic Municipal Market Access System (referred to as "EMMA"), a facility of the Municipal Securities Rulemaking Board (at <http://emma.msrb.org>) or, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other national information services

~~providing information or disseminating notices of redemption of obligations similar to the Certificates.~~

~~"Insurance Agreement" means that certain Insurance Agreement, dated as of June 1, 2015, by and between the City and AGM, relating to the Reserve Policy, together with any duly authorized and executed amendments thereto.~~

~~"Insurance and Condemnation Fund" means the fund by that name established and held by the Trustee pursuant to Section 7.01 of the Trust Agreement.~~

~~"Interest Payment Date" means the first (1st) day of June and December in each year, commencing December 1, 2015, so long as any Certificates are Outstanding.~~

~~"Investor Letter" means a letter in the form of Exhibit C to the Trust Agreement executed by a transferee Owner.~~

~~"Lease Agreement" means that certain agreement for the lease of the Property by the Corporation to the City, dated as of June 1, 2015, together with any duly authorized and executed amendments thereto.~~

~~"Lease Payment Date" means the fifteenth (15th) day of May and November in each year during the Term of the Lease Agreement, commencing November 15, 2015.~~

~~"Lease Payment Fund" means the fund by that name established and held by the Trustee pursuant to Section 5.02 of the Trust Agreement.~~

~~"Lease Payments" means the total payments required to be paid by the City pursuant to Section 4.4 of the Lease Agreement, including any prepayment thereof pursuant to Article X of the Lease Agreement, which payments consist of an interest component and a principal component, as set forth in Exhibit C to the Lease Agreement.~~

~~"Moody's" means Moody's Investors Service, New York, New York, or its successors.~~

~~"Municipal Bond Insurance Policy" means the municipal bond insurance policy issued by AGM guaranteeing the payment, when due, of the principal and interest with respect to the Certificates.~~

~~"Net Proceeds," when used with respect to insurance or condemnation proceeds, means any insurance proceeds or condemnation award paid with respect to the Property, to the extent remaining after payment therefrom of all expenses incurred in the collection thereof.~~

~~"2002 Certificates" means the City's outstanding Certificates of Participation (2002 Public Buildings Refunding Project).~~

~~"2013 Lease" means that certain Lease Agreement, dated as of April 1, 2013, by and between the Corporation and the City, which has been assigned to Rabobank, N.A.~~

~~"Original Purchaser" means Capital One Public Funding, LLC, the first purchaser and initial Owner of the Certificates upon their delivery by the Trustee on the Closing Date.~~

~~"Outstanding," when used as of any particular time with respect to Certificates, means (subject to the provisions of Section 10.03 of the Trust Agreement) all Certificates theretofore executed and delivered by the Trustee under the Trust Agreement except:~~

(a) Certificates theretofore canceled by the Trustee or surrendered to the Trustee for cancellation;

(b) Certificates for the payment or redemption of which funds or Defeasance Obligations in the necessary amount shall have theretofore been deposited with the Trustee or an escrow holder (whether upon or prior to the maturity or redemption date of such Certificates), provided that, if such Certificates are to be redeemed prior to maturity, notice of such redemption shall have been given as provided in Section 4.03 of the Trust Agreement or provision satisfactory to the Trustee shall have been made for the giving of such notice; and

(c) Certificates in lieu of or in exchange for which other Certificates shall have been executed and delivered by the Trustee pursuant to Section 2.09 of the Trust Agreement.

"Owner" or "Certificate Owner" or "Owner of a Certificate," or any similar term, when used with respect to a Certificate means the person in whose name such Certificate shall be registered on the Registration Books.

~~"Participating Underwriter" shall have the meaning ascribed thereto in the Continuing Disclosure Certificate.~~

"Permitted Encumbrances" means, as of any particular time: (a) liens for general *ad valorem* taxes and assessments, if any, not then delinquent, or which the City may, pursuant to provisions of Article V of the Lease Agreement, permit to remain unpaid; (b) the Site and Facility Lease; (c) the Lease Agreement; (d) the Assignment Agreement; (e) any right or claim of any mechanic, laborer, materialman, supplier or vendor not filed or perfected in the manner prescribed by law; (f) easements, rights-of-way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions which exist of record as of the Closing Date and which the City certifies in writing will not materially impair the use of the Property; and (g) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions established following the date of recordation of the Lease Agreement and to which the Corporation and the City agree in writing do not reduce the value of the Property.

"Permitted Investments" means any of the following:

(a) Federal Securities;

(b) Federal Housing Administration debentures;

(c) The following listed obligations government-sponsored agencies which are not backed by the full faith and credit of the United States of America:

(i) Federal Home Loan Mortgage Corporation (FHLMC) senior debt obligations and participation certificates (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts).

(ii) Farm Credit System (formerly Federal Land Banks, Federal Intermediate Credit Banks and Banks for Cooperatives) consolidated system-wide bonds and notes.

(iii) Federal Home Loan Banks (FHL Banks) consolidated debt obligations.

(iv) Federal National Mortgage Association (FNMA) senior debt obligations and mortgage-backed securities (excluded are stripped mortgage securities which are purchased at prices exceeding their principal amounts).

(v) Financing Corporation (FICO) debt obligations, and

(vi) Resolution Funding Corporation (REFCORP) debt obligations;

(d) Unsecured certificates of deposit, time deposits, and bankers' acceptances (having maturities of not more than 30 days) of any bank the short-term obligations of which are rated "A-1" or better by S&P;

(e) Deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), in banks which have capital and surplus of at least \$5 million;

(f) Commercial paper (having original maturities of not more than 30 days) rated "A-1+" by S&P and "Prime-1" by Moody's;

(g) Money market funds rated in the highest rating category by S&P and Moody's including such funds for which the Trustee or an affiliate provides investment advice or other services;

(h) "State Obligations," which means:

(i) Direct general obligations of any state of the United States of America or any subdivision of agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated "A3" by Moody's and "A" by S&P, or better, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated,

(ii) Direct general short-term obligations of any state agency or subdivision or agency thereof described in (i) above and rated "A-1+" by S&P and "MIG-1" by Moody's, and

(iii) Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state or state agency described in (i) above and rated "AA" or better by S&P and "Aa" or better by Moody's;

(i) Pre-refunded municipal obligations rated "AAA" by S&P and "Aaa" by Moody's meeting the following requirements:

(i) the municipal obligations are (A) not subject to redemption prior to maturity or (B) the trustee for the municipal obligations has been given irrevocable instructions concerning their call and redemption and the issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions,

(ii) the municipal obligations are secured by cash or U.S. Treasury Obligations which may be applied only to payment of the principal of, interest and premium on such municipal obligations,

(iii) the principal of and interest on the U.S. Treasury Obligations (plus any cash in the escrow) has been verified by the report of independent certified public accountants to be sufficient to pay in full all principal of, interest, and premium, if any, due and to become due on the municipal obligations ("Verification").

(iv) the cash or U.S. Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligations

(v) no substitution of a U.S. Treasury Obligation shall be permitted except with another U.S. Treasury Obligation and upon delivery of a new Verification, and

(vi) the cash or U.S. Treasury Obligations are not available to satisfy any other claims, including those by or against the trustee or escrow agent;

(j) Repurchase agreements with

(i) any domestic bank, or domestic branch of a foreign bank, the long term debt of which is rated at least "AA" by S&P and Moody's, or

(ii) any broker-dealer with "retail customers" or a related affiliate thereof which broker-dealer has, or the parent company (which guarantees the provider) of which has, long-term debt rated at least "AA" by S&P and Moody's, which broker-dealer falls under the jurisdiction of the Securities Investors Protection Corporation, or

(iii) any other entity rated "AA" or better by S&P and Moody's and acceptable to AGM, provided that:

(A) The market value of the collateral is maintained at levels and upon such conditions as would be acceptable to S & P and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach),

(B) The Trustee or a third party acting solely as agent therefor or for the City (the "Holder of the Collateral") has possession of the collateral or the collateral has been transferred to the Holder of the Collateral in accordance with applicable state and federal laws (other than by means of entries on the transferor's books),

(C) The repurchase agreement shall state and an opinion of counsel shall be rendered at the time such collateral is delivered that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession),

(D) All other requirements of S&P in respect of repurchase agreements shall be met, and

(E) The repurchase agreement shall provide that if during its term the provider's rating by either Moody's or S&P is withdrawn or suspended or falls below "A-" by S&P or "A3" by Moody's, as appropriate, the provider must, at the direction of the City or the Trustee (who shall give such direction if so directed by AGM), within 10 days of receipt of such direction, repurchase all collateral and terminate the agreement, with no penalty or premium to the City or Trustee.

Notwithstanding the above, if a repurchase agreement has a term of 270 days or less (with no evergreen provision), collateral levels need not be as specified in (A) above, so long as such collateral levels are 103% or better and the provider is rated at least "A" by S&P and Moody's, respectively.

(k) Investment agreements with a domestic or foreign bank or corporation (other than a life or property casualty insurance company) the long-term debt of which, or, in the case of a guaranteed corporation the long-term debt is rated at least "AA" (stable) by S&P and "Aa" (stable) by Moody's, or, in the case of a monoline municipal bond insurance company, claims paying ability of the guarantor is rated at least "AAA" (stable) by S&P and "Aaa" (stable) by Moody's; provided that, by the terms of the investment agreement:

(i) interest payments are to be made to the Trustee at times and in amounts as necessary to pay debt service (or, if the investment agreement is for the construction fund, construction draws) with respect to the Certificates;

(ii) the invested funds are available for withdrawal without penalty or premium, at any time upon not more than seven days' prior notice; the City and the Trustee agree to give or cause to be given notice in accordance with the terms of the investment agreement so as to receive funds thereunder with no penalty or premium paid;

(iii) the investment agreement shall state that is the unconditional and general obligation of, and is not subordinated to any other obligation of, the provider thereof or, if the provider is a bank, the agreement or the opinion of counsel shall state that the obligation of the provider to make payments thereunder ranks pari passu with the obligations of the provider to its other depositors and its other unsecured and unsubordinated creditors;

(iv) the City or the Trustee receives the opinion of domestic counsel (which opinion shall be addressed to the City and AGM) that such investment agreement is legal, valid, binding and enforceable upon the provider in accordance with its terms and of foreign counsel (if applicable) in form and substance acceptable, and addressed to, AGM;

(v) the investment agreement shall provide that if during its term:

(A) the provider's rating by either S&P or Moody's falls below "AA-" or "Aa3", respectively, the provider shall, at its option, within 10 days of receipt of publication of such downgrade, either (i) collateralize the investment agreement by delivering or transferring in accordance with applicable state and federal laws (other than by means of entries on the provider's books) to the City, the Trustee or a third party acting solely as agent therefor (the "Holder of the Collateral") collateral free and clear of any third-party liens or claims the market value of which collateral is maintained at levels and upon such conditions as would be acceptable to S & P and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach); or (ii) repay the principal of and accrued but unpaid interest on the investment, and

(B) the provider's rating by either S&P or Moody's is withdrawn or suspended or falls below "A-" or "A3", respectively, the provider must, at the direction of the City or the Trustee (who shall give such direction if so directed by AGM), within 10 days of receipt of such direction, repay the principal of and accrued but unpaid interest on the investment, in either case with no penalty or premium to the City or Trustee, and

(vi) the investment agreement shall state and an opinion of counsel shall be rendered, in the event collateral is required to be pledged by the provider under the terms of the investment agreement, at the time such collateral is delivered, that the



Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession); and

(vii) the investment agreement must provide that if during its term:

(A) the provider shall default in its payment obligations, the provider's obligations under the investment agreement shall, at the direction of the City or the Trustee (who shall give such direction if so directed by AGM), be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the City or Trustee, as appropriate, and

(B) the provider shall become insolvent, not pay its debts as they become due, be declared or petition to be declared bankrupt, etc. ("event of insolvency"), the provider's obligations shall automatically be accelerated and amounts invested and accrued but unpaid interest thereon shall be repaid to the City or Trustee, as appropriate.

(l) The Local Agency Investment Fund of the State, created pursuant to section 16429.1 of the California Government Code, to the extent the Trustee is authorized to register such investment in its name.

(m) Other forms of investments (including repurchase agreements) approved in writing by AGM.

*"Principal Corporate Trust Office"* means the corporate trust office of the Trustee located at 633 West Fifth Street, 24th Floor, Los Angeles, CA 90071, Attention: Global Corporate Trust Services, or such other office designated by the Trustee from time to time.

*"Proceeds,"* when used with reference to the Certificates, means the face amount of the Certificates, less original issue discount.

*"Property"* means, collectively, the Site and the Facility.

*"Rating Category"* means, with respect to any Permitted Investment, one of the generic categories of rating by Moody's or S&P applicable to such Permitted Investment, without regard to any refinement or graduation of such rating category by a plus or minus sign or a numeral.

*"Registration Books"* means the records maintained by the Trustee pursuant to Section 2.12 of the Trust Agreement for registration of the ownership and transfer of ownership of the Certificates.

*"Regular Record Date"* means the close of business on the fifteenth (15th) day of the month preceding each Interest Payment Date, whether or not such fifteenth (15th) day is a Business Day.

*"Rental Period"* means each twelve-month period during the Term of the Lease Agreement commencing on June 2 in any year and ending on June 1 in the next succeeding year; *provided, however*, that the first Rental Period shall commence on the Closing Date and shall end on June 1, 2016.

*"Reserve Fund"* means the fund by that name established and held by the Trustee pursuant to Section 6.01 of the Trust Agreement.

*"Reserve Policy"* means the Municipal Bond Insurance Policy issued by AGM for deposit in the Reserve Fund in an amount equal to the Reserve Requirement.

~~*"Reserve Requirement"* means an amount equal to the least of maximum annual Lease Payments, 125% of average annual Lease Payments, and 10% of the principal amount of the Certificates, which amount shall initially be \$1,729,275.00 on the Closing Date. The amount of the Reserve Requirement shall not be reduced unless the Certificates are partially refunded, in which such amount shall be reduced to an amount equal to the maximum annual Lease Payments relating to the Certificates not so refunded, as specified in a certificate of a City Representative delivered to the Trustee.~~

*"S&P"* means Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, and its successors.

~~*"Securities Depositories"* means The Depository Trust Company, 55 Water Street, 50<sup>th</sup> Floor, New York, NY 10041 Attention: Call Notification Department; or to such other addresses and/or such other registered securities depositories holding substantial amounts of obligations of types similar to the Certificates.~~

*"Site"* means that certain real property more particularly described in Exhibit A to the Site and Facility Lease and in Exhibit A to the Lease Agreement.

*"Site and Facility Lease"* means the Site and Facility Lease, dated as of June 1, 2015, by and between the City, as lessor, and the Corporation, as lessee, together with any duly authorized and executed amendments thereto.

*"State"* means the State of California.

*"Term of the Lease Agreement"* means the time during which the Lease Agreement is in effect, as provided in Section 4.2 of the Lease Agreement.

*"Trust Agreement"* means the Trust Agreement, dated as of June 1, 2015, by and among the City, the Corporation and the Trustee, together with any duly authorized amendments thereto.

*"Trustee"* means U.S. Bank National Association, or any successor thereto, acting as Trustee pursuant to the Trust Agreement.

## EXHIBIT B

### FORM OF THE CERTIFICATES

THIS CERTIFICATE MAY ONLY BE REGISTERED IN THE NAME OF, OR TRANSFERRED TO, AN "APPROVED BUYER" AS DEFINED IN THE TRUST AGREEMENT (HEREINAFTER DEFINED), AND SUBJECT TO THE REQUIREMENTS THEREOF, INCLUDING EXECUTION OF AN INVESTOR LETTER IN THE FORM ATTACHED THERETO.

**Certificate of Participation  
(2015 Refinancing Project)  
Evidencing a Direct, Undivided Fractional Interest of the  
Owners Hereof in Lease Payments to be Made by the  
CITY OF PORTERVILLE, CALIFORNIA  
As the Rental for Certain Property Pursuant to a Lease Agreement  
with the Porterville Public Improvement Corporation**

RATE OF INTEREST	MATURITY DATE	DATED DATE
<u>3.85%</u>	<u>June 1, 2035</u>	<u>June 18, 2015</u>

REGISTERED OWNER: CAPITAL ONE PUBLIC FUNDING, LLC

PRINCIPAL AMOUNT: TWENTY-TWO MILLION SIX HUNDRED FIFTY THOUSAND DOLLARS

THIS IS TO CERTIFY THAT the registered owner identified above, or registered assigns (the "Owner"), as the registered owner of this Certificate of Participation (the "Certificate"), is the owner of a direct, undivided, fractional interest in a portion of the lease payments (the "Lease Payments") to be paid by the City of Porterville, a municipal corporation and chartered city, duly organized and existing under the laws of the State of California (the "City"), pursuant to that certain Lease Agreement, dated as of June 1, 2015, by and between the Porterville Public Improvement Corporation, a nonprofit, public benefit corporation organized and existing under the laws of the State of California (the "Corporation") and the City (the "Lease Agreement"), which Lease Payments, prepayments and certain other rights and interests under the Lease Agreement have been assigned to U.S. Bank National Association, as trustee (the "Trustee"), having a corporate trust office in Los Angeles, California, or any other such location so designated by the Trustee (the "Principal Corporate Trust Office").

The Owner is entitled to receive, subject to the terms of the Lease Agreement, on the Maturity Date identified above, the Principal Amount identified above, representing a direct, undivided fractional portion of the Lease Payments designated as principal coming due on such date, and to receive on June 1 and December 1 of each year, commencing December 1, 2015 (each, an "Interest Payment Date"), until payment in full of said Principal Amount, the Owner's direct, undivided fractional share of the Lease Payments designated as interest coming due during the six months immediately preceding each of the Interest Payment Dates; provided that interest represented hereby shall be payable from the Interest Payment Date next preceding the date of execution of this Certificate unless (i) this Certificate is executed on an Interest Payment Date, in which event interest shall be payable from such Interest Payment Date, or (ii) this Certificate is executed after the close of business on the fifteenth (15th) day of the month

immediately preceding an Interest Payment Date, and prior to such Interest Payment Date, in which event interest shall be payable from such Interest Payment Date, or (iii) this Certificate is executed on or before November 15, 2015, in which event interest shall be payable from the Dated Date stated above; *provided, however*, that if, as of the date of execution of any Certificate, interest is in default with respect to any Outstanding Certificates, interest represented by such Certificate shall be payable from the Interest Payment Date to which interest has previously been paid or made available for payment with respect to the Outstanding Certificates. Payment of defaulted interest shall be paid by check of the Trustee mailed to the registered owners of the Certificates as of a special record date to be fixed by the Trustee in its sole discretion, notice of which shall be given to the registered owners of the Certificates not less than ten (10) days prior to such special record date. Said direct, undivided fractional share of the portion of the Lease Payments designated as interest is the result of the multiplication of the aforesaid portion of the Lease Payments designated as principal by the Rate of Interest per annum identified above. Interest represented hereby is payable in lawful money of the United States of America by check mailed by the Trustee on each Interest Payment Date by first class mail to the Owner at his address as it appears on the registration books of the Trustee, as of the close of business on the fifteenth (15th) day of the month immediately preceding each Interest Payment Date or, upon written request filed with the Trustee prior to the fifteenth (15th) day of the month immediately preceding the Interest Payment Date by a registered owner of at least \$1,000,000 in aggregate principal amount of Certificates, by wire transfer in immediately available funds to an account in the United States designated by each registered owner in such written request. Principal represented hereby is payable in lawful money of the United States of America by check of the Trustee upon presentation and surrender hereof at the Principal Corporate Trust Office.

This Certificate has been executed and delivered by the Trustee pursuant to the terms of a Trust Agreement by and among the Trustee, the Corporation and the City, dated as of June 1, 2015 (the "Trust Agreement"). The City is authorized to enter into the Lease Agreement and the Trust Agreement under the laws of the State of California. Reference is hereby made to the Lease Agreement and the Trust Agreement (copies of which are on file at the Principal Corporate Trust Office) for a description of the terms on which the Certificates are delivered, the rights thereunder of the registered owners of the Certificates, the rights, duties and immunities of the Trustee and the rights and obligations of the City under the Lease Agreement, all of the provisions of which the Owner of this Certificate, by acceptance hereof, assents and agrees.

The City is obligated under the Lease Agreement to pay Lease Payments from any source of legally available moneys and the City has covenanted in the Lease Agreement to make the necessary annual appropriations therefor. The obligation of the City to pay the Lease Payments does not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation. The obligation of the City to pay Lease Payments does not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

To the extent and in the manner permitted by the terms of the Trust Agreement, the provisions of the Trust Agreement may be amended by the parties thereto) and the registered owners of at least sixty percent (60%) in aggregate principal amount of the Certificates then outstanding and may be amended without such consent under certain circumstances; provided that no such amendment shall impair the right of any registered owner to receive, in any case, such registered owner's fractional share of any Lease Payment or prepayment thereof in accordance with such registered owner's Certificate, without the consent of such registered owner.

This Certificate is transferable and exchangeable by the Owner, in person or by his attorney duly authorized in writing, at the Principal Corporate Trust Office, but only in the

manner, subject to the limitations and upon payment of any charges provided in the Trust Agreement and upon surrender and cancellation of this Certificate. Upon such transfer, a new Certificate or Certificates of an authorized denomination or denominations for the same aggregate principal amount will be delivered to the transferee in exchange for this Certificate. The City, the Corporation and the Trustee may treat the Owner as the absolute owner hereof for all purposes, whether or not the payments represented by this Certificate shall be overdue and the City, the Corporation and the Trustee shall not be affected by any notice to the contrary.

The Certificates are subject to extraordinary redemption, in whole or in part, on any Interest Payment Date, in an order of maturity determined by the City, from the Net Proceeds of insurance or eminent domain proceedings credited towards the redemption of the Lease Payments pursuant to the Lease Agreement, at a redemption price equal to 100% of the principal amount to be redeemed, together with accrued interest represented thereby to the date fixed for redemption, without premium.

The Certificates are not subject to optional redemption prior to June 1, 2025. The Certificates are subject to optional redemption in whole or in part, once each calendar year, in a minimum amount of \$250,000, on an Interest Payment Date on or after June 1, 2025, at a redemption price equal to 102% of the principal amount thereof, together with accrued interest to the date fixed for redemption, from the proceeds of the optional prepayment of Lease Payments made by the City pursuant to the Lease Agreement.

The Certificates maturing on October 1, \_\_\_\_\_, are subject to mandatory redemption in part on October 1 in each year on and after October 1, \_\_\_\_\_, to and including October 1, \_\_\_\_\_, each June 1 and December 1, commencing December 1, 2015, from the principal components of scheduled Lease Payments required to be paid by the City pursuant to the Lease Agreement with respect to each such redemption date (subject to abatement, as set forth in the Lease Agreement), at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date fixed for redemption, without premium, as follows:

<u>Redemption Date</u>	<u>Principal Amount of Certificates to be Redeemed</u>	<u>Redemption Date</u>	<u>Principal Amount of Certificates to be Redeemed</u>
12/1/15	\$130,000	12/1/25	\$580,000
6/1/16	130,000	6/1/26	590,000
12/1/16	135,000	12/1/26	600,000
6/1/17	435,000	6/1/27	610,000
12/1/17	445,000	12/1/27	625,000
6/1/18	450,000	6/1/28	635,000
12/1/18	465,000	12/1/28	650,000
6/1/19	460,000	6/1/29	660,000
12/1/19	470,000	12/1/29	675,000
6/1/20	475,000	6/1/30	685,000
12/1/20	490,000	12/1/30	700,000
6/1/21	460,000	6/1/31	715,000
12/1/21	470,000	12/1/31	725,000
6/1/22	475,000	6/1/32	740,000
12/1/22	485,000	12/1/32	755,000
6/1/23	525,000	6/1/33	770,000
12/1/23	535,000	12/1/33	785,000
6/1/24	545,000	6/1/34	800,000
12/1/24	555,000	12/1/34	815,000
6/1/25	570,000	6/1/35†	830,000

†Maturity.

Notice of redemption is to be given by the Trustee by mailing a redemption notice by first class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Certificate or Certificates to be redeemed at the address shown on the Certificate registration books maintained by the Trustee. Notice of redemption having been given as aforesaid, the Certificates or portions of Certificates so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) interest with respect to such Certificates or portions of Certificates shall cease to accrue and be payable. Neither the failure to receive such notice nor any defect in any notice shall affect the sufficiency of the proceedings for the redemption of Certificates.

Notwithstanding the foregoing, in the case of any optional redemption of the Certificates, the notice of redemption shall state that the redemption is conditioned upon receipt by the Trustee of sufficient moneys to redeem the Certificates on the scheduled redemption date, and that the optional redemption shall not occur if, by no later than the scheduled redemption date, sufficient moneys to redeem the Certificates have not been deposited with the Trustee. In the event that the Trustee does not receive sufficient funds by the scheduled optional redemption date to so redeem the Certificates to be optionally redeemed, such event shall not constitute an Event of Default; the Trustee shall send written notice to the Owners, to the Securities Depositories and to one or more of the Information Services to the effect that the redemption did not occur as anticipated, and the Certificates for which notice of optional redemption was given shall remain Outstanding for all purposes of the Trust Agreement.

The Trustee has no obligation or liability to the registered owners of the Certificates to make payments of principal or interest with respect to the Certificates. The Trustee's sole obligations are to administer, for the benefit of the registered owners of the Certificates, the various funds and accounts established under the Trust Agreement. The Trustee makes no representation concerning the recitals contained in the Trust Agreement or in this Certificate.

The City has certified, recited and declared that all conditions, things and acts required by the constitution and statutes of the State of California, the Lease Agreement and the Trust Agreement to exist, to have happened and to have been performed precedent to and in the delivery of this Certificate, do exist, have happened and have been performed in due time, form and manner as required by law.

~~Unless this Certificate is presented by an authorized representative of The Depository Trust Company, a New York Corporation ("DTC"), to the City or its agent for registration of transfer, exchange, or payment, and any Certificate executed is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.~~

IN WITNESS WHEREOF, this Certificate has been executed by U.S. Bank National Association, as trustee, acting pursuant to the Trust Agreement.

Date of Execution:

U.S. BANK NATIONAL ASSOCIATION, as  
Trustee

By \_\_\_\_\_  
Authorized Signatory

## ASSIGNMENT

For value received, the undersigned do(es) hereby sell, assign and transfer unto

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within Certificate and do(es) hereby irrevocably constitute and appoint

\_\_\_\_\_  
attorney, to transfer the same on the registration books of the Trustee, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_  
NOTICE: Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

\_\_\_\_\_  
NOTICE: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Certificate in every particular, without alteration or enlargement or any change whatsoever.



## **STATEMENT OF INSURANCE**

Assured Guaranty Municipal Corp., New York, New York, has delivered its municipal bond insurance policy (the "Policy") with respect to the scheduled payments due of principal and interest with respect to this Certificate to U.S. Bank National Association, Los Angeles, California, or its successor, as paying agent for the Certificates (the "Paying Agent"). Said Policy is on file and available for inspection at the principal office of the Paying Agent and a copy thereof may be obtained from AGM or the Paying Agent. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owner of this Certificate acknowledges and consents to the subrogation rights of AGM as more fully set forth in the Policy.

**EXHIBIT C**  
**INVESTOR LETTER**

City of Porterville  
Porterville, California

U.S. Bank National Association, as Trustee  
Los Angeles, California

Re: \$22,650,000 Certificates of Participation (2015 Refinancing Project) Evidencing Direct, Undivided Fractional Interests of the Owners Thereof in Lease Payments to be Made by the City of Porterville, as the Rental for Certain Property Pursuant to a Lease Agreement with the Porterville Public Improvement Corporation

Ladies and Gentlemen:

The undersigned (the "Purchaser") hereby certifies in connection with its purchase of the above-referenced Certificates of Participation in the aggregate principal amount of \$\_\_\_\_\_ (the "Certificates"), that:

1. The Purchaser has authority to purchase the Certificates and to execute this letter and any other instruments and documents required to be executed by the Purchaser in connection with the purchase of the Certificates. The undersigned is a duly appointed, qualified, and acting officer of the Purchaser and is authorized to cause the Purchaser to make the certifications, representations and warranties contained herein by execution of this letter on behalf of the Purchaser.

2. The Purchaser is an "Approved Buyer" as defined in the Trust Agreement, dated as of June 1, 2015, by and among the City of Porterville (the "City"), the Porterville Public Improvement Corporation, and U.S. Bank National Association, as trustee (the "Trust Agreement").

3. The Purchaser has sufficient knowledge and experience in financial and business matters, including the purchase and ownership of municipal and other tax-exempt obligations, to be able to evaluate the risks and merits of the investment represented by the Certificates.

4. The Certificates are being acquired by the Purchaser for investment and not with a view to, or for resale in connection with, any distribution of the Certificates, and the Purchaser intends to hold the Certificates for its own account and for an indefinite period of time, and does not intend at this time to dispose of all or any part of the Certificates.

5. The Purchaser acknowledges that it has the right to sell and transfer the Certificates, subject to compliance with the transfer restrictions set forth in the Trust Agreement, including the requirement for the delivery to the Authority and the Trustee of an investor's letter in the same form as this Investor's Letter, including this paragraph. Failure to deliver such investor's letter shall cause the purported transfer to be null and void. The Purchaser agrees to indemnify and hold harmless the City with respect to any claim asserted against the City that arises with respect to any sale, transfer or other disposition of the Certificates by the Purchaser or any transferee thereof in violation of the provisions of the Trust Agreement.

6. The Purchaser understands that the Certificates are not registered under the Securities Act of 1933, as amended, and that such registration is not legally required as of the

date hereof; and further understands that the Certificates (a) are not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state, (b) will not be listed in any stock or other securities exchange, (c) will not carry a rating from any rating service and (d) will be delivered in a form which may not be readily marketable. The Purchaser agrees that it will comply with any applicable state and federal securities laws then in effect with respect to any disposition of the Certificates by it, and further acknowledges that any current exemption from registration of the Certificates does not affect or diminish such requirements.

7. The Purchaser is familiar with the conditions, financial and otherwise, of the City. The Purchaser acknowledges that it has either been supplied with or been given access to information, including financial statements and other financial information, to which a reasonable investor would attach significance in making investment decisions, and the Purchaser has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the City and the Certificates and the security therefor so that, as a reasonable investor, the Purchaser has been able to make our decision to purchase the Certificates. The Purchaser understands that it may need to bear the risks of this investment for an indefinite time, since any sale prior to maturity may not be possible.

8. The Purchaser understands that the Certificates are not secured by any pledge of any moneys received or to be received from taxation by the City, the State of California or any political subdivision or taxing district thereof; that the Certificates will never represent or constitute a general obligation or a pledge of the faith and credit of the City, the State of California or any political subdivision thereof; that no right will exist to have taxes levied by the State of California or any political subdivision thereof for the payment principal and interest with respect to the Certificates; and that the liability of the City with respect to the Certificates is subject to further limitations as set forth in the Certificates and the Trust Agreement.

9. The Purchaser has made its own inquiry and analysis with respect to the Certificates and the security therefor, and other material factors affecting the security and payment of the Certificates.

10. The Purchaser has made its own independent and satisfactory inquiry of the financial condition of the City, including inquiry into financial statements and other information relating to the financial condition of the City to which a reasonable investor would attach significance in making investment decisions, and of any other matters deemed to be relevant to a reasonably informed decision to purchase the Certificates. The Purchaser has reviewed the documents executed in conjunction with the delivery of the Certificates, including, without limitation, the Trust Agreement and the Lease Agreement (as defined in the Trust Agreement).

11. The Purchaser has had the opportunity to ask questions and receive answers from knowledgeable individuals concerning the City and the Certificates, all so that as a reasonable investor the Purchaser has been able to make a reasonably informed decision to purchase the Certificates.

12. The Purchaser is presently and primarily purchasing the Certificates for investment purposes only (and not as an "underwriter" or "Participating Underwriter" as defined in Securities and Exchange Commission Rule 15c2-12, as amended, replaced or supplemented) and does not presently intend to transfer, otherwise distribute or sell the Certificates to the general public.

13. In entering into this transaction, the Purchaser has not relied upon any representations or opinions of the City or the Trustee relating to the legal consequences or other

aspects of its investment in the Certificates, nor has it looked to, nor expected, the City to undertake or require any credit investigation or due diligence reviews relating to the City, its financial condition or business operations, the Property (as defined in the Trust Agreement) or any other matter pertaining to the merits or risks of the transactions contemplated by the Lease Agreement and the Trust Agreement, or the adequacy of the funds pledged to the Trustee to secure repayment of the Certificates.

14. The Purchaser is not now and has never been controlled by, or under common control with, the City. The City has never been and is not now controlled by the Purchaser. The Purchaser has entered into no arrangements with the City or with any affiliate in connection with the Certificates, other than as disclosed to the City.

15. Neither the Trustee, Special Counsel (as defined in the Trust Agreement) will have any responsibility to the Purchaser for the accuracy or completeness of information obtained by the Purchaser from any source regarding the City or its financial condition or regarding the Certificates, the provision for payment thereof, or the sufficiency of any security therefor. No written information has been provided by the City to the Purchaser with respect to the Certificates. The Purchaser acknowledges that, as between the Purchaser and all of such parties, the Purchaser has assumed responsibility for obtaining such information and making such review as the Purchaser deemed necessary or desirable in connection with its decision to purchase the Certificates.

16. The Purchaser acknowledges that the sale of the Certificates to the Purchaser is made in reliance upon the certifications, representations and warranties herein by the addressees hereto.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_ th day of \_\_\_\_\_,

\_\_\_\_\_, a \_\_\_\_\_, as Purchaser

By \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_

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**ESCROW DEPOSIT AND TRUST AGREEMENT**

**by and between the**

**CITY OF PORTERVILLE**

**and**

**U.S. BANK NATIONAL ASSOCIATION, as Escrow Bank**

**Dated June 18, 2015**

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Relating to the Refunding of the outstanding  
Certificates of Participation  
(2002 Public Buildings Refunding Project)  
Evidencing Direct, Undivided Fractional Interests of the  
Owners Thereof in Lease Payments to be Made by the  
CITY OF PORTERVILLE, CALIFORNIA  
As the Rental for Certain Property Pursuant to a  
Lease Agreement with the  
Porterville Public Financing Authority

## ESCROW DEPOSIT AND TRUST AGREEMENT

This ESCROW DEPOSIT AND TRUST AGREEMENT (this "Escrow Deposit and Trust Agreement") is dated this 18th day of June, 2015, by and between the CITY OF PORTERVILLE, a municipal corporation and chartered city, duly organized and existing under and by virtue of the laws of the State of California (the "City"), and U.S. BANK NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America, as escrow bank and as 2002 Trustee (as defined herein)(the "Escrow Bank");

### WITNESSETH:

WHEREAS, the City has heretofore entered into a lease agreement, dated as of September 1, 2002, by and between the Porterville Public Financing Authority(the "Authority") and the City (the "2002 Lease"), pursuant to which the Authority agreed to lease certain real property and improvements (the "2002 Property") to the City, and the City agreed to make certain lease payments (the "2002 Lease Payments") to the Authority;

WHEREAS, the 2002 Lease provides that in the event that the City deposits, or causes the deposit on its behalf of, moneys in an amount, together with investment earnings, sufficient to make all or a portion of the 2002 Lease Payments when and as due, then all of the obligations of the City under the 2002 Lease and all of the security provided by the City for such obligations, excepting only the obligation of the City to make the 2002 Lease Payments from said deposit, shall cease and terminate, and unencumbered title to the 2002 Property shall be vested in the City without further action by the City or the Authority;

WHEREAS, pursuant to an assignment agreement, dated as of September 1, 2002 (the "2002 Assignment Agreement"), by and between the Authority and the 2002 Trustee, the Authority assigned to the 2002 Trustee its rights to receive 2002 Lease Payments from the City under the 2002 Lease and the right to exercise such rights and remedies conferred on the Authority under the 2002 Lease to enforce payment of the 2002 Lease Payments;

WHEREAS, pursuant to a trust agreement, dated as of September 1, 2002, by and among the City, the Authority and the 2002 Trustee (the "2002 Trust Agreement"), the 2002 Trustee agreed, among other matters, to execute and deliver certificates of participation (the "2002 Certificates") representing undivided fractional interests of the owners thereof to receive the 2002 Lease Payments made by the City and to apply such 2002 Lease Payments to the payment of principal and interest with respect to the 2002 Certificates, and to administer certain funds and accounts, created pursuant to the 2002 Trust Agreement;

WHEREAS, the City has determined that, as a result of favorable financial market conditions and for other reasons, it is in the best interests of the City at this time to refinance the City's obligation to make the 2002 Lease Payments under the 2002 Lease and, as a result thereof, to provide for the defeasance of the 2002 Certificates and, to that end, the City proposes to lease certain real property and improvements (the "Property") from the Porterville Public Improvement Corporation (the "Corporation") pursuant to that certain Lease Agreement, dated as of June 1, 2015 (the "Lease Agreement");

WHEREAS, the City proposes to make the deposit of moneys referenced in the 2002 Lease and to appoint the Escrow Bank for the purpose of applying said deposit to provide for

the payment and prepayment of the 2002 Lease Payments in accordance with the instructions provided by this Escrow Agreement and of applying said 2002 Lease Payments to provide for the payment of principal and interest with respect to the 2002 Certificates to and including the maturity date thereof, all in accordance with the 2002 Trust Agreement and the Escrow Bank desires to accept said appointment;

WHEREAS, to obtain moneys to make such deposit, the Corporation proposes to assign and transfer certain of its rights under the Lease Agreement to U.S. Bank National Association, as trustee (the "Trustee"), pursuant to that certain Assignment Agreement, dated as of June 1, 2015, by and between the Corporation and the Trustee, and to enter into that certain Trust Agreement, dated as of June 1, 2015 (the "Trust Agreement"), by and among the Corporation, the City and the Trustee, whereby the Trustee agrees to execute and deliver tax-exempt certificates of participation in the principal amount of \$22,650,000 (the "Certificates"), each evidencing a direct, undivided fractional interest in a portion of the lease payments made by the City under the Lease Agreement;

WHEREAS, the City wishes to make such a deposit with the Escrow Bank and to enter into this Escrow Agreement for the purpose of providing the terms and conditions for the deposit and application of amounts so deposited; and

WHEREAS, the Escrow Bank has full powers to act with respect to the irrevocable escrow and trust created herein and to perform the duties and obligations to be undertaken pursuant to this Escrow Agreement;

NOW, THEREFORE, in consideration of the above premises and of the mutual promises and covenants herein contained and for other valuable consideration, the parties hereto do hereby agree as follows:

NOW, THEREFORE, in consideration of the above premises and of the mutual promises and covenants herein contained and for other valuable consideration, the parties hereto do hereby agree as follows:

*Section 1. Definitions.* Capitalized terms used, but not otherwise defined, herein, shall have the meanings ascribed thereto in the 2002 Trust Agreement.

*Section 2. Appointment of Escrow Bank.* The City hereby appoints the Escrow Bank as escrow bank for all purposes of this Escrow Deposit and Trust Agreement and in accordance with the terms and provisions of this Escrow Deposit and Trust Agreement, and the Escrow Bank hereby accepts such appointment.

*Section 3. Establishment of Escrow Fund.* There is hereby created by the City with, and to be held by, the Escrow Bank, as security for the payment of the 2002 Lease Payments as hereinafter set forth, an irrevocable escrow to be maintained in trust by the Escrow Bank on behalf of the City and for the benefit of the owners of the 2002 Certificates, said escrow to be designated the "Escrow Fund." All moneys deposited in the Escrow Fund shall be held as a special fund for the payment of the principal and interest with respect to the 2002 Certificates in accordance with the provisions of the 2002 Trust Agreement. If at any time the Escrow Bank shall receive actual knowledge that the moneys in the Escrow Fund will not be sufficient to make any payment required by Section 4 hereof, the Escrow Bank shall notify the City of such fact and the City shall immediately cure such deficiency. The Escrow Bank shall have no liability for such deficiency.

Section 4. Deposit into Escrow Fund; Investment of Amounts.

(a) Concurrently with delivery of the Certificates, the City shall cause to be transferred to the Escrow Bank for deposit into the Escrow Fund the amount of \$2,126,330.00 in immediately available funds, derived as follows:

(i) \$1,567,056.45 from the proceeds of the sale of the Certificates;

(ii) \$559,273.55 from the moneys on deposit in the reserve fund relating to the 2002 Certificates (the "2002 Reserve Fund").

(b) As soon as practicable, the Escrow Bank is hereby directed to apply the amounts on deposit in the Escrow Fund toward the purchase of shall invest \$\_\_\_\_\_ of the moneys deposited into the Escrow Fund pursuant to the preceding paragraph in the securities set forth in Exhibit A attached hereto and by this reference incorporated herein (the "Escrowed Federal Securities"). The Escrow Bank may rely upon the conclusion of Grant Thornton LLP as contained in its opinion and accompanying schedules (the "Report") dated June 18, 2015, that the cash deposited in the Escrow Fund is sufficient to to pay the principal and interest with respect to the 2002 Certificate to and including the maturity date thereof and that the Escrowed Federal Securities when purchased, will mature and bear interest payable in such amounts and at such times as, together with cash to be left on deposit in the Escrow Fund, will be sufficient to pay the principal and interest with respect to the 2002 Certificate to and including the maturity date thereof. Any excess amounts following such purchase and held cash required cash balance shall be transferred to the Trustee to be applied to the payment of interest with respect to the Certificates. and shall hold the remaining \$\_\_\_\_\_ in cash, uninvested. The Escrowed Federal Securities shall be deposited with and held by the Escrow Bank in the Escrow Fund solely for the uses and purposes set forth herein.

(c) ~~The Escrow Bank may rely upon the conclusion of Grant Thornton LLP as contained in its opinion and accompanying schedules (the "Report") dated , that the Escrowed Federal Securities mature and bear interest payable in such amounts and at such times as, together with cash on deposit in the Escrow Fund, will be sufficient to pay the principal and interest with respect to the 2002 Certificate to and including the maturity date thereof.~~

(~~c~~d) The Escrow Bank shall not be liable or responsible for any loss resulting from its full compliance with the provisions of this Escrow Deposit and Trust Agreement.

(~~e~~d) Any money left on deposit in the Escrow Fund after payment in full of the 2002 Certificates, and the payment of all amounts due to the Escrow Bank hereunder, shall be transferred to the Trustee to be applied to the payment of principal and interest with respect to the Certificates.

(f) ~~If the Escrow Bank learns that the Department of the Treasury or the Bureau of Public Debt will not, for any reason, accept a subscription of state and local government series securities ("SLGS") that is to be submitted pursuant to this Escrow Deposit and Trust Agreement, the Escrow Bank shall promptly request alternative written investment instructions from the City with respect to funds which were to be invested in SLGS. The Escrow Bank shall follow such instructions and, upon the maturity of any such alternative investment, the Escrow Bank shall hold such funds uninvested and without liability for interest until receipt of further written instructions from the City. In the absence of investment instructions from the City, the Escrow Bank shall not be responsible for the investment of such funds or interest thereon. The Escrow Bank may conclusively rely upon the City's selection of an alternative investment as a determination of the alternative investment's legality and suitability and shall~~



not be liable for any losses related to the alternative investments or for compliance with any yield restriction applicable thereto.

Section 5. Instructions as to Application of Deposit.

(a) The moneys and Escrowed Federal Securities deposited in the Escrow Fund pursuant to Section 4 shall be applied by the Escrow Bank for the sole purpose of paying the principal and interest with respect to the 2002 Certificate to and including the maturity date thereof, as set forth in Exhibit B attached hereto and by this reference incorporated herein.

(b) The Escrow Bank, in its capacity as 2002 Trustee, is hereby requested, and the Escrow Bank, in its capacity as 2002 Trustee, hereby agrees to give notice of the defeasance of the 2002 Certificates in the form of defeasance notice attached hereto as Exhibit C.

~~Section 6. Investment of Any Remaining Moneys.~~ The Escrow Bank shall invest and reinvest the proceeds received from any of the Escrowed Federal Securities, and the cash originally deposited into the Escrow Fund, for a period ending not later than the next succeeding interest payment date relating to the 2002 Certificates, in Federal Securities pursuant to written directions of the District; *provided, however,* that (a) such written directions of the District shall be accompanied by (i) a certification of an independent certified public accountant or firm of certified public accountants of favorable national reputation experienced in the refunding of obligations of municipal corporation and chartered cities that the Federal Securities then to be so deposited in the Escrow Fund, together with the cash then on deposit in the Escrow Fund, together with the interest to be derived therefrom, shall be in an amount at all times at least sufficient to make the payments specified in Section 5 hereof, and (ii) an opinion of nationally recognized bond counsel ("Bond Counsel") that investment in accordance with such directions will not affect, for Federal income tax purposes, the exclusion from gross income of interest due with respect to the 2002 Certificates, and (b) if the District directs such investment or reinvestment to be made in United States Treasury Securities State and Local Government Series, the District shall, at its cost, cause to be prepared all necessary subscription forms therefor in sufficient time to enable the Escrow Bank to acquire such securities. In the event that the District shall fail to file any such written directions with the Escrow Bank concerning the reinvestment of any such proceeds, such proceeds shall be held uninvested by the Escrow Bank. Any interest income resulting from investment or reinvestment of moneys pursuant to this Section 6 and not required for the purposes set forth in Section 5, as indicated by such verification, shall, promptly upon the receipt of such interest income by the Escrow Bank, be paid to the District.

~~Section 7. Substitution or Withdrawal of Federal Securities.~~ The District may, at any time, direct the Escrow Bank in writing to substitute Federal Securities for any or all of the Escrowed Federal Securities then deposited in the Escrow Fund, or to withdraw and transfer to the District any portion of the Federal Securities then deposited in the Escrow Fund, provided that any such direction and substitution or withdrawal shall be simultaneous and shall be accompanied by (a) a certification of an independent certified public accountant or firm of certified public accountants of favorable national reputation experienced in the refunding of obligations of municipal corporation and chartered cities that the Federal Securities then to be so deposited in the Escrow Fund together with interest to be derived therefrom, or in the case of withdrawal, the Federal Securities to be remaining in the Escrow Fund following such withdrawal together with the interest to be derived therefrom, together with the cash then on deposit in the Escrow Fund, shall be in an amount at all times at least sufficient to make the payments specified in Section 3 hereof; and (b) an opinion of Bond Counsel that the substitution or withdrawal will not affect, for Federal income tax purposes, the exclusion from gross income of interest on the 2002 Certificates. In the event that, following any such substitution of Federal Securities pursuant to this Section 7, there is an amount of moneys or

~~Federal Securities in excess of an amount sufficient to make the payments required by Section 5 hereof, as indicated by such verification, such excess shall be paid to the District.~~

Section 86. Compensation to Escrow Bank. The City shall pay the Escrow Bank full compensation for its duties under this Escrow Deposit and Trust Agreement, including out-of-pocket costs such as publication costs, prepayment or redemption expenses, legal fees and other costs and expenses relating hereto. Under no circumstances shall amounts deposited in the Escrow Fund be deemed to be available for said purposes.

Section 79. Liabilities and Obligations of Escrow Bank. The Escrow Bank shall have no obligation to make any payment or disbursement of any type or incur any financial liability in the performance of its duties under this Escrow Deposit and Trust Agreement unless the City shall have deposited sufficient funds with the Escrow Bank. The Escrow Bank may rely and shall be protected in acting upon the written instructions of the City or its agents relating to any matter or action as Escrow Bank under this Escrow Deposit and Trust Agreement. The Escrow Bank shall have the same rights and protections hereunder as afforded to it as 2002 Trustee under Article VIII of the 2002 Trust Agreement.

The Escrow Bank and its respective successors, assigns, agents and servants shall not be held to any personal liability whatsoever, in tort, contract, or otherwise, in connection with the execution and delivery of this Escrow Deposit and Trust Agreement, the establishment of the Escrow Fund, the acceptance of the moneys or any securities deposited therein, the purchase of the securities to be purchased pursuant hereto, the retention of such securities or the proceeds thereof, the sufficiency of the securities or any uninvested moneys held hereunder to accomplish the purposes set forth in Section 5 hereof, or any payment, transfer or other application of moneys or securities by the Escrow Bank in accordance with the provisions of this Escrow Deposit and Trust Agreement or by reason of any non-negligent act, non-negligent omission or non-negligent error of the Escrow Bank made in good faith in the conduct of its duties. The recitals of fact contained in the "whereas" clauses herein shall be taken as the statement of the City, and the Escrow Bank assumes no responsibility for the correctness thereof. The Escrow Bank makes no representations as to the sufficiency of the securities to be purchased pursuant hereto and any uninvested moneys to accomplish the purposes set forth in Section 5 hereof or to the validity of this Escrow Deposit and Trust Agreement as to the City and, except as otherwise provided herein, the Escrow Bank shall incur no liability in respect thereof. The Escrow Bank shall not be liable in connection with the performance of its duties under this Escrow Deposit and Trust Agreement except for its own negligence, willful misconduct or default, and the duties and obligations of the Escrow Bank shall be determined by the express provisions of this Escrow Deposit and Trust Agreement, and no implied covenants or obligations shall be read into this Escrow Deposit and Trust Agreement against the Escrow Bank. The Escrow Bank may consult with counsel, who may or may not be counsel to the City, and in reliance upon the written opinion of such counsel shall have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Bank shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering, or omitting any action under this Escrow Deposit and Trust Agreement, such matter (except the matters set forth herein as specifically requiring a certificate of a nationally recognized firm of independent certified public accountants or an opinion of counsel) may be deemed to be conclusively established by a written certification of the City.

Anything in this Escrow Deposit and Trust Agreement to the contrary notwithstanding, in no event shall the Escrow Bank be liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Escrow Bank has been advised of the likelihood of such loss or damage and regardless of the form of action.

The Escrow Bank shall have the right to accept and act upon instructions, including funds transfer instructions ("Instructions") given pursuant to this Escrow Deposit and Trust Agreement and delivered using Electronic Means ("Electronic Means" means mean the following communications methods: S.W.I.F.T., e-mail, facsimile transmission, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Escrow Bank, or another method or system specified by the Escrow Bank as available for use in connection with its services hereunder); provided, however, that the City shall provide to the Escrow Bank an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the City whenever a person is to be added or deleted from the listing. If the City elects to give the Escrow Bank Instructions using Electronic Means and the Escrow Bank in its discretion elects to act upon such Instructions, the Escrow Bank's understanding of such Instructions shall be deemed controlling. The City understands and agrees that the Escrow Bank cannot determine the identity of the actual sender of such Instructions and that the Escrow Bank shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Escrow Bank have been sent by such Authorized Officer. The City shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Escrow Bank and that the City and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the City. The Escrow Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Escrow Bank's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. The City agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Escrow Bank, including without limitation the risk of the Escrow Bank acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Escrow Bank and that there may be more secure methods of transmitting Instructions than the method(s) selected by the City; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Escrow Bank immediately upon learning of any compromise or unauthorized use of the security procedures.

The Escrow Bank may at any time resign by giving 30 days written notice of resignation to the City. Upon receiving such notice of resignation, the City shall promptly appoint a successor and, upon the acceptance by the successor of such appointment, release the resigning Escrow Bank from its obligations hereunder by written instrument, a copy of which instrument shall be delivered to each of the City, the resigning Escrow Bank and the successor. If no successor shall have been so appointed and have accepted appointment within 30 days after the giving of such notice of resignation, the resigning Escrow Bank may petition any court of competent jurisdiction for the appointment of a successor.

The City hereby assumes liability for, and hereby agrees (whether or not any of the transactions contemplated hereby are consummated), to the extent permitted by law, to indemnify, protect, save and hold harmless the Escrow Bank and its respective directors, officers, employees, successors, assigns, agents and servants from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including legal fees and disbursements) of whatsoever kind and nature which may be imposed on, incurred by, or asserted against, at any time, the Escrow Bank (whether or not also indemnified against by any other person under any other agreement or instrument) and in any way relating to or arising out of the execution and delivery of this Escrow Deposit

and Trust Agreement, the establishment of the Escrow Fund, the retention of the moneys therein and any payment, transfer or other application of moneys or securities by the Escrow Bank in accordance with the provisions of this Escrow Deposit and Trust Agreement, or as may arise by reason of any act, omission or error of the Escrow Bank made in good faith in the conduct of its duties; provided, however, that the City shall not be required to indemnify the Escrow Bank against its own negligence or willful misconduct. The indemnities contained in this Section 9 shall survive the termination of this Escrow Deposit and Trust Agreement or the resignation or removal of the Escrow Bank.

Section 108. Amendment. This Escrow Deposit and Trust Agreement may be modified or amended at any time by a supplemental agreement which shall become effective when the written consents of the owners of one hundred percent (100%) in aggregate principal amount of the 2002 Certificates shall have been filed with the Escrow Bank. This Escrow Deposit and Trust Agreement may be modified or amended at any time by a supplemental agreement, without the consent of any such owners, but only (1) to add to the covenants and agreements of any party, other covenants to be observed, or to surrender any right or power herein or therein reserved to the City, (2) to cure, correct or supplement any ambiguous or defective provision contained herein, (3) in regard to questions arising hereunder or thereunder, as the parties hereto or thereto may deem necessary or desirable and which, in the opinion of counsel, shall not materially adversely affect the interests of the owners of the 2002 Certificates or the Bonds, and that such amendment will not cause interest on the 2002 Certificates or the Bonds to become subject to federal income taxation. In connection with any contemplated amendment or revocation of this Escrow Deposit and Trust Agreement, prior written notice thereof and draft copies of the applicable legal documents shall be provided by the City to each rating agency then rating the 2002 Certificates.

Section 119. Severability. If any section, paragraph, sentence, clause or provision of this Escrow Deposit and Trust Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, sentence clause or provision shall not affect any of the remaining provisions of this Escrow Deposit and Trust Agreement. Notice of any such invalidity or unenforceability shall be provided to each rating agency then rating the 2002 Certificates.

Section 1210. Notice of Escrow Bank and County. Any notice to or demand upon the Escrow Bank may be served and presented, and such demand may be made, at the Principal Corporate Trust Office of the Escrow Bank as specified by the Escrow Bank as 2002 Trustee in accordance with the provisions of the 2002 Trust Agreement. Any notice to or demand upon the City shall be deemed to have been sufficiently given or served for all purposes by being mailed by first class mail, and deposited, postage prepaid, in a post office letter box, addressed to such party as provided in the 2002 Lease (or such other address as may have been filed in writing by the City with the Escrow Bank).

Section 1311. Merger or Consolidation of Escrow Bank. Any company into which the Escrow Bank may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Escrow Bank may sell or transfer all or substantially all of its corporate trust business, provided such company shall be eligible to act as trustee under the 2002 Trust Agreement, shall be the successor hereunder to the Escrow Bank without the execution or filing of any paper or any further act.

Section 1412. Governing Law. This Escrow Deposit and Trust Agreement shall be governed by the laws of the State of California.

IN WITNESS WHEREOF, the City and the Escrow Bank have each caused this Escrow Deposit and Trust Agreement to be executed by their duly authorized officers all as of the date first above written.

CITY OF PORTERVILLE

By \_\_\_\_\_  
John D. Lollis  
City Manager

Attest:

\_\_\_\_\_  
Patrice Hildreth  
Chief Deputy City Clerk

U.S. BANK NATIONAL ASSOCIATION,  
as Escrow Bank and 2002 Trustee

By \_\_\_\_\_  
Ilse Vlach  
Assistant Vice President

## EXHIBIT A

### SCHEDULE OF ESCROW SECURITIES TO BE PURCHASED

<u>Type</u>	<u>Maturity</u>	<u>Coupon</u>
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Total

**EXHIBIT B**  
**PAYMENT SCHEDULE**

Date	Scheduled Sinking Fund Payment	Interest	Total Payment
10/01/15	\$425,000	\$59,220.00	\$484,220.00
04/01/16	—	45,832.50	45,832.50
10/01/16	455,000	45,832.50	500,832.50
04/01/17	—	31,500.00	31,500.00
10/01/17	485,000	31,500.00	516,500.00
04/01/18	—	16,222.50	16,222.50
10/01/18	515,000	16,222.50	531,222.50

## EXHIBIT C

### NOTICE OF DEFEASANCE

**Certificates of Participation  
(2002 Public Buildings Refunding Project)  
Evidencing Direct, Undivided Fractional Interests of the  
Owners Thereof in Lease Payments to be Made by the  
CITY OF PORTERVILLE, CALIFORNIA  
As the Rental for Certain Property Pursuant to a  
Lease Agreement with the  
Porterville Public Financing Authority**

<u>Maturity Date</u>	<u>Amount Defeased</u>	<u>Interest Rate</u>	<u>CUSIP No.</u>
10/1/18	\$1,880,000	6.300%	736369 GM5

NOTICE IS HEREBY GIVEN, on behalf of the City of Porterville, California (the "City") to the owners of the outstanding Certificates of Participation (2002 Public Buildings Refunding Project) evidencing direct, undivided fractional interests of the owners thereof in lease payments to be made by the county as the rental for certain property pursuant to a lease agreement with the Porterville Public Financing Authority (the "Certificates"), as described above, that pursuant to the trust agreement authorizing the delivery of the Certificates (the "Trust Agreement"), the lien of the Trust Agreement with respect to the Certificates has been discharged through the irrevocable deposit of cash and U.S. Treasury securities in an escrow fund (the "Escrow Fund"). The Escrow Fund has been established and is being maintained pursuant to that certain Escrow Deposit and Trust Agreement, dated June 18, 2015, by and between the City and U.S. Bank National Association, as escrow bank. As a result of such deposit, the Certificates are deemed to have been paid and defeased in accordance with the Trust Agreement. The pledge of the funds provided for under the Trust Agreement and all other obligations of the City to the owners of the Certificates shall hereafter be limited to the application of moneys in the Escrow Fund for the payment of the principal and interest with respect to the Certificates as the same become due and payable as described below.

As evidenced by the verification report delivered to the Escrow Bank, cash and U.S. Treasury securities deposited in the Escrow Fund are calculated to provide sufficient moneys to pay the principal and interest with respect to the Certificates to and including the maturity date thereof.

Dated: \_\_\_\_\_, 2015

U.S. BANK NATIONAL  
ASSOCIATION, as Escrow Bank



**FORM OF FINAL OPINION OF SPECIAL COUNSEL**

[Letterhead of Quint &amp; Thimmig LLP]

June 18, 2015

City Council of the  
City of Porterville  
291 North Main Street  
Porterville, California 93257

OPINION:     \$22,650,000 Certificates of Participation (2015 Refinancing Project) Evidencing Direct, Undivided Fractional Interests of the Owners Thereof in Lease Payments to be Made by the City of Porterville, as the Rental for Certain Property Pursuant to a Lease Agreement with the Porterville Public Improvement Corporation

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## Members of the City Council:

We have acted as special counsel in connection with the delivery by the City of Porterville (the "City"), of its \$22,650,000 Lease Agreement, dated as of June 1, 2015, by and between the Porterville Public Improvement Corporation (the "Corporation") and the City (the "Lease Agreement"), pursuant to the California Government Code. The Corporation has, pursuant to the Assignment Agreement, dated as of June 1, 2015 (the "Assignment Agreement"), by and between the Corporation and U.S. Bank National Association, as trustee (the "Trustee"), assigned certain of its rights under the Lease Agreement, including its right to receive a portion of the lease payments made by the City thereunder (the "Lease Payments"), to the Trustee. Pursuant to the Trust Agreement, dated as of June 1, 2015, by and among the Trustee, the Corporation and the City (the "Trust Agreement"), the Trustee has executed and delivered certificates of participation (the "Certificates") evidencing direct, undivided fractional interests of the owners thereof in the Lease Payments. We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the City contained in the Lease Agreement and in the certified proceedings and certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

Based upon our examination, we are of the opinion, under existing law, as follows:

1. The City is duly created and validly existing as a municipal corporation and chartered city organized and existing under the laws of the State of California with the power to enter into the Lease Agreement and the Trust Agreement and to perform the agreements on its part contained therein.

2. The Lease Agreement has been duly authorized, executed and delivered by the City and is an obligation of the City valid, binding and enforceable against the City in accordance with its terms.

3. The Trust Agreement and the Assignment Agreement are valid, binding and enforceable in accordance with their terms.

4. Subject to the terms and provisions of the Lease Agreement, the Lease Payments to be made by the City are payable from general funds of the City lawfully available therefor. By virtue of the Assignment Agreement, the owners of the Certificates are entitled to receive their fractional share of the Lease Payments in accordance with the terms and provisions of the Trust Agreement.

5. Subject to the City's compliance with certain covenants, interest with respect to the Certificates is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Internal Revenue Code of 1986, as amended, but is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. Failure to comply with certain of such covenants could cause interest with respect to the Certificates to be includable in gross income for federal income tax purposes retroactively to the date of delivery of the Certificates.

6. The portion of the Lease Payments designated as and comprising interest and received by the owners of the Certificates is exempt from personal income taxation imposed by the State of California.

Ownership of the Certificates may result in other tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the Certificates.

The rights of the owners of the Certificates and the enforceability of the Lease Agreement, the Assignment Agreement and the Trust Agreement may be subject to the Bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and also may be subject to the exercise of judicial discretion in accordance with general principles of equity.

Our opinion represents our legal judgment based upon such review of the law and the facts that we deem relevant to render our opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

AFTER RECORDATION RETURN TO:

Quint & Thimmig LLP  
900 Larkspur Landing Circle, Suite 270  
Larkspur, CA 94939-1726  
Attention: Brian D. Quint, Esq.

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

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## **TERMINATION AGREEMENT**

**Dated as of June 18, 2015**

**by and among the**

**CITY OF PORTERVILLE, CALIFORNIA**

**the**

**PORTERVILLE PUBLIC FINANCING AUTHORITY,**

**and**

**U.S. BANK NATIONAL ASSOCIATION, as Successor Trustee**

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Relating to the Refunding of the outstanding  
Certificates of Participation  
(2002 Public Buildings Refunding Project)  
Evidencing Direct, Undivided Fractional Interests of the  
Owners Thereof in Lease Payments to be Made by the  
CITY OF PORTERVILLE, CALIFORNIA  
As the Rental for Certain Property Pursuant to a  
Lease Agreement with the  
Porterville Public Financing Authority

## TERMINATION AGREEMENT

This TERMINATION AGREEMENT is dated as of June 18, 2015, and is by and among the CITY OF PORTERVILLE, CALIFORNIA (the "City"), the PORTERVILLE PUBLIC FINANCING AUTHORITY, (the "Authority"), U.S. BANK NATIONAL ASSOCIATION, as trustee (the "2002 Trustee").

### WITNESSETH:

WHEREAS, the City and the Authority have heretofore entered into an Lease Agreement, dated as of September 1, 2002 (the "2002 Lease"), pursuant to which the Authority and the City entered into a transaction for the lease financing of certain facilities, including the site thereof (the "2002 Project"), and the City agreed to make certain lease payments (the "2002 Lease Payments") to the Authority;

WHEREAS, pursuant to an Assignment Agreement, dated as of September 1, 2002 (the "2002 Assignment Agreement"), by and between the Authority and the 2002 Trustee, the Authority assigned to the 2002 Trustee, among other things, its rights to receive 2002 Lease Payments from the City under the 2002 Lease and the right to exercise such rights and remedies conferred on the Authority under the 2002 Lease to enforce payment of the 2002 Lease Payments;

WHEREAS, pursuant to a Trust Agreement, dated as of September 1, 2002, by and among the City, the Authority and the 2002 Trustee, the 2002 Trustee agreed, among other matters, to execute and deliver certificates of participation (the "2002 Certificates") representing undivided fractional interests of the owners thereof to receive 2002 Lease Payments made by the City;

WHEREAS, the 2002 Lease Agreement provides that in the event that the City deposits, or causes the deposit on its behalf of moneys for the prepayment of the 2002 Lease Payments, then all of the obligations of the City under the 2002 Lease Agreement and all of the security provided by the City for such obligations, excepting only the obligation of the City to make the 2002 Lease Payments from said deposit, shall cease and terminate, and unencumbered title to the 2002 Project shall be vested in the City without further action by the City or the Authority;

WHEREAS, the City has determined that, as a result of favorable financial market conditions and for other reasons, it is in the best interests of the City at this time to refinance the City's obligation to make the 2002 Lease Payments under the 2002 Lease Agreement and, as a result thereof, to provide for the payment of the 2002 Certificates to and including November 1, 2002, and on such date to provide for the 2002 Certificates maturing on and after August 1, 2011, and to that end, the Porterville Public Improvement Corporation (the "Corporation") proposes to lease certain real property and improvements from the Corporation pursuant to that certain Lease Agreement, dated as of June 1, 2015 (the "Lease Agreement"), a memorandum of which has been recorded concurrently herewith;

WHEREAS, to obtain moneys to make such deposit, the Corporation proposes to assign and transfer certain of its rights under the Lease Agreement to U.S. Bank National Association, as trustee (the "Trustee"), pursuant to that certain Assignment Agreement, dated as of June 1, 2015, by and between the Corporation and the Trustee, which has been recorded concurrently herewith, and to enter into that certain Trust Agreement, dated as of June 1, 2015 (the "Trust Agreement"), by and among the Corporation, the City and the Trustee, whereby

the Trustee agrees to execute and deliver certificates of participation in the principal amount of \$22,650,000 (the "Certificates"), each evidencing a direct, undivided fractional interest in the lease payments made by the City under the Lease Agreement; and

WHEREAS, upon delivery of the Certificates and deposit of a portion of the proceeds for prepayment of the 2002 Lease Payments, the 2002 Lease Agreement and the agreements related thereto need not be maintained (except as otherwise provided below), and the parties hereto now desire to provide for the termination of such documents as provided herein.

NOW, THEREFORE, in consideration of the foregoing and for other consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto do hereby agree:

*Section 1. Termination.*

(a) By virtue of the deposit of a portion of the proceeds of the Certificates for prepayment of the 2002 Lease Payments, all obligations of the City under the 2002 Lease Agreement shall cease and terminate, excepting only the obligation of the City to make, or cause to be made, all payments from such deposit and title to the 2002 Project shall vest in the City on the date of said deposit automatically and without further action by the City or the Authority. Said deposit and interest earnings thereon shall be deemed to be and shall constitute a special fund for the prepayment of the 2002 Lease Payments.

(b) In accordance with the foregoing, the following agreements (including any option to purchase contained therein), are hereby terminated and are of no further force or effect:

(i) Site and Facility Lease, dated as September 1, 2002, by and between the City and the Authority, recorded on November 6, 2002, as Instrument No. 2002-0086897, Tulare County Records;

(ii) 2002 Lease Agreement, recorded by memorandum on November 6, 2002, as Instrument No. 2002-0086898, Tulare County Records; and

(iii) 2002 Assignment Agreement, recorded on November 6, 2002, as Instrument No. 2002-0086899, Tulare County Records.

(c) From and after the date hereof, none of the parties shall have any further rights or obligations thereunder.

*Section 2. Execution in Counterparts.* This Termination Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have duly executed this Termination Agreement.

PORTERVILLE PUBLIC FINANCING  
AUTHORITY

By \_\_\_\_\_  
John D. Lollis  
Executive Director

Attest:

\_\_\_\_\_  
Patrice Hildreth  
Deputy Secretary

CITY OF PORTERVILLE

By \_\_\_\_\_  
John D. Lollis  
City Manager

Attest:

\_\_\_\_\_  
Patrice Hildreth  
Chief Deputy City Clerk

U.S. BANK NATIONAL ASSOCIATION,  
as 2002 Trustee

By \_\_\_\_\_  
Ilse Vlach  
Assistant Vice President

NOTARY ACKNOWLEDGMENTS TO BE INSERTED

**EXHIBIT A**  
**DESCRIPTION OF THE SITE**

All that certain real property situated in Tulare County, State of California, described as follows:

**PARCEL 1:**

The East 65 feet of the North 47 feet of Lot 1 in Block 7 of B. Hockett's Addition, in the City of Porterville, County of Tulare, State of California, as per Map thereof recorded in Book 3 of Maps, Page 28, Tulare County Records.

**PARCEL 2:**

The West 45 feet of Lot 1 and the North 20 feet of the West 45 feet of Lot 2 in Block 7 of B. Hockett's Addition to Porterville, in the City of Porterville, County of Tulare, State of California, as per Map thereof recorded in Book 3 of Maps, Page 28, Tulare County Records.

**PARCEL 3:**

Those portions of Lot 1 and 2 in Block 7 of B. Hockett's Addition, in the City of Porterville, County of Tulare, State of California, as per Map thereof recorded in Book 3 of Maps, Page 28, Tulare County Records, described as follows:

Beginning at a point 47 feet South of the Northeast corner of said Lot 1; thence West 65 feet; thence South 33 feet; thence East 65 feet; thence North 33 feet to the point of beginning.

**PARCEL 4:**

The South 40 feet of Lot 2 and all of Lots 3 and 4 in Block 7 of B. Hockett's Addition, in the City of Porterville, County of Tulare, State of California, as per Map thereof recorded in Book 3 of Maps, Page 28, Tulare County Records.

**PARCEL 5:**

Lots 3, 4, 5 and 6 in Block 3 of Hockett and Parkhurst North Extension to the City of Porterville, in the City of Porterville, County of Tulare, State of California, as per Map thereof recorded in Book 5 of Maps, Page 53, Tulare County Records.

**PARCEL 6:**

Lots 1 and 2 in Block 3 of Hockett and Parkhurst North Extension of Porterville, in the City of Porterville, County of Tulare, State of California, as per Map thereof recorded in Book 5 of Maps, Page 53, Tulare County Records.

**PARCEL 7:**

Lots 7 and 8 in Block 3 of Hockett and Parkhurst North Extension, in the City of Porterville, County of Tulare, State of California, as per Map thereof recorded in Book 5 of Maps, Page 53, Tulare County Records.

**PARCEL 8:**

Lots 75, 76, 77, 78, the West half of the North half of Lot 135, and the South half of Lot 135, and Lot 136 all of Pioneer Land Company's First Subdivision, in the City of Porterville, County of Tulare, State of California, according to the map thereof recorded in Book 3, Page 34 of Maps, Tulare County Records.



ALSO EXCEPTING the North 25 feet of said Lots 135 and 136.

ALSO EXCEPTING the West 40 feet of said Lots 75 and 136.

MEMO: By order of Board of Supervisors of Tulare County, the East 10 feet and the West 10 feet of Grand Avenue lying between Lots 78 and 79 was abandoned.

PARCEL 9:

Lots 1, 2, 3 and 4 in Block 2 of Pioneer and Murphy's Addition, in the City of Porterville, County of Tulare, State of California, as per Map thereof recorded in Book 4 of Maps, Page 29, Tulare County Records.

NOTE: By order of the City of Porterville that portion of Division Street lying along the West line of Block 2 was abandoned by resolutions recorded June 12, 1956 in Book 1929, Page 318 and November 26, 1979 in Book 3717, Page 650, Official Records.

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## INSURANCE AGREEMENT

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INSURANCE AGREEMENT, dated as of June 18, 2015 (the "Agreement"), by and between the CITY OF PORTERVILLE (the "City"), and ASSURED GUARANTY MUNICIPAL CORP. ("AGM").

In consideration of the issuance by AGM of its Municipal Bond Debt Service Reserve Insurance Policy No. \_\_\_\_-R (the "Reserve Policy") with respect to the City's Certificates of Participation (2015 Refinancing Project) (the "Certificates") executed and delivered pursuant to that certain Trust Agreement, dated as of June 1, 2015, by and among the City, the Porterville Public Improvement Corporation and U.S. Bank National Association, as trustee (the "Trust Agreement"), and the City's payment to AGM of the insurance premium for the Reserve Policy, AGM and the City hereby covenant and agree as follows:

1. Upon any payment by AGM under the Reserve Policy, AGM shall furnish to the City written instructions as to the manner in which payment of amounts owed to AGM as a result of such payment under the Reserve Policy shall be made.

2. The City shall pay AGM the principal amount of any draws under the Reserve Policy and pay all related reasonable expenses incurred by AGM and shall pay interest thereon from the date of payment by AGM at the Late Payment Rate. "Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Certificates and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate, the Prime Rate shall be the prime or base lending rate of such national bank as AGM shall designate. If the interest provisions of this Section 2 shall result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by AGM, with the same force and effect as if the City had specifically designated such extra sums to be so applied and AGM had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness created herein exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

3. Repayment of draws and payment of expenses and the interest accrued thereon at the Late Payment Rate (collectively, "Policy Costs") shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Policy Costs related to such draw. Amounts in respect of Policy Costs paid to AGM shall be credited first to interest due, then to the expenses due and then to principal due.

4. As and to the extent that payments are made to AGM on account of principal due, the coverage under the Reserve Policy will be increased by a like amount, subject to the terms of the Reserve Policy.

5. All cash and investments in the Reserve Fund shall be transferred to the Lease Payment Fund (as defined in the Trust Agreement) for payment of principal and interest with respect to the Certificates before any drawing may be made on the Reserve Policy or on any alternative credit instrument. Payment of any Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all alternative credit instruments (including the Reserve Policy) on which there is available coverage shall be made on a pro rata basis (calculated by reference to coverage then available under each such alternative credit instrument) after applying available cash and investments in the Reserve Fund. Payment of Policy Costs and reimbursement of amounts with respect to alternative credit instruments shall be made on a pro-rata basis prior to replenishment of any cash drawn from the Reserve Fund.

6. If the City shall fail to pay any Policy Costs in accordance with the requirements of the Trust Agreement and this Agreement, AGM shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under the Trust Agreement, other than (i) acceleration of the maturity of the Certificates or (ii) remedies which would adversely affect owners of the Certificates.

7. Neither the Lease Agreement (as defined in the trust Agreement) or the Trust Agreement shall be discharged until all Policy Costs owing to AGM shall have been paid in full. The City's obligation to pay such amounts shall expressly survive payment in full of the Certificates.

8. In order to secure the City's payment obligations with respect to the Policy Costs, there is hereby granted and perfected in favor of AGM a security interest (subordinate only to that of the owners of the Certificates) in all revenues and collateral pledged as security for the Certificates.

9. The Trustee shall ascertain the necessity for a claim upon the Reserve Policy and provide notice to AGM in accordance with the terms of the Reserve Policy at least five business days prior to each date upon which interest or principal is due with respect to the Certificates. Where deposits are required to be made by the City with the Trustee to the Lease Payment Fund more often than semi-annually, the Trustee shall give notice to AGM of any failure of the City to make timely payment in full of such deposits within two business days of the date due.

10. The City will pay or reimburse AGM, to the extent permitted by law, and solely from amounts pledged or available to pay the Certificates, any and all charges, fees, costs, losses, liabilities and expenses which AGM may pay or incur, including, but not limited to, fees and expenses of attorneys, accountants, consultants and auditors and reasonable costs of investigations, in connection with (i) any accounts established to facilitate payments under the Reserve Policy, (ii) the administration, enforcement, defense or preservation of any rights in respect of this Agreement or any document executed in connection with the Certificates (the "Related Documents"), including defending, monitoring or participating in any litigation or proceeding (including any bankruptcy proceeding in respect of the City) relating to this Agreement or any other Related Document, any party to this Agreement or any other Related Document or the transaction contemplated by the Related Documents, (iii) the foreclosure against, sale or other disposition of any collateral securing any obligations under this Agreement or any other Related Document, if any, or the pursuit of any remedies under any other Related Document, to the extent such costs and expenses are not recovered from such foreclosure, sale or other disposition, (iv) any amendment, waiver or other action with respect

to, or related to this Agreement, the Reserve Policy or any other Related Document whether or not executed or completed, or (v) any action taken by AGM to cure a default or termination or similar event (or to mitigate the effect thereof) under any Related Document; costs and expenses shall include a reasonable allocation of compensation and overhead attributable to time of employees of AGM spent in connection with the actions described in clauses (ii)-(v) above. AGM reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Agreement or any other Related Document. Amounts payable by the City hereunder shall bear interest at the Late Payment Rate from the date such amount is paid or incurred by AGM until the date AGM is paid in full.

11. The obligation of the City to pay all amounts due under this Agreement shall be an absolute and unconditional obligation of the City and will be paid or performed strictly in accordance with this Agreement, irrespective of (i) any lack of validity or enforceability of or any amendment or other modifications of, or waiver with respect to the Certificates or any Related Document; (ii) any amendment or other modification of, or waiver with respect to the Reserve Policy; (iii) any exchange, release or non-perfection of any security interest in property securing the Certificates, this Agreement or any Related Documents; (iv) whether or not such Certificates are contingent or matured, disputed or undisputed, liquidated or unliquidated; (v) any amendment, modification or waiver of or any consent to departure from this Agreement, the Reserve Policy or all or any of the Related Documents; (vi) the existence of any claim, setoff, defense (other than the defense of payment in full), reduction, abatement or other right which the City may have at any time against the Trustee or any other person or entity other than AGM, whether in connection with this Agreement, the transactions contemplated herein or in the Related Documents or any unrelated transactions; (vii) any statement or any other document presented under or in connection with the Reserve Policy proving in any and all respects invalid, inaccurate, insufficient, fraudulent or forged or any statement therein being untrue or inaccurate in any respect; or (viii) any payment by AGM under the Reserve Policy against presentation of a certificate or other document which does not strictly comply with the terms of the Reserve Policy.

12. Notices to AGM shall be sent to the following address (or such other address as AGM may designate in writing): Assured Guaranty Municipal Corp., 31 West 52nd Street, New York, New York 10019 Attention: Risk Management Department – Public Finance– Surveillance, Re: Policy No. \_\_\_\_-R.

13. If any one or more of the agreements, provisions or terms of this Agreement shall be for any reason whatsoever held invalid, then such agreements, provisions or terms shall be deemed severable from the remaining agreements, provisions or terms of this Agreement and shall in no way affect the validity or enforceability of the other provisions of this Agreement.

14. All capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Trust Agreement.

15. This Agreement may be executed in counterparts, each of which alone and all of which together shall be deemed one original Agreement.

16. This Agreement and the rights and obligations of the parties of the Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of New York.

IN WITNESS WHEREOF, the parties hereto have set their hands as of the date written above.

ASSURED GUARANTY MUNICIPAL  
CORP.

By \_\_\_\_\_  
Authorized Officer

CITY OF PORTERVILLE

By \_\_\_\_\_  
John D. Lollis  
City Manager

Attest:

\_\_\_\_\_  
Patrice Hildreth  
Chief Deputy City Clerk

THIS CERTIFICATE MAY ONLY BE REGISTERED IN THE NAME OF, OR TRANSFERRED TO, AN "APPROVED BUYER" AS DEFINED IN THE TRUST AGREEMENT (HEREINAFTER DEFINED), AND SUBJECT TO THE REQUIREMENTS THEREOF, INCLUDING EXECUTION OF AN INVESTOR LETTER IN THE FORM ATTACHED THERETO.

**Certificate of Participation  
(2015 Refinancing Project)  
Evidencing a Direct, Undivided Fractional Interest of the  
Owners Hereof in Lease Payments to be Made by the  
CITY OF PORTERVILLE, CALIFORNIA  
As the Rental for Certain Property Pursuant to a Lease Agreement  
with the Porterville Public Improvement Corporation**

RATE OF INTEREST	MATURITY DATE	DATED DATE
3.85%	June 1, 2035	June 18, 2015

REGISTERED OWNER: CAPITAL ONE PUBLIC FUNDING, LLC

PRINCIPAL AMOUNT: TWENTY-TWO MILLION SIX HUNDRED FIFTY THOUSAND DOLLARS

THIS IS TO CERTIFY THAT the registered owner identified above, or registered assigns (the "Owner"), as the registered owner of this Certificate of Participation (the "Certificate"), is the owner of a direct, undivided, fractional interest in a portion of the lease payments (the "Lease Payments") to be paid by the City of Porterville, a municipal corporation and chartered city, duly organized and existing under the laws of the State of California (the "City"), pursuant to that certain Lease Agreement, dated as of June 1, 2015, by and between the Porterville Public Improvement Corporation, a nonprofit, public benefit corporation organized and existing under the laws of the State of California (the "Corporation") and the City (the "Lease Agreement"), which Lease Payments, prepayments and certain other rights and interests under the Lease Agreement have been assigned to U.S. Bank National Association, as trustee (the "Trustee"), having a corporate trust office in Los Angeles, California, or any other such location so designated by the Trustee (the "Principal Corporate Trust Office").

The Owner is entitled to receive, subject to the terms of the Lease Agreement, on the Maturity Date identified above, the Principal Amount identified above, representing a direct, undivided fractional portion of the Lease Payments designated as principal coming due on such date, and to receive on June 1 and December 1 of each year, commencing December 1, 2015 (each, an "Interest Payment Date"), until payment in full of said Principal Amount, the Owner's direct, undivided fractional share of the Lease Payments designated as interest coming due during the six months immediately preceding each of the Interest Payment Dates; provided that interest represented hereby shall be payable from the Interest Payment Date next preceding the date of execution of this Certificate unless (i) this Certificate is executed on an Interest Payment Date, in which event interest shall be payable from such Interest Payment

Date, or (ii) this Certificate is executed after the close of business on the fifteenth (15th) day of the month immediately preceding an Interest Payment Date, and prior to such Interest Payment Date, in which event interest shall be payable from such Interest Payment Date, or (iii) this Certificate is executed on or before November 15, 2015, in which event interest shall be payable from the Dated Date stated above; *provided, however*, that if, as of the date of execution of any Certificate, interest is in default with respect to any Outstanding Certificates, interest represented by such Certificate shall be payable from the Interest Payment Date to which interest has previously been paid or made available for payment with respect to the Outstanding Certificates. Payment of defaulted interest shall be paid by check of the Trustee mailed to the registered owners of the Certificates as of a special record date to be fixed by the Trustee in its sole discretion, notice of which shall be given to the registered owners of the Certificates not less than ten (10) days prior to such special record date. Said direct, undivided fractional share of the portion of the Lease Payments designated as interest is the result of the multiplication of the aforesaid portion of the Lease Payments designated as principal by the Rate of Interest per annum identified above. Interest represented hereby is payable in lawful money of the United States of America by check mailed by the Trustee on each Interest Payment Date by first class mail to the Owner at his address as it appears on the registration books of the Trustee, as of the close of business on the fifteenth (15th) day of the month immediately preceding each Interest Payment Date or, upon written request filed with the Trustee prior to the fifteenth (15th) day of the month immediately preceding the Interest Payment Date by a registered owner of at least \$1,000,000 in aggregate principal amount of Certificates, by wire transfer in immediately available funds to an account in the United States designated by each registered owner in such written request. Principal represented hereby is payable in lawful money of the United States of America by check of the Trustee upon presentation and surrender hereof at the Principal Corporate Trust Office.

This Certificate has been executed and delivered by the Trustee pursuant to the terms of a Trust Agreement by and among the Trustee, the Corporation and the City, dated as of June 1, 2015 (the "Trust Agreement"). The City is authorized to enter into the Lease Agreement and the Trust Agreement under the laws of the State of California. Reference is hereby made to the Lease Agreement and the Trust Agreement (copies of which are on file at the Principal Corporate Trust Office) for a description of the terms on which the Certificates are delivered, the rights thereunder of the registered owners of the Certificates, the rights, duties and immunities of the Trustee and the rights and obligations of the City under the Lease Agreement, all of the provisions of which the Owner of this Certificate, by acceptance hereof, assents and agrees.

The City is obligated under the Lease Agreement to pay Lease Payments from any source of legally available moneys and the City has covenanted in the Lease Agreement to make the necessary annual appropriations therefor. The obligation of the City to pay the Lease Payments does not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation. The obligation of the City to pay Lease Payments does not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

To the extent and in the manner permitted by the terms of the Trust Agreement, the provisions of the Trust Agreement may be amended by the parties thereto) and the registered owners of at least sixty percent (60%) in aggregate principal amount of the Certificates then outstanding and may be amended without such consent under certain circumstances; provided that no such amendment shall impair the right of any registered owner to receive, in any case, such registered owner's fractional share of any Lease Payment or prepayment thereof

in accordance with such registered owner's Certificate, without the consent of such registered owner.

This Certificate is transferable and exchangeable by the Owner, in person or by his attorney duly authorized in writing, at the Principal Corporate Trust Office, but only in the manner, subject to the limitations and upon payment of any charges provided in the Trust Agreement and upon surrender and cancellation of this Certificate. Upon such transfer, a new Certificate or Certificates of an authorized denomination or denominations for the same aggregate principal amount will be delivered to the transferee in exchange for this Certificate. The City, the Corporation and the Trustee may treat the Owner as the absolute owner hereof for all purposes, whether or not the payments represented by this Certificate shall be overdue and the City, the Corporation and the Trustee shall not be affected by any notice to the contrary.

The Certificates are subject to extraordinary redemption, in whole or in part, on any Interest Payment Date, in an order of maturity determined by the City, from the Net Proceeds of insurance or eminent domain proceedings credited towards the redemption of the Lease Payments pursuant to the Lease Agreement, at a redemption price equal to 100% of the principal amount to be redeemed, together with accrued interest represented thereby to the date fixed for redemption, without premium.

The Certificates are not subject to optional redemption prior to June 1, 2025. The Certificates are subject to optional redemption in whole or in part on any date by lot, on or after June 1, 2025, at a redemption price equal to 102% of the principal amount thereof, together with accrued interest to the date fixed for redemption, from the proceeds of the optional prepayment of Lease Payments made by the City pursuant to the Lease Agreement.

The Certificates are subject to mandatory redemption in part on each June 1 and December 1, commencing December 1, 2015, from the principal components of scheduled Lease Payments required to be paid by the City pursuant to the Lease Agreement with respect to each such redemption date (subject to abatement, as set forth in the Lease Agreement), at a redemption price equal to the principal amount thereof to be redeemed, together with accrued interest to the date fixed for redemption, without premium, as follows:



Redemption Date	Principal Amount of Certificates to be Redeemed	Redemption Date	Principal Amount of Certificates to be Redeemed
12/1/15	\$130,000	12/1/25	\$580,000
6/1/16	130,000	6/1/26	590,000
12/1/16	135,000	12/1/26	600,000
6/1/17	435,000	6/1/27	610,000
12/1/17	445,000	12/1/27	625,000
6/1/18	450,000	6/1/28	635,000
12/1/18	465,000	12/1/28	650,000
6/1/19	460,000	6/1/29	660,000
12/1/19	470,000	12/1/29	675,000
6/1/20	475,000	6/1/30	685,000
12/1/20	490,000	12/1/30	700,000
6/1/21	460,000	6/1/31	715,000
12/1/21	470,000	12/1/31	725,000
6/1/22	475,000	6/1/32	740,000
12/1/22	485,000	12/1/32	755,000
6/1/23	525,000	6/1/33	770,000
12/1/23	535,000	12/1/33	785,000
6/1/24	545,000	6/1/34	800,000
12/1/24	555,000	12/1/34	815,000
6/1/25	570,000	6/1/35†	830,000

†Maturity.

Notice of redemption is to be given by the Trustee by mailing a redemption notice by first class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Certificate or Certificates to be redeemed at the address shown on the Certificate registration books maintained by the Trustee. Notice of redemption having been given as aforesaid, the Certificates or portions of Certificates so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) interest with respect to such Certificates or portions of Certificates shall cease to accrue and be payable. Neither the failure to receive such notice nor any defect in any notice shall affect the sufficiency of the proceedings for the redemption of Certificates.

Notwithstanding the foregoing, in the case of any optional redemption of the Certificates, the notice of redemption shall state that the redemption is conditioned upon receipt by the Trustee of sufficient moneys to redeem the Certificates on the scheduled redemption date, and that the optional redemption shall not occur if, by no later than the scheduled redemption date, sufficient moneys to redeem the Certificates have not been deposited with the Trustee. In the event that the Trustee does not receive sufficient funds by the scheduled optional redemption date to so redeem the Certificates to be optionally redeemed, such event shall not constitute an Event of Default; the Trustee shall send written notice to the Owners, to the Securities Depositories and to one or more of the Information Services to the effect that the redemption did not occur as anticipated, and the Certificates for which notice of optional redemption was given shall remain Outstanding for all purposes of the Trust Agreement.

The Trustee has no obligation or liability to the registered owners of the Certificates to make payments of principal or interest with respect to the Certificates. The Trustee's sole obligations are to administer, for the benefit of the registered owners of the Certificates, the

various funds and accounts established under the Trust Agreement. The Trustee makes no representation concerning the recitals contained in the Trust Agreement or in this Certificate.

The City has certified, recited and declared that all conditions, things and acts required by the constitution and statutes of the State of California, the Lease Agreement and the Trust Agreement to exist, to have happened and to have been performed precedent to and in the delivery of this Certificate, do exist, have happened and have been performed in due time, form and manner as required by law.

IN WITNESS WHEREOF, this Certificate has been executed by U.S. Bank National Association, as trustee, acting pursuant to the Trust Agreement.

Date of Execution:

U.S. BANK NATIONAL ASSOCIATION, as  
Trustee

By \_\_\_\_\_  
Authorized Signatory

## ASSIGNMENT

For value received, the undersigned do(es) hereby sell, assign and transfer unto

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
(Name, Address and Tax Identification or Social Security Number of Assignee)

the within Certificate and do(es) hereby irrevocably constitute and appoint

\_\_\_\_\_  
attorney, to transfer the same on the registration books of the Trustee, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_  
NOTICE: Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

\_\_\_\_\_  
NOTICE: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Certificate in every particular, without alteration or enlargement or any change whatsoever.

## STATEMENT OF INSURANCE

Assured Guaranty Municipal Corp., New York, New York, has delivered its municipal bond insurance policy (the "Policy") with respect to the scheduled payments due of principal and interest with respect to this Certificate to U.S. Bank National Association, Los Angeles, California, or its successor, as paying agent for the Certificates (the "Paying Agent"). Said Policy is on file and available for inspection at the principal office of the Paying Agent and a copy thereof may be obtained from AGM or the Paying Agent. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owner of this Certificate acknowledges and consents to the subrogation rights of AGM as more fully set forth in the Policy.

SPECIMEN

**CITY OF PORTERVILLE**  
**Certificates of Participation**  
**(2015 Refinancing Project)**  
**Final Numbers 5/12/15, Revised 5/22/15**

Par Amount	\$22,650,000.00
Plus: Premium	<u>\$787,314.00</u>
Purchase Price	<u>\$23,437,314.00</u>
Plus: Released 2002 Reserve Fund	<u>559,273.55</u>
Total Sources	<u><u>\$23,996,587.55</u></u>

Deposit to 2002 Escrow Fund	[1]	\$2,126,330.00
Prepayment of 2013 Lease		21,208,516.27
Deposit to Delivery Costs Fund	[2]	661,741.28
Total Uses		<u><u>\$23,996,587.55</u></u>

Application of Proceeds and Other Moneys		
Proceeds	2002 Reserve	Total
1,567,056.45	559,273.55	2,126,330.00
21,208,516.27	0.00	21,208,516.27
661,741.28	0.00	661,741.28
23,437,314.00	559,273.55	23,996,587.55

[1] Initially to be held in cash but Treasuries will be purchased by the Escrow Bank after closing.

[2] Includes AGM policy premium of \$54,383.25 and AGM reserve policy premium of \$22,480.58.

Dated Date is June 18, 2015  
Sale Date is June 3, 2015  
Closing Date is June 18, 2015  
Purchaser is Capital One Public Funding, LLC

Arbitrage yield is 3.5115%  
TIC is 3.5115%  
NIC is 3.5763%  
Weighted average maturity is 11.822535 years  
Remaining weighted average maturity of 2002 COPs advance refunding) is 1.865898 years  
Remaining weighted average maturity of 2013 Lease current refunding) is 11.286229 years

Prepared by Brian D. Quint, *Quint & Thinning LLP*