

**KERMAN CITY COUNCIL
COUNCIL MEETING**

**October 01, 2008 – Regular Meeting
6:30 PM**

AGENDA

**Community Teen Center
15101 Kearney Plaza
Kerman, CA 93630**

City Council: Mayor Trinidad Rodriguez, Richard Stockwell, Raj Dhaliwal, Jack Sidhu, Charlie Jones

Council meetings are intended to be accessible to all persons. Please let us know if you require any accommodation to allow you to access and participate in this meeting. For assistance, please call (559) 846-9380 two days prior to the meeting.

Materials related to an item on this agenda that are public documents and are submitted after distribution and posting of the agenda are available for public inspection in the City Clerk's office at 942 South Madera Avenue, Kerman, during normal business hours. Documents that are public documents provided by others during a meeting will be available at the same location during business hours after the meeting.

Present:

Absent:

Also Present:

WELCOME - Mayor Trinidad M. Rodriguez

CALL TO ORDER

ROLL CALL - City Clerk Renee Holdcroft

INVOCATION - As Offered

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

PLEDGE OF ALLEGIANCE – City Clerk

1. AGENDA APPROVAL

2. PRESENTATIONS/COMMENDATIONS

2.A Kerman Sikh Youth Association (KSYA) - Presentation Regarding Cultural Classes - KSYA Program Organizer Davinder Sidhu will provide Council with an update and list of activities.[RM]

The Kerman Sikh Youth Association will provide a PowerPoint presentation

- Approximately four elected students from KSYA will be presenting information. The high school students are being taught civic leadership and how to implement a democratic process and serve community needs.*

- KSYA offers Punjabi language and Sikh values class one a week every Sunday. We serve approximately 80 students.*

- *The students will provide an overview of tasks accomplished by KSYA leadership last year and goals for this year. Specifically, the students will share projects and activities.*

Recommendation: Council ask questions about the program

REQUEST TO ADDRESS COUNCIL

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

3. PUBLIC HEARINGS / PUBLIC MEETING – 6:30 p.m.

4. CONSENT CALENDAR (Items that are not pulled from the Consent Calendar are approved by a single motion.)

4.A Approval of Minutes:

September 17, 2008 Minutes

4.B Payroll Report:

Payroll Report: August 07, 2008 - September 20, 2008: \$116,406.68; Overtime: \$14,026.93; Standby & FTO: \$940.52; Retro Pay: \$80.77; Comp Time Earned: 33.75

4.C Warrants:

Warrant Nos. 26947 - 27060 - \$560,496.05

4.D Resolution: Accepting Real Property on Behalf of the Public from the Giacolini Family for Community Park. [GH]

Earl and Janice Giacolini have generously donated 15.6 acres of land at the northeast corner of California and Goldenrod Avenues for a community park. A Phase I Environmental Assessment was prepared for the property and no evidence of recognized environmental conditions was found. A policy of title insurance will be obtained for the property. The City Council must accept the real property on behalf of the public in order for the deed to be recorded.

Recommendation: City Council adopt the attached resolution accepting the real property on behalf of the public.

5. PETITIONS, BIDS, RESOLUTIONS, ORDINANCES, AGREEMENTS, ETC

5.A Resolution: Award of Bid for ADA Curb Ramp Project (Community Development Block Grant Funding) [GH]

The City receives annual allocations of Community Development Block Grant (CDBG) funds to make improvements in the City. This year, the allocation is \$118,082, and the City has decided to replace sub-standard curb return ramps in the area of the City bounded by Madera Avenue, California Avenue, First Street and Kearney Blvd. A total of 50 ramps will be replaced or newly constructed. In addition, portions of damaged curb, gutter and sidewalk on the east side of Madera Avenue between C Street and D Street will be replaced as part of the City's annual sidewalk repair program.

Bids were received from 13 contractors with the low bid coming from Berkeley Cement, Inc. for \$127,239.90. The Engineer's estimate was \$126,800.00.

In addition we have been notified By Fresno County Community Development staff (local CDBG administrators) that we should be allocated an addition 410,000 plus dollars this year. Since we have more sub-standard curbs that the 50 referenced above; the City Manger is requesting that Council authorize receiving and expending these "additional" CDBG funds on sub-standard curbs in the same general location (southwest section of City)

Recommendation: We recommend that the Council adopt the Resolution Accepting the Bid from Berkeley Cement, Inc. for \$127,239.90 and authorize the City Manager to sign the Agreement and authorize the anticipated additional CDBG funds for a contract change and/or change order.

5.B Resolution: Authorization for Execution of Financial Assistance Application with the State Water Resources Control Board for Waste Water Treatment Plant Expansion [KM]

The City Council previously passed an authorization resolution (08-49) for the Waste Water Treatment Plant (WWTP) expansion SRF loan application. The State Water Board has asked that we change the language in the resolution we previously passed to reflect the term "Financing Agreement" in place of "Loan". At the suggestion of the Water Board, we are also increasing the maximum amount of the agreement from \$5,585,000 to \$9,500,000 in case the low bid for the job comes in over the engineers estimate or changes need to be made during construction. We will only borrow what is needed to complete the project.

In addition, the ability to secure addition funds may also be beneficial if we are able to move forward on Solar Power initiatives by the San Joaquin Valley Power Authority (City Manger, Ron Manfredi is President). The expanded WWTP area may be ideal for this.

Note: any additional expenditure beyond the initial \$5,585,000 estimate must be reviewed and authorized by Council

Recommendation: City Council adopt revised Resolution 08-49 with the changes.

5.C Resolution: Approving an Agricultural Lease of 15.2 Acres of Temporarily Surplus Park Lands [RM]

This agreement addresses the 15.2 acres of plums that Earl & Janice Giacolini donated to the City. The property is east of the intersection of Goldenrod & California. The Lessee is E & R Ranch (Earl Giacolini & Roland Nale). This section of a larger plum orchard has 6 to 8 years of remaining productivity. The property is in the process of withdrawal from the Williamson Act and has 6 yrs and few months remaining.

The terms of the agreement are:

- 1. Initial three yr. agreement (2008 to 2011) \$500/acre lease fee due by Dec. 31 of each year beginning Dec. 31, 2008.*
- 2. All liability, production, insurance is the responsibility of with the Lessee.*
- 3. Lessee will pay all FID water assessment fees*
- 4. Lessor (City) will pay property/possessory taxes if applicable.*
- 5. Option, per agreement of both parties, to extend agreement, three additional years (2011 to 2014) @ \$530/acre*

The property has clearer Phase One environmental review and title review.

Recommendation: City Council adopt the Resolution Approving an Agricultural Lease of 15.52 Acres of Temporarily Surplus Park Lands.

5.D Resolution: Approving Agreement for Option to Purchase Between the City of Kerman and Jack E. Wagenleitner, Jean Wagenleitner, and Alene Hamilton. [RM]

This Agreement is between Jack E. Wagenleitner and Jean Wagenleitner, and Alene Hamilton as Trustees of the Testamentary Trust created by the Will of Edward Wagenleitner, deceased (“Seller”) and the City of Kerman, a public agency. The property is Farm Property and contains two parcels of 25.25 & 22.12 acres. The almond orchard is considered by the owner as non-productive and the plan is to convert to an annual crop in the very near future. The property is within the City limits and is zoned for industrial use. The City is exploring grants for off-site infrastructure improvements to make the parcel shovel-ready for development. Our objective is to situate the property similar to the Commerce Way properties in a manner that a business could easily locate without the burden of the tremendous costs associated with off-site infrastructure improvements.

The Resolution has an Agreement for Option to Purchase (Attachment 1) with three (3) separate exhibits (A-C)

Attachment 1 Option to Purchase

The City of Kerman will hold an exclusive option to purchase real property. Specifically:

**The Purchaser or Purchaser’s nominee shall have an exclusive option to purchase all or a part of the Option Property as hereafter set out at any time within 10 years of the execution of this Agreement, provided however, that the option shall expire on December 31, 2018.*

**The purchase price for Option Property shall be at the rate of \$32,000.00 Dollars per acre through December 31, 2009. On January 1, 2010, the purchase price shall increase*

by 3%, and the purchase price shall increase by another 3% on January 1, 2013, and shall increase by another increase of 3% on January 1, 2016.

- Exhibit A: Legal Description - as prepared by the City Engineer

- Exhibit B: Purchase and Sale Agreement

**This is the document that will control the final purchase between the current property owner (Wagenleitner/Hamilton) and the future buyer designated by the City (business/developer). The City will transfer its Assignment to this buyer/business developer (at this time unknown). It is important to note that the assignment to purchase will only be transferred if the potential buyer can demonstrate the ability to develop the property into an appropriate industrial use.*

- Exhibit C: Assignment Agreement

**Assignor (City) hereby assigns to Assignee its rights and obligations pursuant to the Option Agreement, but only as such rights and obligations affect the Real Property, that is, Parcel _____ as described in the Option Agreement, consisting of approximately _____ acres located west of Madera Avenue south of Commerce Way in the City of Kerman, California, subject to the terms and conditions of this Assignment.*

The Real Property subject to this Assignment is intended as a site for new businesses or other economic development for the benefit of the City of Kerman. The property may be sold/in increments of 5 acres or more.

- Notary acknowledgements.

Recommendation: Council adopts Resolution Approving Agreement for Option to Purchase between the City of Kerman and Jack E. Wagenleitner, Jean Wagenleitner, and Alene Hamilton.

6. WRITTEN COMMUNICATIONS

7. ADMINISTRATIVE REPORTS

7.A COPS/SLESF Expenditure Plan for 2008/2009 - FY 2008/09 Budget Amendment (SLESF Grant Budget (10.0 3061)) [TLP]

At the time the City of Kerman 2008/2009 Budget was approved, it was not known if the State of California would be funding the COPS/SLESF Program. It has now been confirmed that this program will be funded in 2008/2009. The deadline to submit our SLESF Expenditure Plan for 2008/2009 is today (October 1, 2008). Therefore, we are presenting the SLESF Grant Budget (10.0 3061) for Council to review and approve. The \$100,000 minimum grant amount is the amount that Kerman should receive from the State. This will fund the salaries and benefits for one full-time uniformed officer and a portion of one CSO. A copy of the proposed amended budgets for SLESF Grant (10.0 3061) and Police Operations (10.0 3011) is included in the Council Packet, for Council to review.

Recommendation: Council approve the 2008/2009 City of Kerman SLESF Expenditure Plan, as presented on the amended page 19 of the City of Kerman 2008/2009 Budget, with \$68,060 budgeted for Salaries and \$31,940 budgeted for Fringe Benefits.

7.B Update - General Plan Sphere of Influence Expansion - Tax Sharing Agreement with Fresno County [RM]

After several months of discussion with Fresno County staff, our request to expand the City's Sphere of Influence (SOI) per the direction of our approved General Plan was presented to the Board of Supervisors (Tuesday, Sept. 23rd) by City Manager Ron Manfredi and Director of Planning & Development Luis Patlan. Per County Staff recommendation with Council approval we ultimately agreed to an "intermediate" SOI boundary that contains a total of 786 acres compared to the 2,956 acres contained in SOI boundary adopted in our General Plan. In a nutshell, the BOS approved (5-0) the much-reduced Intermediate Kerman SOI Expansion, conditional to the City agreeing to a new Tax Sharing MOU.

After several months of negotiating with the County (almost entirely regarding the size of the SOI and the theoretical preservation of ag land) the Board of Supervisors made a 180-degree shift and basically only addressed their monetary concerns. County staff was also caught off guard as this was a complete reversal of the County's concerns.

The Board's basic position is that as cities expand:

- 1. The County losses revenue. This is untrue in Kerman's case because we never annex property that generates sales or much property tax. In fact we create revenue for the County by improving the property thus increasing value and property tax for the County. Also we frequently clean up property messes which the County has allowed to occur.*
- 2. The County price tag for services increases with increased population. This is also a dubious claim, especially considering the type of growth in Kerman. My premise is that the growth in Kerman has essentially helped create wealth in Fresno County.*

SUMMARY/ANALYSIS

- 1. This is a political decision.*
- 2. As long as the City follows procedural time lines, we can still go to LAFCO with our case and rely on their judgment/wisdom.*
- 3. It appears that we have a more than 50/50 chance with LAFCO. But would we win this battle and lose the war - i.e. the first annexation that comes up?*
- 4. The problem with renegotiating the Tax Sharing MOU is:*
 - Kerman goes it alone and is the first City in.*
 - We may also face the same problem within a few years because of the limited, Intermediate" SOI Expansion. We would be back before the County in another 5 to 7 yrs. and they could "blackmail" us again. Therefore, if we agree to*

A new tax-sharing agreement, we need to go back and get the full, original 2027 SOI Boundaries approved.

· Or, we could wait another year as the County attempts to bring all the cities into a new Tax Sharing Agreement. Remember, it took the County over two years to approve and implement Facilities Impact Fees

This matter is scheduled for closed session as we review if Fresno County has violated the current Tax Sharing Agreement (attached).

Recommendation: Council Direction

7.C Rescheduling City Council/KUSD Joint Annual Meeting Previously Set for October 22, 2008 [RH]

The new Superintendent of Schools is scheduled to begin the position on October 20, 2008. Interim Superintendent Debie Wood is requesting that the October 22nd meeting be rescheduled to either October 29th or November 12th (preferred by Administration). This will allow the new Superintendent time to get his new office in order.

By our meeting date, Oct. 1st, KUSD will have a recommended date back to the City

Recommendation: Council determine if the new date accepted by KUSD works for City Council/KUSD Joint Annual Meeting.

8. COUNCIL REPORTS

8.A Mayor's Report

8.B Council Members' Reports

COUNCIL ADJOURN INTO CLOSED SESSION

9. CLOSED SESSION

- 9.A Government Code 54956.9(c)- Conference with Legal Counsel on Anticipated Litigation: Council Determining Whether to Initiate Litigation; one Potential Case.**
- 9.B Government Code 54956.8. Discussion Regarding Property Negotiations: Park Site; Agency Negotiator: City Manager; Negotiating Parties: Parties requested Confidentiality; Under Negotiation: Purchase of Land for Park Property**
- 9.C Government Code 54956.8. Discussion Regarding Property Negotiations; Agency Negotiator: City Manager; Negotiating Parties: Parties Requested Confidentiality; Under Negotiation: Agricultural Lease of 15.52 Acres of Temporarily Surplus Park Lands**

- 9.D Conference With Labor Negotiators: Employee Mid-Management and Miscellaneous Representatives**
- 9.E Government Code Section 54956.9(b) - Conference with Legal Counsel - Anticipated Litigation - 2 Potential Cases (Mr. Lopez and Fresno County)**
- 9.F Government Code 54956.8, Conference with Real Property Negotiator; Property: Portion of NE Quarter, Section 18, Township 14 South, Range 18 East, 1 acre, more or less, adjacent to San Joaquin Valley RR Right-of-way. Negotiating Parties: City Manager Ron Manfredi for City and Josephine H McClain and others for Property Owner. Under Negotiation: Price and Terms.**

COUNCIL RECONVENE FROM CLOSED SESSION

10. ADJOURNMENT

AGENDA POSTING CERTIFICATION

I, L. RENEE HOLDCROFT, City Clerk for the City of Kerman, do hereby declare under penalty of perjury that on the date affixed below I caused this document to be posted at Kerman City Hall, 942 So. Madera Avenue, and at Kerman Community/Teen Center, 15101 Kearney Plaza, Kerman CA.

Date: _____

L. Renee Holdcroft
City Clerk

KERMAN CITY COUNCIL

MINUTES

COUNCIL MEETING

Community Teen Center

September 17, 2008– Regular Meeting

15101 Kearney Plaza

6:30 PM

Kerman, CA 93630

City Council: Mayor Trinidad Rodriguez, Richard Stockwell, Raj Dhaliwal, Jack Sidhu, Charlie Jones

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Present: Mayor Rodriguez, Council Members Dhaliwal, Jones, Sidhu, Stockwell	
Absent: None	
Also Present: City Manager, City Attorney, City Clerk, City Engineer, Director of Planning and Development Services, Public Works Director, Police Chief, and Parks and Recreation Director.	
WELCOME - Mayor Trinidad M. Rodriguez	
CALL TO ORDER	
	6:30 p.m.
ROLL CALL - City Clerk Renee Holdcroft	
INVOCATION - As Offered	
PLEDGE OF ALLEGIANCE – City Clerk	
1. AGENDA APPROVAL	Approved: CJ/RS (5-0)
2. PRESENTATIONS/COMMENDATIONS	
2.A Council Update: Mid Valley Disposal Vice President & Operations Manager Joesph Kalpakoff will update Council regarding the transition of Refuse Services (garbage, recycling, green waste) to Mid Valley Disposal. [RM]	Council accepted the update report.
Recommendation: Council accept update report and ask questions.	
2.B PG&E C3 ET (Central California Clean Energy Transmission Project) Kerman Area (Al Galvez, PG&E Governmental Affairs Representative) [RM]	
Mr. Galvez explained that two routes through the valley were under consideration. An easterly route along the edge of the foothills and a westerly route. Regarding the western route he noted PGE would be abandoning the Lassen Avenue route option. One option, Yuba Avenue,	

<p>might be their preferred route; and if not Yuba, possibly Humboldt. These locations are further from Kerman and therefore might be more satisfactory as far as Kerman citizens are concerned.</p> <p>Mr. Galvez warned that PGE was doing this as a study and recommendation and that the final decision rested with the California Public Utility Commission. However, per Mr. Galvez, PGE's position is committed to recommending the Yuba or Humboldt route but that the discussion is not necessarily over because the PUC will select the final route.</p> <p>Council listened to the presentation and consensus was to wait and see what the PUC decision will be.</p>	
<p><u>Recommendation:</u> The Council should vigorously oppose any C3TE route which considers a Lassen/Modoc Avenues route. The Council should ask PG&E to clarify this ambiguous map (slide 5) and demand a specific response regarding the alignment. If the preferred western route is the more westerly Humboldt/Plumas alignment, the Council should probably take a neutral stand.</p>	
<p>REQUEST TO ADDRESS COUNCIL</p>	
<p>3. PUBLIC HEARINGS / PUBLIC MEETING – 6:30 p.m.</p>	None
<p>COUNCIL RECESSED TO REDEVELOPMENT AGENCY (RDA) MEETING</p>	6:59 pm
<p>RDA RECESSED RDA MEETING TO PUBLIC FINANCE AUTHORITY (PFA) MEETING</p>	7:03 pm
<p>PFA RECESSED THE PFA MEETING TO THE CITY COUNCIL MEETING</p>	7:05 pm
<p>COUNCIL RECONVENED AS CITY COUNCIL</p>	7:05 pm
<p>4. CONSENT CALENDAR (Items that are not pulled from the Consent Calendar are approved by a single motion.)</p>	Approved: CJ/JS (5-0)
<p>4.A Approval of Minutes:</p>	
<p>Minutes: September 3, 2008</p>	
<p>4.B Payroll Report:</p>	
<p>Payroll Report: August 24, 2008 - September 06, 2008: \$115,418.75; Overtime: \$6,927.66; Standby & FTO: \$882.97; Uniform Pay: \$5,225.00; Comp Time Earned: 18.00</p>	
<p>4.C Warrants:</p>	
<p>Warrant Nos. 26845 - 26946 \$421,763.29</p>	

<p>4.D Resolution: Amending the City of Kerman Conflict of Interest Code [LRH]</p>	
<p><u>Recommendation:</u> That Council adopt the attached Resolution amending the City of Kerman Conflict of Interest Code as noted in Appendix A and authorize the City Clerk to provide notice of the Council's review and approval of the Conflict of Interest Code and its amendments to the Federal Political Practices Commission.</p>	
<p>4.E Resolution: Amending the Redevelopment Agency Conflict of Interest Code [RH]</p>	
<p><u>Recommendation:</u> Council adopt a resolution approving the RDA Conflict of Interest Code Appendix A amendments, and authorize the City Clerk to provide notice of the Council's review of the Code and the amendments approved therein to the Federal Political Practices Commission.</p>	
<p>4.F Resolution: Amending the Public Finance Authority Conflict of Interest Code [RH]</p>	
<p><u>Recommendation:</u> Council adopt a resolution approving the PFA Conflict of Interest Code Appendix A amendments, and authorize the City Clerk to provide notice of the Council's review of the Code and the amendments approved therein to the Federal Political Practices Commission.</p>	
<p>5. PETITIONS, BIDS, RESOLUTIONS, ORDINANCES, AGREEMENTS, ETC</p>	None
<p>6. WRITTEN COMMUNICATIONS</p>	None
<p>7. ADMINISTRATIVE REPORTS</p>	
<p>7.A Fresno County Facilities Impact Fees - Fresno County Charging Development Fees Within City of Kerman [RM]</p>	Informational Only
<p><u>Recommendation:</u> Council informational only.</p>	
<p>8. COUNCIL REPORTS</p>	
<p>8.A Mayor's Report</p>	
<p>1. City Council/KUSD Joint Annual Meeting: October 22, 2008 - Community Teen Center, 6:30 p.m.</p>	
<p>2. Harvest Festival and Parade - Follow-up</p>	

8.B Council Members' Reports	
COUNCIL ADJOURN INTO CLOSED SESSION	
9. CLOSED SESSION (To discuss Items All items)	8:20 pm
9.A Government Code 54956.8. Discussion Regarding Property Negotiations; Agency Negotiator: City Manager; Negotiating Parties: Parties requested Confidentiality; Under Negotiation: Agricultural Lease of 15.52 Acres of temporarily Surplus Park Lands	
9.B Conference With Labor Negotiators: Employee Mid-Management and Miscellaneous Representatives	
9.C Government Code Section 54956.9(b) - Conference with Legal Counsel - Anticipated Litigation - 2 Potential Cases	
9.D Government Code 54956.8, Conference with Real Property Negotiator; Property: Portion of NE Quarter, Section 18, Township 14 South, Range 18 East, 1 acre, more or less, adjacent to San Joaquin Valley RR Right-of-way. Negotiating Parties: City Manager Ron Manfredi for City and Josephine H McClain and others for Property Owner. Under Negotiation: Price and Terms.	
9.E Government Code 54956.8. Discussion Regarding Property Negotiations: Park Site; Agency Negotiator: City Manager; Negotiating Parties: Parties requested Confidentiality; Under Negotiation: Purchase of Land for Park Property	
COUNCIL RECONVENE FROM CLOSED SESSION	
9.C Government Code Section 54956.9(b) - Conference with Legal Counsel - Anticipated Litigation - 2 Potential Cases One of the Items under 9.C was a claim by Dreams Recycling. After Closed Session discussion Council unanimously moved to bring item into Open Session and then rejected the claim.	Rejection of Claim: CJ/RS (5-0)
10. ADJOURNMENT	

AGENDA POSTING CERTIFICATION

I, L. RENEE HOLDCROFT, City Clerk for the City of Kerman, do hereby declare under penalty of perjury that on the date affixed below I caused this document to be posted at Kerman City Hall, 942 So. Madera Avenue, and at Kerman Community/Teen Center, 15101 Kearney Plaza, Kerman Ca.

Date: _____

L. Renee Holdcroft, City Clerk

CITY OF KERMAN PAYROLL REPORT **AGENDA ITEM 4.B.1**

PAY PERIOD: August 07, 2008 - September 20, 2008

EMPLOYEE	SALARY	RETRO PAY	OVER TIME		STANDBY & FTO		GROSS SALARY	COMP TIME EARNED
			HOURS	AMOUNT	HOURS	AMOUNT		
<u>ADMINISTRATION</u>								
2 Manfredi, Ron	\$ 5,065.38	\$ -	-	\$ -	-	\$ -	\$ 5,065.38	
15 Gonzales, Diana	\$ 1,747.85	\$ -	-	\$ -	-	\$ -	\$ 1,747.85	
87 Madruga, Lydia	\$ 1,918.62	\$ -	-	\$ -	-	\$ -	\$ 1,918.62	
299 Przybyla, Tim	\$ 3,194.31	\$ -	-	\$ -	-	\$ -	\$ 3,194.31	
332 Alvarez, Josefina	\$ 1,190.31	\$ -	-	\$ -	-	\$ -	\$ 1,190.31	
350 Jones, Toni	\$ 2,352.46	\$ -	-	\$ -	-	\$ -	\$ 2,352.46	
359 Holdcroft, Renee	\$ 2,697.69	\$ -	-	\$ -	-	\$ -	\$ 2,697.69	
375 Reyes, Marcia	\$ 535.42	\$ -	-	\$ -	-	\$ -	\$ 535.42	
396 Ramirez, Casandra	\$ 454.73	\$ -	-	\$ -	-	\$ -	\$ 454.73	
TOTAL	\$ 19,156.77	\$ -	-	\$ -	-	\$ -	\$ 19,156.77	0.00
<u>REC/SOCIAL</u>								
11 Gallegos, Philip	\$ 3,136.62	\$ -	-	\$ -	-	\$ -	\$ 3,136.62	
35 Arredondo, Barbara	\$ 1,399.38	\$ -	-	\$ -	-	\$ -	\$ 1,399.38	
76 Wright, Judy	\$ 1,365.23	\$ -	-	\$ -	-	\$ -	\$ 1,365.23	
97 Gonzalez, Jose Felix	\$ 1,475.54	\$ -	-	\$ -	-	\$ -	\$ 1,475.54	
233 Moore, Nancy	\$ 1,812.46	\$ -	-	\$ -	-	\$ -	\$ 1,812.46	
237 Salvador, Mark	\$ 1,602.00	\$ -	-	\$ -	-	\$ -	\$ 1,602.00	
357 Hammrch, Tanya	\$ 1,452.92	\$ -	-	\$ -	-	\$ -	\$ 1,452.92	
361 Lujan, Vanessa	\$ 446.25	\$ -	-	\$ -	-	\$ -	\$ 446.25	
270 Zepeda, Adriana	\$ 367.50	\$ -	-	\$ -	-	\$ -	\$ 367.50	
292 Silva, Jessica	\$ 490.25	\$ -	-	\$ -	-	\$ -	\$ 490.25	
347 Quintana, Pedro	\$ 346.50	\$ -	-	\$ -	-	\$ -	\$ 346.50	
352 Gaytan, Salvador III	\$ 148.00	\$ -	-	\$ -	-	\$ -	\$ 148.00	
415 Calderon, Yvonne	\$ 283.50	\$ -	-	\$ -	-	\$ -	\$ 283.50	
TOTAL	\$ 14,326.15	\$ -	\$ -	\$ -	-	\$ -	\$ 14,326.15	0.00
<u>POLICE</u>								
29 Rodrigues, Mary	\$ 1,691.08	\$ -	-	\$ -	-	\$ -	\$ 1,691.08	
59 Madruga, Ron	\$ 2,715.23	\$ 80.77	9.00	\$ 458.20	-	\$ -	\$ 3,254.20	
69 Chapman, Tom	\$ 2,167.85	\$ -	-	\$ -	-	\$ -	\$ 2,167.85	
73 Collins, Kirk	\$ 2,796.46	\$ -	6.00	\$ 314.60	-	\$ -	\$ 3,111.06	
74 Newton, William	\$ 3,951.23	\$ -	-	\$ -	-	\$ -	\$ 3,951.23	
101 Cubillos, Teresa	\$ 2,221.85	\$ -	-	\$ -	-	\$ -	\$ 2,221.85	3
245 Barbosa, Isaias	\$ 2,064.46	\$ -	9.50	\$ 367.73	-	\$ -	\$ 2,432.19	
278 Deo, Gurdeep	\$ 2,180.31	\$ -	34.50	\$ 1,410.39	-	\$ -	\$ 3,590.69	
291 Ramirez, Donald	\$ 1,610.77	\$ -	35.00	\$ 1,157.74	-	\$ -	\$ 2,768.51	
296 Mendoza, Sandra	\$ 1,658.31	\$ -	-	\$ -	-	\$ -	\$ 1,658.31	
307 Gaxiola, Ronald	\$ 1,872.46	\$ -	26.00	\$ 912.83	-	\$ -	\$ 2,785.29	
334 Shwetzter, Kristofer	\$ 1,872.46	\$ -	23.50	\$ 825.05	-	\$ -	\$ 2,697.51	
343 Davis, Jeff	\$ 2,232.92	\$ -	45.00	\$ 1,577.00	101.50	\$ 70.83	\$ 3,880.75	
344 Ocegueda, Frank	\$ 255.00	\$ -	-	\$ -	-	\$ -	\$ 255.00	
354 Lee Ness	\$ 1,818.92	\$ -	20.00	\$ 682.10	-	\$ -	\$ 2,501.02	
363 Wilbert Barcoma	\$ 1,836.92	\$ -	13.00	\$ 447.75	-	\$ -	\$ 2,284.67	
369 Joseph Ramer	\$ 880.00	\$ -	23.00	\$ 407.00	-	\$ -	\$ 1,287.00	
380 Scott Armstrong	\$ 327.50	\$ -	-	\$ -	-	\$ -	\$ 327.50	
402 James W Nevis	\$ 2,005.38	\$ -	28.00	\$ 1,052.83	-	\$ -	\$ 3,058.21	
412 Neill Schmidt	\$ 1,617.69	\$ -	33.50	\$ 1,016.11	-	\$ -	\$ 2,633.81	
413 Peter Magallon	\$ 1,658.31	\$ -	27.50	\$ 855.06	-	\$ -	\$ 2,513.37	
425 Jeff Belding	\$ 1,617.69	\$ -	-	\$ -	-	\$ -	\$ 1,617.69	30.75
TOTAL:	\$ 41,052.80	\$ 80.77	333.50	\$ 11,484.39	101.50	\$ 70.83	\$ 52,688.79	33.75

CITY OF KERMAN PAYROLL REPORT AGENDA ITEM 4.B.1

PAY PERIOD: August 07, 2008 - September 20, 2008

EMPLOYEE	SALARY	RETRO PAY	OVER TIME		STANDBY & FTO		GROSS SALARY	COMP TIME EARNED
			HOURS	AMOUNT	HOURS	AMOUNT		
<u>PUBLIC WORKS</u>								
8 Gonzales, Ruben	\$ 1,842.92	\$ -	5.00	\$ 201.57	-	\$ -	\$ 2,044.49	
20 Rodriguez, Joe	\$ 1,798.15	\$ -	8.50	\$ 309.06	-	\$ -	\$ 2,107.21	
25 Prieto, Ruben	\$ 1,615.38	\$ -	9.00	\$ 297.84	-	\$ -	\$ 1,913.22	
26 Gruce, Robert	\$ 2,382.00	\$ -	-	\$ -	-	\$ -	\$ 2,382.00	
27 Hearld, Douglas	\$ 2,448.46	\$ -	-	\$ -	-	\$ -	\$ 2,448.46	
134 Ramirez, Manuel	\$ 1,613.08	\$ -	13.50	\$ 438.56	3.75	\$ 75.61	\$ 2,127.25	
172 Chavez, Fernando M.	\$ 1,707.69	\$ -	1.00	\$ 32.02	18.00	\$384.23	\$ 2,123.94	
290 Gastelum, Humberto	\$ 1,596.46	\$ -	8.00	\$ 289.36	8.25	\$164.64	\$ 2,050.46	
298 Barajas, Michael	\$ 1,560.49	\$ -	2.00	\$ 72.16	-	\$ -	\$ 1,632.65	
330 Gamez, Jesus	\$ 1,499.08	\$ -	-	\$ -	1.50	\$ 28.11	\$ 1,527.18	
349 Sidhu, Nirmal	\$ 1,246.15	\$ -	1.00	\$ 23.37	1.50	\$ 23.37	\$ 1,292.88	
405 Hodges, Thomas	\$ 1,130.31	\$ -	8.00	\$ 183.68	-	\$ -	\$ 1,313.98	
378 Sanchez, Daniel	\$ 1,186.62	\$ -	8.50	\$ 203.95	-	\$ -	\$ 1,390.56	
389 Moore, Ken	\$ 3,329.08	\$ -	-	\$ -	-	\$ -	\$ 3,329.08	
329 Arechiga, Pastor	\$ 1,246.15	\$ -	8.50	\$ 214.18	-	\$ -	\$ 1,460.34	
418 Medeiros, Cheryl	\$ 1,480.15	\$ -	-	\$ -	-	\$ -	\$ 1,480.15	
TOTAL	\$ 27,682.19	\$ -	73.00	\$ 2,265.73	33.00	\$675.95	\$ 30,623.87	
<u>PLANNING</u>								
37 Pimentel, Olivia	\$ 2,012.77	\$ -	-	\$ -	-	\$ -	\$ 2,012.77	
234 Kufis, Chris	\$ 1,850.31	\$ -	-	\$ -	-	\$ -	\$ 1,850.31	
322 Castro, Joseph	\$ 1,446.46	\$ -	7.00	\$ 207.93	-	\$ -	\$ 1,654.39	
326 Fonseca, Monica	\$ 1,187.08	\$ -	-	\$ -	-	\$ -	\$ 1,187.08	
358 Cox, Kent	\$ 2,225.54	\$ -	-	\$ -	-	\$ -	\$ 2,225.54	
379 Zapata, Domingo	\$ 1,377.69	\$ -	2.00	\$ 68.88	11.25	\$193.74	\$ 1,640.31	
414 Patlan, Luis	\$ 3,588.92	\$ -	-	\$ -	-	\$ -	\$ 3,588.92	
TOTAL	\$ 13,688.77	\$ -	9.00	\$ 276.81	11.25	\$193.74	\$ 14,159.32	0.00
<u>PLANNING</u>			<u>COUNCIL</u>					
Arabian, M	\$ -			Rodriguez		\$ 100.00		
Epperson, R	\$ -			Stockwell		\$ 100.00		
Felker, R	\$ -			Dhaliwal		\$ 100.00		
Haist, M	\$ -			Sidhu		\$ 100.00		
Nehring, K	\$ -			Jones		\$ 100.00		
Garcia, L	\$ -							
Lopez, Michael	\$ -							
Total	\$ -			Total		\$ 500.00		
GRAND TOTAL:	\$116,406.68	\$80.77	415.50	\$14,026.93	145.75	\$940.52	\$131,454.90	33.75

Run date: 09/24/2008 @ 08:12
 Bus date: 09/24/2008

City of Kerman
 Check - Complete Detail

CITIBANK AP

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	Invoice number	PO number
26947- 1389	1	9/16/2008	1020 AFLAC			
	1		36020 *C VOLUNTARY INS OCT 08	341.20	747829	
26947- 1389	1	9/16/2008	Logged	*** Total ***	341.20	
26948- 1389	2	9/16/2008	960 AL'S AUTOWORKS			
	2		35990 KPD VEH #1379 PARTS/LABOR	365.69	082808	
26948- 1389	2	9/16/2008	Logged	*** Total ***	365.69	
26949- 1389	3	9/16/2008	1031 ALERT O LITE			
	3		36015 HANDICAP PARKING SIGN	61.52	0357463-IN	
26949- 1389	3	9/16/2008	Logged	*** Total ***	61.52	
26950- 1389	4	9/16/2008	1058 AMERIPRIDE UNIFORM SERVICES			
	4		35989 MISC SUPPLIES/UNIFORMS	2,092.45	08/31/08	
26950- 1389	4	9/16/2008	Logged	*** Total ***	2,092.45	
26951- 1389	5	9/16/2008	1075 ARCO BUSINESS SOLUTIONS			
	5		36008 FUEL 8/16/08 - 8/30/08	4,679.00	09/03/08	
26951- 1389	5	9/16/2008	Logged	*** Total ***	4,679.00	
26952- 1389	6	9/16/2008	2009 BEST UNIFORMS			
	6		36004 2 MEDALS OF MERIT	114.67	756	
26952- 1389	6	9/16/2008	Logged	*** Total ***	114.67	
26953- 1389	7	9/16/2008	2025 BRYANT L JOLLEY			
	7		35983 PROFESSIONAL SERVICES/AUG 2008	1,320.00	AUG 08	
26953- 1389	7	9/16/2008	Logged	*** Total ***	1,320.00	
26954- 1389	8	9/16/2008	2081 BVI CONSTRUCTION, INC			
	8		35961 CITY HALL REMODEL/COUNCIL CHAM	233,640.81	PP #5	
26954- 1389	8	9/16/2008	Logged	*** Total ***	233,640.81	
26955- 1389	9	9/16/2008	3010 CAL WEST RAIN			
	9		35991 TOTALIZER EXT/WATER METER LABO	878.02	0089200-IN	
26955- 1389	9	9/16/2008	Logged	*** Total ***	878.02	
26956- 1389	10	9/16/2008	3219 CALIFORNIA CONSULTING, LLC			
	10		35999 MONTHLY RETAINER AUG 08	1,535.00	AUG 08	
	10		36000 MONTHLY RETAINER SEPT 08	1,703.39	SEPT 08	
26956- 1389	10	9/16/2008	Logged	*** Total ***	3,238.39	
26957- 1389	11	9/16/2008	3236 CEN-CAL CONSTRUCTION			
	11		35966 KERCKHOFF PARK BOOTH REMODEL	4,150.00	8/27/08	
	11		35967 INSTALL EXTERIOR OURLET SCOUT	325.00	8/27/08	
26957- 1389	11	9/16/2008	Logged	*** Total ***	4,475.00	
26958- 1389	12	9/16/2008	3023 CLEANSTREET			
	12		36011 MONTHLY STREET SWEEPING AUG 08	6,493.23	54440	
26958- 1389	12	9/16/2008	Logged	*** Total ***	6,493.23	
26959- 1389	13	9/16/2008	3201 COUNTY OF FRESNO TREASURER			
	13		35997 ENTERPRISE ZONE SVC 08-09	1,636.07	53852	

CITIBANK AP

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	Invoice number	PO number
26959- 1389	13	9/16/2008	Logged *** Total ***	1,636.07		
26960- 1389	14	9/16/2008	4033 DEPARTMENT OF TRANSPORTATION			
	14		35993 TRAFFIC SIGNAL MAINTENANCE	913.53	182006	
26960- 1389	14	9/16/2008	Logged *** Total ***	913.53		
26961- 1389	15	9/16/2008	4053 DIAMOND LOCKSMITHS			
	15		35982 KERCKHOFF PARK BOOTH/KEY LOCKS	414.00	11979	
26961- 1389	15	9/16/2008	Logged *** Total ***	414.00		
26962- 1389	16	9/16/2008	4085 EDC SERVING FRESNO COUNTY			
	16		36001 MEMBERSHIP 08-09 PUBLIC INVEST	6,000.00	3661	
26962- 1389	16	9/16/2008	Logged *** Total ***	6,000.00		
26963- 1389	17	9/16/2008	11062 FEDEX KINKO'S			
	17		35963 24X36 COPIES OF COMMUNITY CALE	9.72	51700027159	
26963- 1389	17	9/16/2008	Logged *** Total ***	9.72		
26964- 1389	18	9/16/2008	6063 FRESNO DISTRIBUTING CO.			
	18		35994 WIRE FITTING/COMM BOOTH/KERCKH	29.48	57075	
26964- 1389	18	9/16/2008	Logged *** Total ***	29.48		
26965- 1389	19	9/16/2008	6070 FRESNO MADERA AREA AGNY ON AGI			
	19		35971 LUNCH SITE SUPPLIES	133.18	09-0006	
26965- 1389	19	9/16/2008	Logged *** Total ***	133.18		
26966- 1389	20	9/16/2008	8005 HELENA CHEMICAL CO			
	20		35995 ROUNDUP	269.94	69408798	
26966- 1389	20	9/16/2008	Logged *** Total ***	269.94		
26967- 1389	21	9/16/2008	10028 HENRY, LOGOLUSO, & BLUM			
	21		36023 LEGAL SERVICES AUG 08	5,612.21	14671-14684	
26967- 1389	21	9/16/2008	Logged *** Total ***	5,612.21		
26968- 1389	22	9/16/2008	11902 JERRY LILES			
	22		36029 CONSULTING SVCS/NEW COUNCIL CH	2,506.88	8/14/08	
26968- 1389	22	9/16/2008	Logged *** Total ***	2,506.88		
26969- 1389	23	9/16/2008	10025 JOHN DEERE LANDSCAPES			
	23		35984 REDUCED PRESSURE 1 1/2 W	321.97	22691651	
	23		35985 REPAIR KITS	72.41	082508	
	23		35986 FIXED/POP UP NOZZLE/BACK FLO E	699.52	22749861	
26969- 1389	23	9/16/2008	Logged *** Total ***	1,093.90		
26970- 1389	24	9/16/2008	23038 JUDY WRIGHT			
	24		35981 REIMB PIE/KANNAMI DINNER	35.96	8/8/08	
26970- 1389	24	9/16/2008	Logged *** Total ***	35.96		
26971- 1389	25	9/16/2008	11027 KERMAN PARTS SALES			
	25		36013 SUPPLIES/PARTS AUG 2008	1,161.42	8/31/08	
26971- 1389	25	9/16/2008	Logged *** Total ***	1,161.42		

CITIBANK AP

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	Invoice number	PO number
26972- 1389	26	9/16/2008	11060 KERMAN UNIFIED SCHOOL DISTRICT			
	26		35960 POOL RENTAL / FY 08-09	11,000.00	FY 08-09	
26972- 1389	26	9/16/2008	Logged	*** Total ***	11,000.00	
26973- 1389	27	9/16/2008	3091 KIRK COLLINS			
	27		36022 REIMBURSEMENT FOR CELL PHONE	73.26	JUL/AUG 08	
26973- 1389	27	9/16/2008	Logged	*** Total ***	73.26	
26974- 1389	28	9/16/2008	12046 LANDSCAPE IMAGES, INC			
	28		35970 MONTHLY LANDSCAPE/CTC/AUG 08	650.00	1113082008	
26974- 1389	28	9/16/2008	Logged	*** Total ***	650.00	
26975- 1389	29	9/16/2008	11970 LIGHTHOUSE ELECTRIC, INC			
	29		35972 COLEMAN FIELD/ BOOSTER PUMP UP	303.22	00000360	
	29		36017 TROUBLESHOOT MOTOR/WWTP	330.00	00000367	
26975- 1389	29	9/16/2008	Logged	*** Total ***	633.22	
26976- 1389	30	9/16/2008	13987 MIGUEL'S TIRES & TOWING			
	30		36014 TIRE DISPOSAL	531.80	8/29/08	
26976- 1389	30	9/16/2008	Logged	*** Total ***	531.80	
26977- 1389	31	9/16/2008	13002 MUNISERVICES, LLC			
	31		35998 SALES TAX REPORTING 1ST QTR 20	500.00	INV-16305	
26977- 1389	31	9/16/2008	Logged	*** Total ***	500.00	
26978- 1389	32	9/16/2008	14046 NATIONAL RECREATION AND PARK A			
	32		35973 ANNUAL MEMBERSHIP/REC & PARKS	135.00	102580	
26978- 1389	32	9/16/2008	Logged	*** Total ***	135.00	
26979- 1389	33	9/16/2008	15000 OFFICE DEPOT			
	33		35968 LEGAL DIVIDERS	13.58	441003807-001	
	33		35969 3 " BINDERS	11.25	441003368-001	
	33		35987 COPY PAPER	88.92	442668056-001	
	33		36005 MISC SUPPLIES/DRUM/PAPER/ADVIL	389.76	442467356-001	
	33		36010 BINDERS/LABELS SAFETY PROGRAM	139.77	441478222-001	
	33		36024 LABELS/SMART STRIP	50.52	443079143-001	
	33		36025 3 RUBBER STAMPS	105.24	43078149-001	
26979- 1389	33	9/16/2008	Logged	*** Total ***	799.04	
26980- 1389	34	9/16/2008	0 OMNI WOMENS HEALTH MEDICAL GRO			
	34		36019 PRE-EMP PHYSICAL - MENDOTA	202.11	19192	
26980- 1389	34	9/16/2008	Logged	*** Total ***	202.11	
26981- 1389	35	9/16/2008	14901 ONTRAC			
	35		36007 PLAN CHECK OVERNIGHT SHIPPING	8.50	6200184	
26981- 1389	35	9/16/2008	Logged	*** Total ***	8.50	
26982- 1389	36	9/16/2008	15023 OVERHEAD DOOR COMPANY OF FRESN			
	36		35976 REPAIR TO VEH ROLL UP DOOR/SR	366.87	37428	
26982- 1389	36	9/16/2008	Logged	*** Total ***	366.87	
26983- 1389	37	9/16/2008	16025 P.G.& E.			

CITIBANK AP

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	Invoice number	PO number
	37		35964 MO SVC 8/8/08-9/5/08 / WELL #1	4,748.28	0984020411	9/08
	37		35996 MO SVC 7/3/08 - 8/28/08	42,041.46	1987076107	8/08
26983- 1389	37	9/16/2008	Logged *** Total ***	46,789.74		
26984- 1389	38	9/16/2008	15039 PACIFICA PIZZA			
	38		35965 YOUTH COMMISSION LUNCH	38.84	8/27/08	
26984- 1389	38	9/16/2008	Logged *** Total ***	38.84		
26985- 1389	39	9/16/2008	16054 PETE'S SPORT SHOP			
	39		35977 SPORTS/JERZEE T SHIRTS	297.44	AAD008158-AD00	
	39		35978 SOFTBALLS	90.51	AAD008166-AD00	
26985- 1389	39	9/16/2008	Logged *** Total ***	387.95		
26986- 1389	40	9/16/2008	16109 PROVOST & PRITCHARD INC.			
	40		36018 SRF LOAN APPLICATION/CONTINUED	2,052.00	25108	
26986- 1389	40	9/16/2008	Logged *** Total ***	2,052.00		
26987- 1389	41	9/16/2008	18027 RENO'S HARDWARE			
	41		36027 PLUMBING PARTS	9.70	11001038742	
	41		36028 ELECTRICAL PARTS	5.86	11001038990	
26987- 1389	41	9/16/2008	Logged *** Total ***	15.56		
26988- 1389	42	9/16/2008	18040 RIVERSIDE LANDSCAPE AND NURSER			
	42		35992 TREES/LODGE POLES/TIES	862.45	64032	
26988- 1389	42	9/16/2008	Logged *** Total ***	862.45		
26989- 1389	43	9/16/2008	19014 SAFETY KLEEN CORP			
	43		35988 SELF RECYCLING PARTS WASHER	136.05	MB02434467	
26989- 1389	43	9/16/2008	Logged *** Total ***	136.05		
26990- 1389	44	9/16/2008	19019 SAN JOAQUIN VALLEY AIR POLLUTI			
	44		36006 KPD GENERATOR PERMIT	222.00	C131249	
26990- 1389	44	9/16/2008	Logged *** Total ***	222.00		
26991- 1389	45	9/16/2008	11010 SEBASTIAN			
	45		35980 FIRE ALARM MONITORING SEPT 08	34.95	18401	
26991- 1389	45	9/16/2008	Logged *** Total ***	34.95		
26992- 1389	46	9/16/2008	19141 SIM ARCHITECTS, INC.			
	46		36002 PROFESSIONAL SVC AUG 2008/CH E	750.54	0005261	
26992- 1389	46	9/16/2008	Logged *** Total ***	750.54		
26993- 1389	47	9/16/2008	19064 SMITH AUTO			
	47		36012 MISC SUPPLIES AUGUST 2008	1,695.27	083108	
26993- 1389	47	9/16/2008	Logged *** Total ***	1,695.27		
26994- 1389	48	9/16/2008	19086 SPORT SUPPLY GROUP YOUTH DIVIS			
	48		35979 SOCCER FIELD SUPPLIES	169.07	92795693	
26994- 1389	48	9/16/2008	Logged *** Total ***	169.07		
26995- 1389	49	9/16/2008	20014 THE HOME DEPOT CREDIT SERVICES			
	49		35959 SUPPLIES/KERCKHOFF PARK	88.78	2011472	

CITIBANK AP

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	Invoice number	PO number
26995- 1389	49	9/16/2008	Logged	*** Total ***	88.78	
26996- 1389	50	9/16/2008	10017 TONI JONES			
	50		36021 MILEAGE REIMB	40.72	69.6 @ .585	
26996- 1389	50	9/16/2008	Logged	*** Total ***	40.72	
26997- 1389	51	9/16/2008	99999 U.S. BANK CORPORATE PAYMENT SY			
	51		36026 8/22/08 INVOICE/ PURCHASES	1,452.07	8/22/08	
26997- 1389	51	9/16/2008	Logged	*** Total ***	1,452.07	
26998- 1389	52	9/16/2008	21002 ULINE SHIPPING SUPPLY SPECIALI			
	52		35903 26" CONVEX MIRROR	85.08	27401559	
26998- 1389	52	9/16/2008	Logged	*** Total ***	85.08	
26999- 1389	53	9/16/2008	22010 VALLEY SANITARY SUPPLY			
	53		35974 AIR FRESHENER/GUM REMOVER/STAI	277.99	131628	
	53		35975 PAPER PRODUCTS/SOAP/GLOVES	2,377.98	131190	
26999- 1389	53	9/16/2008	Logged	*** Total ***	2,655.97	
27000- 1389	54	9/16/2008	23022 WEST HILLS OIL, INC			
	54		36009 DIESEL FUEL	1,184.07	213788	
27000- 1389	54	9/16/2008	Logged	*** Total ***	1,184.07	
27001- 1389	55	9/16/2008	23052 WESTAMERICA BANK			
	55		35962 RETENTION PMT / CITY HALL REMO	25,960.09	PP #5 RETENTION	
27001- 1389	55	9/16/2008	Logged	*** Total ***	25,960.09	
27002- 1389	56	9/16/2008	23009 WESTECH			
	56		36016 SCREENING BRUSHES	1,472.61	34503	
27002- 1389	56	9/16/2008	Logged	*** Total ***	1,472.61	
27003- 1389	57	9/16/2008	23048 WORKINGARTS MARKETING, INC			
	57		36003 WEBSITE HOSTING/UPDATES/MAINT	95.00	1417	
27003- 1389	57	9/16/2008	Logged	*** Total ***	95.00	
27004- 1391	1	9/23/2008	900 105 HOWARD ST, INC			
	1		36109 *C REFUND 1 YR MAINT DEP TR 5	19,400.00	TR 5266	
			*			
27004- 1391	1	9/23/2008	Logged	*** Total ***	19,400.00	
27005- 1391	2	9/23/2008	1038 ADMINISTRATIVE SOLUTIONS, INC			
	2		36040 MEDICAL CLAIMS FUNDING OCT 08	7,500.00	10/01/08	
	2		36041 DENTAL CLAIMS FUNDING/COBRA OC	82.10	10/01/08	
	2		36042 DENTAL CLAIMS FUNDING OCT 08	4,266.81	10/01/08	
	2		36043 MEDICAL PLAN ADMINISTRATION OC	630.00	10/01/08	
27005- 1391	2	9/23/2008	Logged	*** Total ***	12,478.91	
27006- 1391	3	9/23/2008	2016 ALLIED WASTE SERVICES			
	3		36069 AUGUST 1ST 2008 DISPOSAL COSTS	1,792.14	008-08	
27006- 1391	3	9/23/2008	Logged	*** Total ***	1,792.14	
27007- 1391	4	9/23/2008	1072 ARC-FRESNO			

CITIBANK AP

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	Invoice number	PO number
	4		36093 LANDSCAPE PLAZA PARK 08-08	433.37	0005203-IN	
	4		36094 LANDSCAPE CITY HALL/PD AUG 08	155.00	0005202-IN	
27007- 1391	4	9/23/2008	Logged *** Total ***	588.37		
27008- 1391	5	9/23/2008	1075 ARCO BUSINESS SOLUTIONS			
	5		36115 FUEL SEPT 1 - SEPT 15, 2008	4,260.02	FJ373 / 9/15/08	
27008- 1391	5	9/23/2008	Logged *** Total ***	4,260.02		
27009- 1391	6	9/23/2008	1135 AT&T MOBILITY			
	6		36072 MDT SERVICE AUG 2008	293.39	993993387X0910	
27009- 1391	6	9/23/2008	Logged *** Total ***	293.39		
27010- 1391	7	9/23/2008	2053 BLUE SHIELD OF CALIFORNIA			
	7		36038 GROUP MEDICAL COVERAGE OCT 08	23,056.00	4329440 10/08	
	7		36039 COBRA MEDICAL COVERAGE OCT 08	617.00	10/1/08	
27010- 1391	7	9/23/2008	Logged *** Total ***	23,673.00		
27011- 1391	8	9/23/2008	3175 CALIFORNIA PUBLIC EMPLOYEES			
	8		36055 *C EE/ER CONTRIBUTIONS/PS PMTS	17,637.03	P/P END 9/6/08	
	8		36056 EMP CONTRIBUTION/UNIFORM CHECK	958.40	P/E 9/6/08 UNIF	
27011- 1391	8	9/23/2008	Logged *** Total ***	18,595.43		
27012- 1391	9	9/23/2008	19130 CALIFORNIA STATE DISBURSEMENT			
	9		36053 *C WAGE ASSIGNMENT 0195023686-	460.62	P/E 9/12/08	
	9		36054 *C WAGE ASSIGNMENT 0192596302-	184.62	P/E 9/12/08	
27012- 1391	9	9/23/2008	Logged *** Total ***	645.24		
27013- 1391	10	9/23/2008	3179 CENTRAL VALLEY TESTING, INC			
	10		36111 FIELD SAMPLING CITY HALL EXPAN CONCRETE CYLINDERS COMPRESSIVE STRENGTH	355.00	2008-2621	
	10		36114 CITY HALL EXPANSION/FIELD TEST FIELD SAMPLING GROUT PRISMS	415.00	2008-2500	
27013- 1391	10	9/23/2008	Logged *** Total ***	770.00		
27014- 1391	11	9/23/2008	3214 CENTRAL VALLEY TOXICOLOGY			
	11		36078 ETHYL ALCOHOL/ABUSE SCREEN 08-	65.00	141887	
	11		36079 ETHYL ALCOHOL/ABUSE SCREEN 08-	65.00	141888	
27014- 1391	11	9/23/2008	Logged *** Total ***	130.00		
27015- 1391	12	9/23/2008	3228 CHALLENGER TEAMWEAR			
	12		36036 SOCCER UNIFORM ORDER/ADD ON	176.96	034653	
27015- 1391	12	9/23/2008	Logged *** Total ***	176.96		
27016- 1391	13	9/23/2008	6082 CITY OF FRESNO WMD			
	13		36088 LAB SERVICES	189.00	K08202008	
	13		36089 LAB SERVICES	138.00	K082708	
	13		36090 LAB SERVICES	175.00	K090308	
27016- 1391	13	9/23/2008	Logged *** Total ***	502.00		
27017- 1391	14	9/23/2008	3084 CLEARS			
	14		36058 ANNUAL MEMBERSHIP/DON RAMIREZ	50.00	RAMIREZ, DON	

CITIBANK AP

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	Invoice number	PO number
27017- 1391	14	9/23/2008	Logged *** Total ***	50.00		
27018- 1391	15	9/23/2008	3208 CODE PUBLISHING COMPANY			
	15		36066 KMO ELECTRONIC UPDATE AUG 08	293.30	31334	
27018- 1391	15	9/23/2008	Logged *** Total ***	293.30		
27019- 1391	16	9/23/2008	3161 COMMUNITY MEDICAL CENTERS			
	16		36074 1 BLOOD DRAW	175.00	08-1464	
27019- 1391	16	9/23/2008	Logged *** Total ***	175.00		
27020- 1391	17	9/23/2008	3104 CONSOLIDATED ELECTRICAL			
	17		36097 2SQD A/C DIST RT	34.34	2574-595311	
27020- 1391	17	9/23/2008	Logged *** Total ***	34.34		
27021- 1391	18	9/23/2008	3134 CSJVRMA			
	18		36068 WORKERS COMP/LIABILITY PROGRAM	49,245.00	2ND QTR 08-09	
27021- 1391	18	9/23/2008	Logged *** Total ***	49,245.00		
27022- 1391	19	9/23/2008	4023 DEPARTMENT OF JUSTICE			
	19		36073 LIVE SCAN PRINTS AUG 2008	202.00	698295	
27022- 1391	19	9/23/2008	Logged *** Total ***	202.00		
27023- 1391	20	9/23/2008	4033 DEPARTMENT OF TRANSPORTATION			
	20		36060 DAMAGE @ RT 145/KEARNEY SIGNAL	67.07	06006128	
	20		36061 DAMAGE @ 145 & KEARNEY/PED SIG	359.94	06006107	
27023- 1391	20	9/23/2008	Logged *** Total ***	427.01		
27024- 1391	21	9/23/2008	4081 DEPARTMENT OF PESTICIDE REGULA			
	21		36059 RENEWAL FEES/QUALIFIED APP CER	60.00	BARAJAS, MICHAEL	
27024- 1391	21	9/23/2008	Logged *** Total ***	60.00		
27025- 1391	22	9/23/2008	4094 DMV REGISTRATION			
	22		36030 TRANSF OF TITLE- RADAR TOWER	15.00	#17838019	
	22		36031 TRANSF OF TITLE RADAR TOWER	15.00	317838020	
27025- 1391	22	9/23/2008	Logged *** Total ***	30.00		
27026- 1391	23	9/23/2008	4071 DON'S MOBILE GLASS			
	23		36062 REPLACE WINDSHIELD VEH #1386	215.00	1095277	
27026- 1391	23	9/23/2008	Logged *** Total ***	215.00		
27027- 1391	24	9/23/2008	6035 FREESTYLE GRAPHICS			
	24		36035 SCREENPRINTING-HOUGHTON KEARNE	67.50	212	
27027- 1391	24	9/23/2008	Logged *** Total ***	67.50		
27028- 1391	25	9/23/2008	7023 GLENN RUDOLPH'S AUTO BODY			
	25		36075 TOW / SGT MADRUGA'S VEHICLE	100.00	GRAB #381	
27028- 1391	25	9/23/2008	Logged *** Total ***	100.00		
27029- 1391	26	9/23/2008	8000 H & J CHEVROLET INC			
	26		36095 CONNECTOR VEH 1394	33.47	12069	
	26		36096 RESISTOR VEH 1394	12.57	12017	
27029- 1391	26	9/23/2008	Logged *** Total ***	46.04		

CITIBANK AP

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	Invoice number	PO number
27030- 1391	27	9/23/2008	7991 HARRIS & ASSOCIATES			
	27		36118 PLAN CHECK KERMAN AG RESOURCES	4,018.95	2141-03	
27030- 1391	27	9/23/2008	Logged	*** Total ***	4,018.95	
27031- 1391	28	9/23/2008	10050 JUDICIAL DATA SYSTEMS CRP			
	28		36045 PARKING ACTIVITY AUG 08	100.00	9482	
27031- 1391	28	9/23/2008	Logged	*** Total ***	100.00	
27032- 1391	29	9/23/2008	10981 KAISER FOUNDATION HEALTH PLAN,			
	29		36037 GROUP MEDICAL COVERAGE OCT 08	7,855.00	10/1/08	
27032- 1391	29	9/23/2008	Logged	*** Total ***	7,855.00	
27033- 1391	30	9/23/2008	11040 KERMAN RADIATOR SERVICE			
	30		36091 A/C REPLACEMENT & REPAIR #1388	519.28	007848	
27033- 1391	30	9/23/2008	Logged	*** Total ***	519.28	
27034- 1391	31	9/23/2008	11033 KERWEST NEWSPAPERS			
	31		36048 LEGAL NOTICE ORD 08-04	187.50	19511	
	31		36067 HARVEST FESTIVAL SPECIAL SECTI	45.00	19430	
27034- 1391	31	9/23/2008	Logged	*** Total ***	232.50	
27035- 1391	32	9/23/2008	10998 KOKO (FM) RADIO			
	32		36080 ANTI DRUG MESSAGE/SEPT 08	235.00	81316109	
27035- 1391	32	9/23/2008	Logged	*** Total ***	235.00	
27036- 1391	33	9/23/2008	11905 L.C. ACTION POLICE SUPPLY, LTD			
	33		36082 4 HOLSTERS/GLOCK	297.37	216754	
27036- 1391	33	9/23/2008	Logged	*** Total ***	297.37	
27037- 1391	34	9/23/2008	12051 LEN'S LAWNMOWER SERVICE, INC			
	34		36117 BLOWER PARTS/REPAIR / OIL	315.97	855910	
27037- 1391	34	9/23/2008	Logged	*** Total ***	315.97	
27038- 1391	35	9/23/2008	18022 MARCI REYES			
	35		36108 TRAVEL/MEALS LASERFICHE CONF	334.88	528 MILES	
27038- 1391	35	9/23/2008	Logged	*** Total ***	334.88	
27039- 1391	36	9/23/2008	13987 MIGUEL'S TIRES & TOWING			
	36		36119 TIRE SISPOSAL 150 TIRES	150.00	278913	
27039- 1391	36	9/23/2008	Logged	*** Total ***	150.00	
27040- 1391	37	9/23/2008	13064 MOUNTAIN VALLEY PEST CONTROL			
	37		36099 PEST CONTROL CITY HALL - AUG 0	25.00	65474	
	37		36100 PEST CONTROL CTC - AUG 08	35.00	65476	
	37		36101 PEST CONTROL CITY YARD - AUG 0	25.00	65424	
	37		36102 PEST CONTROL LIONS PARK - AUG	25.00	65425	
	37		36103 PEST CONTROL POLICE DEPT - AUG	35.00	65475	
	37		36104 PEST CONTROL LIONS PARK	25.00	65201	
	37		36105 PEST CONTROL SEWER PLANT	25.00	65423	
	37		36106 PEST CONTROL SR CENTER - AUG 0	45.00	65477	
	37		36107 PEST CONTROL KERCKHOFF FAIR BO	75.00	65542	
27040- 1391	37	9/23/2008	Logged	*** Total ***	315.00	

CITIBANK AP

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	Invoice number	PO number
27041-1391	38	9/23/2008	14014 NEXTEL COMMUNICATIONS			
	38		36098 MO SVC AUG 12 - SEPT 11, 2008	1,688.78	622685312-082	
27041-1391	38	9/23/2008	Logged *** Total ***	1,688.78		
27042-1391	39	9/23/2008	15000 OFFICE DEPOT			
	39		36070 PAPERCLIPS/SCISSORS/INK/TAPE	47.41	443544237-001	
	39		36071 CREDIT INVOICE RETURNED TAPE	-17.28	444105861-001	
	39		36076 TONER CARTRIDGE	68.99	442942759-001	
	39		36077 BINDER CLIPS	1.73	442942786-001	
	39		36120 RECEIPTS/COVER/CANDY	24.60	441313470-001	
	39		36121 RUBBER BANDS/PENS/FOLDERS	55.92	443609813-001	
27042-1391	39	9/23/2008	Logged *** Total ***	181.37		
27043-1391	40	9/23/2008	0 MIRNA AGUILAR			
	40		36032 *C FACILITY RENTAL REFUND FOR	60.00	R000824	
27043-1391	40	9/23/2008	Logged *** Total ***	60.00		
27044-1391	41	9/23/2008	0 LUPE ABUNDIS-SARKISIAN			
	41		36033 *C SOCCER REGISTRATION REFUND	65.00	J MACIAS	
27044-1391	41	9/23/2008	Logged *** Total ***	65.00		
27045-1391	42	9/23/2008	0 AURORA PIZANO			
	42		36034 *C SOCCER REGISTRATION REFUND	45.00	J PIZANO	
27045-1391	42	9/23/2008	Logged *** Total ***	45.00		
27046-1391	43	9/23/2008	16025 P.G.& E.			
	43		36051 SOROP PARK - SVC 8/16/08-9/16	40.83	1019447562-9 09	
	43		36052 KERCKHOFF STAGE/SECURITY 8/9/0	82.25	9217439139-8 09	
	43		36083 KERCKHOFF PARK/SCOUT HUT 8/12-	459.32	62067886903 09	
	43		36110 MO SVC 8/16/08 - 9/16/08	933.37	40551668789 09	
			STREET LIGHTS/L & L LIGHTING			
27046-1391	43	9/23/2008	Logged *** Total ***	1,515.77		
27047-1391	44	9/23/2008	16068 PISTORESINI MOTORS			
	44		36092 1 LAMP ASSY #339	59.07	77444	
27047-1391	44	9/23/2008	Logged *** Total ***	59.07		
27048-1391	45	9/23/2008	16070 PITNEY BOWES INC			
	45		36049 3RD QTR RENTAL/POSTAGE & MAIL	1,602.00	6839923-SP08	
27048-1391	45	9/23/2008	Logged *** Total ***	1,602.00		
27049-1391	46	9/23/2008	16072 PITNEY BOWES RESERVE ACCOUNT			
	46		36057 POSTAGE FOR POSTAGE METER	1,706.20	CITY OF KERMAN	
27049-1391	46	9/23/2008	Logged *** Total ***	1,706.20		
27050-1391	47	9/23/2008	16092 POSTAL ANNEX			
	47		36112 RETURN VIDEO TO NAT. RESOURCE	8.77	50650	
27050-1391	47	9/23/2008	Logged *** Total ***	8.77		
27051-1391	48	9/23/2008	8055 RENEE HOLDCROFT			
	48		36047 SYMPATHY CARDS	16.26	9/18/08	
27051-1391	48	9/23/2008	Logged *** Total ***	16.26		

CITIBANK AP

Check-Run	Seq#	Date	Vendor / Name / Obligat'n Description	Net amount	Invoice number	PO number
27052- 1391	49	9/23/2008	19063 SLUMBERGER LUMBER			
	49		36081 PAINT/MASKING TAPE	98.47	B37030	
	49		36084 PUBLIC WORKS INVOICES 8/26/08	280.99	P/W & CITY	
	49		36085 REC/COMM SERVICE SUPPLIES 8/26	4,079.84	PARKS 8/26/08	
27052- 1391	49	9/23/2008	Logged *** Total ***	4,459.30		
27053- 1391	50	9/23/2008	19153 SOLANO PRESS BOOKS			
	50		36046 PLANNING BOOKS/GUIDES	174.24	KERMAN	
27053- 1391	50	9/23/2008	Logged *** Total ***	174.24		
27054- 1391	51	9/23/2008	19079 SPITZER'S SOUND STAGE			
	51		36065 3 ACE BACK BOXES	213.01	351342	
27054- 1391	51	9/23/2008	Logged *** Total ***	213.01		
27055- 1391	52	9/23/2008	19172 SPRINT			
	52		36050 MO SVC/EQUIP 8/15/08-9/15/08	49.99	449228811-010	
27055- 1391	52	9/23/2008	Logged *** Total ***	49.99		
27056- 1391	53	9/23/2008	19561 T & T PAVEMENT MARKINGS & PROD			
	53		36063 COROCHER/SWITCHTIPS	83.03	2008487	
	53		36064 150 GALLONS OF MAX YELLOW PAINT	1,809.83	2008487	
	53		36116 1100 LBS GLASS BEADS	381.32	2008512	
27056- 1391	53	9/23/2008	Logged *** Total ***	2,274.18		
27057- 1391	54	9/23/2008	10017 TONI JONES			
	54		36044 MISC SUPPLIES/CITY HALL	45.64	REIMB/SUPPLIES	
27057- 1391	54	9/23/2008	Logged *** Total ***	45.64		
27058- 1391	55	9/23/2008	24002 XEROX CORPORATION			
	55		36113 COPY MACHING BASE CHARGE SEPT	175.16	035350861	
27058- 1391	55	9/23/2008	Logged *** Total ***	175.16		
27059- 1391	56	9/23/2008	25001 YAMABE & HORN ENGINEERING			
	56		36122 ENGINEERING SERVICES AUG 08	18,473.50	AUG 2008	
27059- 1391	56	9/23/2008	Logged *** Total ***	18,473.50		
27060- 1391	57	9/23/2008	26005 ZEP MANUFACTURING CO			
	57		36086 WASP & HORNET KILLER	279.75	60463042	
	57		36087 HAND SANITIZER	173.58	60463057	
27060- 1391	57	9/23/2008	Logged *** Total ***	453.33		
** Total MFP discount **				.00		
** Total MFP amount **				.00		
** Total check discount **				.00		
** Total check amount **				560,496.05		
** Total void discount **				.00		
** Total void amount **				.00		

CITY OF KERMAN
CC 08-22-08

Date	Item	Cardholder Acct	Internal Acct Code	Amount		
William Newton						
07/28/08	USPS	Return Grant paperworl	10.0.3011.521.02	\$ 5.45	Pd 9/15/08	
08/04/08	League of Ca Cities	Credit Refund	10.0.3011.554.05	\$ (17.00)	Pd 9/15/08	
08/18/08	Target	DVD Player/training	10.0.3011.554.05	\$ 43.18	Pd 9/15/08	
						\$ 31.63 Newton
Ken Moore						
08/11/08	A-Plus Auto & Muffler	Veh #1341/Install muffler	50.0.4011.521.03	\$ 425.00	Pd 9/15/08	
08/15/08	Save Mart	Used in error/Reimb	10.0.0000.369.01	\$ 19.18	Pd 9/15/08	
08/15/08	AutoZone	Cooling System Fuel Cap	50.0.4011.521.03	\$ 26.29	Pd 9/15/08	
						\$ 470.47 Moore
Ron Manfredi						
8/8/2008	Quiznos	Plan/Dev Dir -Expansion	10.0.1002.554.01	\$ 14.89	Pd 9/15/08	
8/12/2008	Beijing Garden	City Clerk/Agenda	10.0.1002.554.01	\$ 16.54	Pd 9/15/08	
8/13/2008	Quiznos	Moore/Bi Weekly Rep	10.0.1002.554.01	\$ 14.43	Pd 9/15/08	
8/15/2008	La Ramada	FD-RDA Funding/Debt	10.0.1002.554.01	\$ 18.14	Pd 9/15/08	
						\$ 64.00 Manfredi
Phillip Gallegos						
7/23/2008	Joanne Fabric	Kannami Gift	10.0.2002.521.02	\$ 30.22	Pd 9/15/08	
07/29/08	Central Fish Co	Green Tea	10.0.2002.521.02	\$ 22.32	Pd 9/15/08	
07/21/08	Oriental Trading	Community Pool Party	10.0.2047.521.02	\$ 121.79	Pd 9/15/08	
08/01/08	USPS	Stamps	10.0.2002.521.02	\$ 168.00	Pd 9/15/08	
07/31/08	Party City	Party Goods	10.0.6001.556.00	\$ 46.41	Pd 9/15/08	
07/31/08	Party City	Table Cloths	10.0.6001.556.00	\$ 37.23	Pd 9/15/08	
07/31/08	Bollinger Inc	Soccer Ins	10.0.2063.521.02	\$ 385.00	Pd 9/15/08	
08/11/08	Exxon Mobile	Kannami Trip Fuel	16.0.0000.230.00	\$ 75.00	Pd 9/15/08	
						\$ 885.97 Gallegos
Renee Holdcroft						
08/04/08	League of Ca Cities	Booklets		\$ 52.00	Pd 6/22/08	
				\$ 52.00		Holdcroft
			TOTAL	\$ 1,452.07	\$ 1,452.07	

Resolution No. 08-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KERMAN
ACCEPTING REAL PROPERTY FROM EARL AND JANICE GIACOLINI

WHEREAS, Earl and Janice Giacolini have offered real property to the City of Kerman for a public park; and

WHEREAS, the public necessity requires the real property for public use in accordance with the adopted General Plan.

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

The real property offered described in the Grant Deed attached hereto as Exhibit "A" is accepted on behalf of the public for public use.

BE IT FURTHER RESOLVED AND ORDERED, as follows:

The City Clerk shall receive and record the Grant Deed in the office of the County Recorder and shall affix a certificate attesting to this resolution.

The foregoing resolution was introduced at a regular meeting of the City Council of the City of Kerman held on the 1st day of October, 2008, and passed at said meeting by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

The foregoing resolution is hereby approved.

TRINIDAD M. RODRIGUEZ, MAYOR

ATTEST:

L. RENEE HOLDCROFT, CITY CLERK

EXHIBIT "A"

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 8, TOWNSHIP 14 SOUTH, RANGE 18 EAST, MOUNT DIABLO BASE AND MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF; THENCE SOUTH 89°51'14" EAST, ALONG THE SOUTH LINE OF SAID SECTION 8, A DISTANCE OF 185.94 FEET, TO THE TRUE POINT OF BEGINNING; THENCE NORTHEASTERLY ALONG THE ARC OF A NON-TANGENT CURVE CONCAVE SOUTHEASTERLY WITH CENTER POINT BEARING SOUTH 63°20'27" EAST A RADIUS OF 666.34 FEET, THROUGH A CENTRAL ANGLE OF 40°44'24" AN ARC LENGTH OF 473.80 FEET; THENCE NORTH 67°23'57" EAST A DISTANCE OF 178.60 FEET, TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE OF THE UNION PACIFIC (FORMERLY SOUTHERN PACIFIC) RAILROAD COMPANY'S MAIN LINE FROM KERMAN TO FRESNO, SAID POINT BEING AT RIGHT ANGLES TO AND DISTANT 50 FEET SOUTHERLY FROM THE CENTER OF ABOVE SAID MAIN LINE AT ENGINEER'S STATION 31+09.9; THENCE ALONG SAID SOUTHERLY RIGHT OF WAY LINE, ALONG THE ARC OF A CURVE CONCAVE NORTHWESTERLY WITH CENTER POINT BEARING NORTH 18°09'28" WEST A RADIUS OF 11509.16 FEET, THROUGH A CENTRAL ANGLE OF 1°29'25" AN ARC LENGTH OF 299.41 FEET; THENCE NORTH 70°21'06" EAST A DISTANCE OF 753.75 FEET; THENCE LEAVING SAID RIGHT OF WAY LINE, SOUTH 0°27'40" WEST A DISTANCE OF 739.08 FEET, TO A POINT ON THE SOUTH LINE OF SAID SECTION 8; THENCE NORTH 89°51'14" WEST, ALONG SAID SOUTH LINE, A DISTANCE OF 1491.44 FEET, TO THE TRUE POINT OF BEGINNING.

CONTAINING 15.60 ACRES, MORE OR LESS.

RECORDING REQUESTED BY:
AND WHEN RECORDED MAIL THIS DEED TO:

City of Kerman
A California Municipal Corporation
850 South Madera Avenue
Kerman, CA 93630

No Recording Fee Required
Cal. Government Code Section 27383

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Portion of APN

Grant Deed

THE UNDERSIGNED GRANTOR(S) DECLARE(S):
DOCUMENTARY TRANSFER TAX IS \$ -0-
(This is a Transfer to a Public Agency, R & T Code 11922)

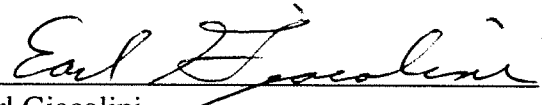
AS A GIFT FOR THE BENEFIT OF THE PUBLIC WELFARE,

EARL GIACOLINI and JANICE GIACOLINI, husband and wife,


hereby grant to the CITY OF KERMAN, a California Municipal Corporation of the State of California, the following described real property in the County of Fresno, State of California, described as follows:

See Attached Legal Description on Exhibit "A", incorporated herein by this reference.

DATED: 7/29, 2008


Earl Giacolini

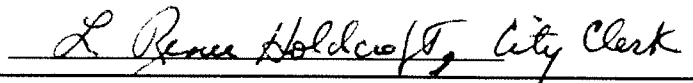
DATED: 7/29, 2008


Janice Giacolini

CERTIFICATE OF ACCEPTANCE

I hereby certify that the interest in real property conveyed by the Grant Deed dated July 29, 2008 by Earl Giacolini and Janice Giacolini as Grantors to the City of Kerman, a municipal Corporation, is hereby accepted pursuant to a Resolution of the City Council of the City of Kerman adopted on 10-1-08, 2008. The City of Kerman consents to the recordation of said Grant Deed by its authorized officer.

Dated: July 30, 2008


L Renee Holdcroft, City Clerk

MAIL TAX STATEMENTS TO PARTY SHOWN ON FOLLOWING LINE; IF NO PARTY SO SHOWN, MAIL AS DIRECTED ABOVE

YAMABE & HORN ENGINEERING, INC.

CIVIL ENGINEERS - LAND SURVEYORS

1300 E. Shaw Avenue, Suite 176, Fresno, CA 93710
(559) 244-3123, FAX (559)244-3120

May 9, 2008

LEGAL DESCRIPTION
GIACOLINI GIFT PROPERTY
CITY OF KERMAN

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 8, TOWNSHIP 14 SOUTH, RANGE 18 EAST, MOUNT DIABLO BASE AND MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF; THENCE SOUTH 89°51'14" EAST, ALONG THE SOUTH LINE OF SAID SECTION 8, A DISTANCE OF 185.94 FEET, TO THE TRUE POINT OF BEGINNING; THENCE NORTHEASTERLY ALONG THE ARC OF A NON-TANGENT CURVE CONCAVE SOUTHEASTERLY WITH CENTER POINT BEARING SOUTH 63°20'27" EAST A RADIUS OF 666.34 FEET, THROUGH A CENTRAL ANGLE OF 40°44'24" AN ARC LENGTH OF 473.80 FEET; THENCE NORTH 67°23'57" EAST A DISTANCE OF 178.60 FEET, TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE OF THE UNION PACIFIC (FORMERLY SOUTHERN PACIFIC) RAILROAD COMPANY'S MAIN LINE FROM KERMAN TO FRESNO, SAID POINT BEING AT RIGHT ANGLES TO AND DISTANT 50 FEET SOUTHERLY FROM THE CENTER OF ABOVE SAID MAIN LINE AT ENGINEER'S STATION 31+09.9; THENCE ALONG SAID SOUTHERLY RIGHT OF WAY LINE, ALONG THE ARC OF A CURVE CONCAVE NORTHWESTERLY WITH CENTER POINT BEARING NORTH 18°09'28" WEST A RADIUS OF 11509.16 FEET, THROUGH A CENTRAL ANGLE OF 1°29'25" AN ARC LENGTH OF 299.41 FEET; THENCE NORTH 70°21'06" EAST A DISTANCE OF 753.75 FEET; THENCE LEAVING SAID RIGHT OF WAY LINE, SOUTH 0°27'40" WEST A DISTANCE OF 739.08 FEET, TO A POINT ON THE SOUTH LINE OF SAID SECTION 8; THENCE NORTH 89°51'14" WEST, ALONG SAID SOUTH LINE, A DISTANCE OF 1491.44 FEET, TO THE TRUE POINT OF BEGINNING.

CONTAINING 15.60 ACRES, MORE OR LESS.

EXHIBIT "A"

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Fresno

On 7-29-08 before me, Olivia G. Pimentel, Notary Public
Date Here Insert Name and Title of the Officer

personally appeared Earl and Janice Giacolini
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Olivia G. Pimentel
Signature of Notary Public



Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Grant Deed

Document Date: 7/29/08 Number of Pages: 2

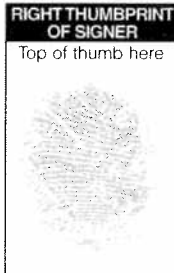
Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: Earl Giacolini

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

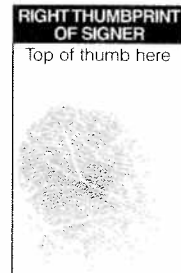
Signer Is Representing: Himself



Signer's Name: Janice Giacolini

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

Signer Is Representing: Herself



CITY COUNCIL AGENDA

Item:

MEETING DATE: October 1, 2008

Council Report: Award of Bid for ADA Curb Ramp Project

FROM: Gary Horn, City Engineer

DATE PREPARED: September 23, 2008

History

The City of Kerman receives annual allocations of Community Development Block Grant (CDBG) funds to make improvements in the city. These funds are distributed through the County to the various cities. This year the City's allocation is \$118,082.

Situation

This fiscal year the City has elected to use its CDBG funds to replace curb returns in the area of the city bounded by Madera Avenue, California Avenue, First Street and Kearney Boulevard. The new curb returns will meet the requirements of the American Disabilities Act (ADA) for accessibility for the handicapped. A total of 50 ramps will be replaced or constructed.

Additionally, this project also includes replacing damaged curb, gutter and sidewalk on the East side of Madera Avenue between C Street and D Street as part of its annual sidewalk repair program.

Bids were received from 13 contractors on August 26, 2008, and the low bid was submitted from Berkeley Cement, Inc. for \$127,239.90. The engineer's estimate was \$126,800.00.

Summary

References for Berkeley Cement, Inc. were contacted, and favorable responses were given as to the quality of their work.

Fiscal Impact

The CDBG portion of the construction cost is \$112,495 and the City Madera Ave. sidewalk share is \$14,475.

Recommendation

We recommend that the City Council adopt the attached resolution accepting the low bid from Berkeley Cement, Inc. in the amount of \$127,239.90 and authorize the City Manager to sign the Agreement.

Attachments:

- Resolution/Ordinance
- Map(s) (# of? ____)
- Contract
- Other (Explain)

RESOLUTION NO. 08-__
RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KERMAN
ACCEPTING BID FOR THE KERMAN ADA CURB IMPROVEMENTS
CDBG PROJECT NO. 07-200

WHEREAS, the Invitation to Bid for the Kerman ADA Curb Improvements in the City of Kerman was published in the Kerman News on August 13 and 20, 2008; and

WHEREAS, the project will consist of constructing ADA accessible ramps in the area generally bounded by Madera Avenue, California Avenue, First Street and Kearney Boulevard in the City of Kerman; and

WHEREAS, the following bids for the project were publicly opened and read aloud at the Kerman City Hall on August 26, 2008 at 2:00 p.m.:

<u>Contractor</u>	<u>Total Bid</u>
Berkeley Cement, Inc.	\$127,239.90
Victory Engineering, Inc.	127,423.00
BDS Construction	130,388.10
Hobbs Construction	135,930.00
JWT General Engineering	142,370.96
American Paving	147,359.10
Dovali Construction	150,598.00
Lockwood General Engineering	152,140.21
Sierra Range Construction	152,973.56
R & C construction	157,569.00
Granite Construction	168,495.00
F M Diaz	193,202.50

WHEREAS, the City Engineer's estimate was \$126,000.00.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF KERMAN RESOLVES upon the recommendation of the City Engineer that the Kerman ADA Curb Improvements be awarded to: Berkeley Cement, Inc., 1200 Sixth Street, Berkeley, CA 94710, in the amount of One hundred twenty-seven thousand two hundred thirty nine Dollars and Ninety Cents (\$127,239.90).

The foregoing resolution was introduced at a regular meeting of the City Council of the City of Kerman held on the 1st day of October, 2008, and passed at said meeting by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

The foregoing resolution is hereby approved.

TRINIDAD M. RODRIGUEZ
MAYOR, CITY OF KERMAN

ATTEST:

L. RENEE HOLDCROFT
CITY CLERK, CITY OF KERMAN

RESOLUTION NO. 08-_____

AUTHORIZATION FOR EXECUTION OF FINANCIAL ASSISTANCE
APPLICATION WITH STATE WATER RESOURCES CONTROL BOARD FOR
WASTE WATER TREATMENT PLANT EXPANSION

BE IT RESOLVED by the City of Kerman City Council that the City Manager is hereby authorized and directed to sign and file, for and on behalf of the City of Kerman, a Financial Assistance Application for a financing agreement from the State Water Resources Control Board in the amount not to exceed \$9,500,000 for the planning, design, and construction of City of Kerman Wastewater Treatment Plant Expansion, and

BE IT RESOLVED that the City of Kerman City Council hereby agrees and further does authorize the aforementioned representative or his/her designee to certify that the Agency has and will comply with all applicable state and federal statutory and regulatory requirements related to any federal and state financing agreements received, and

BE IT FURTHER RESOLVED that the City Manager or his designee is hereby authorized to negotiate and execute a financing agreement contract and any amendments or change orders thereto and certify financing agreement disbursements on behalf of the City of Kerman.

WHEREAS, the City of Kerman (the "Agency") desires to finance the costs of constructing and/or reconstructing certain public facilities and improvements relating to its water and wastewater system, including certain treatment facilities, pipelines and other infrastructure (the "Project"); and

WHEREAS, the Agency intends to finance the construction and/or reconstruction of the Project or portions of the Project with moneys ("Project Funds") provided by the State of California, acting by and through the State Water Resources Control Board (the "Board"); and

WHEREAS, the Board may fund the Project Funds with proceeds from the sale of obligations the interest upon which is excluded from gross income for federal income tax purposes (the "Obligations"), and

WHEREAS, prior to either the issuance of the Obligations or the approval by the Board of the Project Funds the Agency desires to incur certain capital expenditures (the "Expenditures") with respect to the Project from available moneys of the Agency; and

WHEREAS, the Agency has determined that those moneys to be advanced on and after the date hereof to pay the Expenditures are available only for a temporary period and it is necessary to reimburse the Agency for the Expenditures from the proceeds of the Obligations;

NOW, THEREFORE, THE AGENCY DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

SECTION 1. The Agency hereby states its intention and reasonably expects to reimburse Expenditures paid prior to the issuance of the Obligations or the approval by the Board of the Project Funds.

SECTION 2. The reasonably expected maximum principal amount of the Project Funds is \$9,500,000

SECTION 3. This resolution is being adopted no later than 60 days after the date on which the Agency will expend moneys for the portion of the Project costs to be reimbursed with Project Funds.

SECTION 4. Each expenditure by the Agency will be of a type properly chargeable to a capital account under general federal income tax principles.

SECTION 5. To the best of our knowledge, this Agency is not aware of the previous adoption of official intents by the Agency that have been made as a matter of course for the purpose of reimbursing expenditures and for which tax-exempt obligations have not been issued.

SECTION 6. This resolution is adopted as official intent of the Agency in order to comply with Treasury Regulation §1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of Project costs.

SECTION 7. All the recitals in this Resolution are true and correct and this Agency so finds, determines and represents.

The foregoing resolution was duly adopted and passed by the City Council at a regular meeting of said Council, held at the Kerman City Hall on the ____day of _____, 2008, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Trinidad M. Rodriguez, Mayor

L. Renee Holdcroft, City Clerk

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KERMAN
APPROVING THE EXECUTION OF A LEASE AGREEMENT
FOR USE OF AGRICULTURAL LANDS.
BETWEEN THE CITY OF KERMAN AND E & R RANCH, A GENERAL PARTNERSHIP
WITH PARTNERS EARL GIACOLINI AND ROLAND NALE

WHEREAS, the City Council of the City of Kerman (the “City”), as the legislative body of the City is authorized to lease its real property for the common benefit of its citizens; and

WHEREAS, the City has an opportunity to lease a portion of its property that is not needed for public purposes.

NOW, THEREFORE, the City Council does find, determine, resolve and order as follows:

1. The Council has reviewed the terms of the proposed lease of City-owned lands as set forth in the proposed Lease between the City of Kerman and E and R Ranch, in substantially the form attached hereto as Exhibit A..
2. Upon the basis of information provided by City staff, the Lease’s proposed lease price is adequate consideration for the lease of the real property.
3. The lease as proposed in the Lease promotes a public purpose by providing for the agricultural use of the city’s property that will generate revenue, and will therefore serve the general welfare of the citizens of this City.
4. The Council has provided opportunity for public comment on the sale as proposed.
5. The Council hereby authorizes the Mayor to execute the Lease in substantially the form attached hereto as Exhibit “A” with such subsequent minor revisions as may be approved by the City Manager and the City Attorney.
6. The Council hereby authorizes and directs the officers and employees of the City to take such further actions as may be necessary or useful to the performance of the Lease.

The foregoing resolution was adopted at a regular meeting of the City Council of the City of Kerman on the 1st day of October, 2008 and passed at said meeting by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

The foregoing resolution is hereby approved.

MAYOR, CITY OF KERMAN

ATTEST:

CITY CLERK, CITY OF KERMAN

AGRICULTURAL LEASE OF REAL PROPERTY

THIS AGREEMENT, is to be effective this _____ day of _____, 2008, by and between the CITY OF KERMAN, a municipal corporation, hereinafter known and designated as Lessor, and E & R Ranch (Earl Giacolini & Roland Nale) a General Partnership , hereinafter known and designated as Lessee.

WITNESSETH:

That the Lessor for and in consideration of the terms, covenant and agreements hereinafter set forth and which are required to be kept and performed by the Lessee, and in further consideration of the rental hereinafter mentioned, payable and to be paid by the Lessee to the Lessor at the time and in the manner hereinafter mentioned, hereby leases and lets unto the said Lessee for the term hereinafter specified, the following real property (referred to herein as the "Premises") consisting of 15.2 acres currently planted to plums and situated in the County of Fresno, State of California described as:

See Exhibit "A" attached hereto and incorporated herein by this reference.

THE PARTIES HERETO, EACH TO THE OTHER EXPRESSLY COVENANT, PROMISE AND AGREE AS FOLLOWS:

I

TERM, EXTENSION AND EARLY TERMINATION

That the term of this lease shall be for a three (3) year period of time commencing with the 4th _____ day of _October _____, 2008, and terminating on the 31st day of December 2011.

Irrespective of the foregoing termination date, if at expiration of the term of this lease, or the earlier termination pursuant to the provisions herein, the Lessee has not fully harvested any crop then growing upon the demised premises, the Lessee shall have the right to re-enter upon said premises to harvest the crop, but not later than September 30 of any crop year. For purposes of this Lease, a crop year begins

on December 1 and continues until harvest is completed, not later than September 30 of the following calendar year.

Not later than 90 days prior to the expiration of the term of this lease, Lessee shall inform Lessor in writing whether Lessee will seek a renewal of this Lease. If Lessee so informs Lessor, and provided that Lessee has complied with the provisions of this Lease, Lessee shall have the option for fifteen (15) days to enter into a subsequent lease for a term of three (3) more years to commence December 31, 2011 and to end on or before December 31, 2014. The subsequent lease would generally consist of the same terms of this lease; but the annual rental amount for the renewed term shall increase by six percent (6%) rounded up to the nearest dollar.

Upon Lessee's failure to provide written notice of intent to extend the Lease or exercise the option on or before the 75th day prior to expiration, Lessee shall have no further right to renew or extend this Lease and Lessor shall seek alternate Lessees or uses for the Premises. If at the end of the term, Lessee fails to give notice of intent to renew, the Lessor will solicit other bids for the leasing of the Premises, and Lessee may be a bidder in response to such solicitation.

The parties acknowledge that Lessor has acquired this land for the eventual construction of a park and recreation facility, and that Lessor may at any time give notice that this Lease, or any extension of it, shall terminate upon the completion of harvest in any crop year. Parties agree that City may terminate this Lease for imminent park development of the whole premises or only a portion of the premises, subject to the provisions for completion of harvest set forth above.

II

RENT

That the Lessee shall pay to the Lessor as rent for the demised premises and personal property

the following sums, to wit:

A. On or before the 1st day of December of each year of the term of this lease, the Lessee shall pay to the Lessor the sum of Five Hundred Dollars (\$500.00) per acre for 15.2 farmable acres as an advance cash rent due on or before December 31st of each contract year.

B. Lessee agrees that it would be impracticable or extremely difficult to fix the actual damage to Lessor caused by the failure of Lessee to make any payment of rent within ten (10) days of the due date and, therefore, Lessee agrees that if any payment of rent is not made within ten (10) days of its due date, Lessee agrees to pay Lessor a one and one half percent (1.5%) late charge, compounded monthly until paid in full.

III

PURPOSE AND MANAGEMENT

That this being an agricultural lease of a producing plum orchard, the Lessee shall make the land productive using the demised premises solely for farming purposes as the same as outlined herein. The Lessee shall have the use of any crop allotment allocated to the demised Premises for any crop year in which Lessee occupies the Premises, and the Lessee may farm the same in combination with any other real property of which the Lessee is the owner, operator or has an interest provided that such use shall at all times conform to the rules and regulations of the Department of Agriculture or other applicable authority and shall not cause said allotment to be jeopardized or penalized in any manner with respect to the real property which is the subject matter of this lease, and in this regard any such allotment shall revert to the Lessor at the expiration of the term of this lease. The Lessee shall farm the demised premises in accordance with the accepted practices of husbandry in the area not permitting or suffering any waste thereon and keeping down and controlling the growth of noxious weeds and grasses or other pests. Subject to the foregoing provisions the crop or crops to be grown on the subject real property and the amount thereof shall be as the Lessee may determine. The Lessee acknowledges that the Lessor has not made any representations or warranties as to the level, fertility, productivity or other condition of the demised Premises or of the type or size of any allotment relating

thereto, and that the Lessee in leasing the same is relying solely on the inspections, experience and judgment of the Lessee.

IV

EXPENSES

That except as otherwise expressly provided for herein, the Lessee shall pay all of the costs and expenses of farming the demised premises and the irrigating, cultivating, growing, harvesting, producing, delivering and selling of the crop or crops produced thereon, and the Lessor shall not be liable or responsible for the same; likewise the Lessee shall furnish all of the labor, equipment and materials connected therewith. In addition thereto, the Lessor shall pay any property tax or possessory interest tax assessed by reason of this lease,. In this regard the parties acknowledge that if for any reason a real property or personal property tax should be levied and assessed on the demised real property or improvements (land, trees & pipeline) or personal property thereon, the same would be the responsibility of the Lessee.

V

IRRIGATION

That the parties acknowledge that the subject real property is irrigated solely by irrigation district water and that there are no wells or pumps on the demised premises for irrigation purposes. Lessee shall pay Fresno Irrigation District annual assessments

VI

ASSIGNMENT

That the Lessee may not assign this lease or sublet any portion of the demised premises without the written consent of Lessor, provided, however, that any such assignment or subletting shall not relieve Lessee from his obligation pursuant to this lease.

VII

ENTRY AND POSSESSION

That the Lessor shall have the right of entry upon said demised premises at all times during the term hereof, either in person or by nominee, for the purpose of inspecting said real property and ascertaining that the promises and covenants of the Lessee herein contained are being kept, observed and performed, and at the expiration of the term of this lease, or any prior termination hereof, or any extension hereof, the Lessee agrees to surrender possession of said Demised Property to the Lessor in as good condition as the Lessee shall have received the same, normal wear and tear and loss by casualty not caused by the negligent or willful act or omission of the Lessee excepted, and with the land in a neat and clean condition. The Lessor agrees that if the Lessee pays the rental for said demised real property as herein provided and faithfully performs the covenants, conditions and agreements herein contained on the part of the Lessee to be kept, observed and performed, that the Lessee shall have peaceful possession of the demised premises during the term hereof without hindrance or interference by the Lessor. Parties agree that City may terminate this Lease for imminent park development of the whole premises or only a portion of the premises, subject to the provisions for completion of harvest set forth above. Any removal of orchard trees for the preparation of a park or similar use pursuant to such early termination shall be the responsibility of the Lessor.

VIII

CROP WAIVER

That it is understood and agreed that the Lessee may finance the growing of crops on said premises by crop loan, and in this connection if the lender to the Lessee shall require a waiver by the Lessor with respect to any crops growing on said demised premises, to be mortgaged as security for such crop loan, the Lessor agrees that the Lessor will execute said waiver provided that the advance cash rent for the subject crop year has been paid (to be effective the form of said waiver must be approved in writing by the attorney for the Lessor).

IX

BREACH OR ABANDONMENT

That all of the agreements, covenants and conditions of this lease shall be deemed material. In the event that the Lessee shall be in default in the performance of any of the same, after ten (10) days written notice to comply has been first served on the Lessee by the Lessor, the Lessor shall have the right, at the option of the Lessor, in addition to any other remedy the Lessor may have, to terminate this lease and enter into and take immediate possession of the demised premises, and in that event the Lessee shall have no further right, title or interest therein or to the crop or crops growing thereon. Should the Lessee abandon said demised premises or the crop or crops growing thereon before the same shall have reached maturity, or before harvest, the Lessor shall have the right, at the option of the Lessor, to enter upon the demised premises and care for the same and harvest the same, and all right, title or interest of the Lessee in the demised premises and to the crop or crops growing and standing thereon shall in such event be terminated and at an end. In the event of litigation arising in connection with this lease, the prevailing party shall be entitled to costs of suit and reasonable attorney's fees.

X

INSURANCE AND INDEMNIFICATION

(a) Lessee, as a material part of the consideration to be rendered to Lessor under this Lease, waives all claims against Lessor for damages to the Premises and all personal property in, on, or about the Property, and for injuries to persons in or about the Property, from any cause arising at any time except to the extent that the damage or injury is a direct result of the gross negligence or willful misconduct of Lessor, its officers, officials, employees, agents, volunteers or licensees. Further, Lessee shall indemnify, hold harmless and defend the Lessor and each of its officers, officials, employees, agents and volunteers from any and all loss, liability, fines, penalties, forfeitures, costs and damages (whether in contract, tort or strict liability, including but not limited to personal injury, death at any time and property damage) incurred by Lessor, Lessee or any other person, and from any and all claims, demands and actions in law or equity (including attorneys fees and litigation expenses), arising or alleged to have arisen directly out of (i) Lessee's use of the Property, (ii) Lessee's failure to conduct

its activities and maintain its equipment or property thereon in safe condition, or (iii) performance or non-performance of any activity related to this Lease, except if caused by the gross negligence or willful misconduct of Lessor or any of its officers, officials, employees, agents, volunteers or licensees.

If the Lessee should subcontract all or any portion of the work performed under this Lease, then Lessee shall require each subcontractor to indemnify, hold harmless and defend Lessor, its officers, officials, employees and agents in accordance with the terms of the preceding paragraph. This Paragraph shall survive the expiration or termination of this Lease.

(b) Throughout the life of this Lease, Lessee shall pay for and maintain in full force and effect with an insurance company(s), admitted by the California Insurance Commissioner to do business in the State of California and rated not less than AA-/VII in Best's Insurance Rating Guide, the following policies of insurance:

(i) COMMERCIAL GENERAL LIABILITY insurance which shall include contractual, products and completed operations coverages, bodily injury and property damage liability insurance with combined single limits of not less than \$1,000,000 per occurrence.

(ii) COMMERCIAL AUTOMOBILE LIABILITY insurance, endorsed for any auto with combined single limits of liability of no less than \$1,000,000 per occurrence.

(iii) WORKERS COMPENSATION insurance as required under the California Labor Code.

The above described policies of insurance shall be endorsed to provide an unrestricted 30-day written notice in favor of the Lessor, of policy cancellation, change or reduction of coverage, except for the Workers Compensation policy which shall provide a 10-day written notice of such cancellation, change or reduction of coverage. Upon issuance by the insurer, broker, or agent of a

notice of cancellation, change or reduction in coverage, Lessee shall file with Lessor a certificate of such insurance

The General Liability and Automobile Liability insurance policies shall be written on an occurrence form and shall name the City of Kerman, its officers, officials, agents, and employees as an additional insured. Such policy(s) of insurance shall be endorsed so that Lessee' insurance shall be primary and no contribution shall be required of the Lessor. Lessee shall furnish the Lessor with the certificate(s) and applicable endorsements for ALL required insurance prior to the Effective Date.

Any failure to maintain the required insurance shall be sufficient cause for Lessor to terminate this Lease.

If Lessee should subcontract all or any portion of the work to be performed under this Lease, Lessee shall require each subcontractor to provide insurance protection in favor of Lessor, its officers, officials, employees and agents in accordance with the terms of each of the preceding paragraphs, except that the subcontractors' certificates and endorsements shall be on file with Lessee and Lessor prior to the commencement of any work by the subcontractor.

XI

BANKRUPTCY

That if the Lessee at any time during the term hereof shall become insolvent or be adjudged bankrupt, either voluntarily or involuntarily, or should the Lessee commence any proceedings of any nature under the special provisions of the Bankruptcy Act for Farmers, this lease shall immediately terminate, at the option of the Lessor, and the Lessor shall immediately have the right to re-enter upon and take possession of said leased premises, and this leasehold shall not be or become a part of the bankrupt estate or be subject to any administration under conciliation proceedings.

XII

HAZARDOUS MATERIALS

Lessee shall not improperly store, maintain, introduce, or permit the improper storing, maintenance, or introduction of any hazardous material or hazardous waste upon the premises. Lessee shall indemnify, defend and hold harmless Lessor against any claim, loss, liability, damages or demand arising in connection with the presence, introduction, or maintenance of any hazardous material or hazardous waste if such presence, introduction or maintenance occurred during Lessee's possession of the Premises. The indemnification provided hereby includes, but is not limited to, expenses for investigation, clean-up or remediation, and for defense of all claims or charges arising in connection with such hazardous materials. This Section shall survive the termination or expiration of this Lease.

XIII

COMPLIANCE WITH LAWS

Lessee shall not do, or suffer to be done in, on or about said premises anything that would or does violate or conflict with any applicable law, ordinance, rule or regulation which is now in force or effect, or which may hereinafter be enacted, promulgated or adopted by Federal, State, County, or any other local agency having jurisdiction over the premises. In the event that, in complying with such laws, ordinances, rules or regulations, Lessee should necessarily violate any of the terms or provisions of this Lease, Lessee shall not by that fact be held in breach by Lessor.

XIV

OIL, GAS AND MINERAL RIGHTS

That the Lessee shall not have and does not acquire any interest in the oil, gas, mineral or subsurface rights in or under the leased premises as a result of this lease, and the Lessor reserves the right for itself and its Lessees to enter upon the demised premises for the purposes of exploring for, producing and processing oil, gas or other minerals. In this event, the Lessee shall be entitled to a pro-rata reduction in rent by reason of any acreage occupied for such purpose and for the then market value of any growing crops destroyed or damaged as the result of such operations.

XV

WAIVER

That no waiver of the breach of any of the covenants of this lease shall be construed or held to

be a waiver of any other breach or waiver, or acquiescence in or consent to any further succeeding breach of the same covenant.

XVI

BINDING EFFECT

That this agreement shall extend to and bind the heirs, executors, administrators, successors and assigns of the respective parties hereto; and

XVII

CONSTRUCTION

That the words "Lessor" and "Lessee" as herein used shall include the singular and plural numbers, and the masculine, feminine, and neuter genders, as context requires. Nothing in this Lease shall be construed or interpreted to make Lessor anything but a lessor and in all of its activities and operations pursuant to this Lease, Lessee shall for no purpose be considered agent of Lessor. If this Lease is found to contain any ambiguity, the Lease shall be construed as if both parties had drafted it.

XVIII

ENTIRE AGREEMENT

This Lease contains the entire agreement between the parties as to the subject matter hereof. No promises, representation, warranty, or covenant not included in this Lease has been or is relied on by either party. Each party has relied upon his own examination of this Lease, the counsel of his own advisors, and the warranties, representations, and covenants in the Lease itself. The failure or refusal of either party to inspect the Premises or Demised Property, to read the Lease or other documents, or to obtain legal or other advice relevant to this transaction constitutes a waiver of any objection, contention, or claim that might have been based on such reading, inspection, or advice.

XIX

ATTORNEY'S FEES

If either party brings any action or proceeding, including an arbitration, to enforce, protect, or establish any right or remedy, the prevailing party shall be entitled to recover reasonable attorney's fees and costs of enforcement at arbitration, trial and appeal.

XX

AUTHORIZED ACTION

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

XXI

SEVERABILITY

Should one or more provisions of this Lease be determined to be illegal, invalid, or unenforceable, that provision or provisions, shall be deleted from this agreement, and all other provisions shall remain effective.

XXII

CALIFORNIA LAW APPLIES

This Lease and matters related to it shall be governed by the laws of the State of California. This Lease concerns land in the County of Fresno, State of California, and the parties have their principal offices and have entered into this Lease in said County.

XXIII

AMENDMENT TO BE IN WRITING; AUTHORIZATION REQUIRED

This Lease may be modified or amended only by a writing duly authorized and executed by both LESSOR and LESSEE. It may not be amended or modified by oral agreements or understanding between the parties.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands, to be effective as of the day and year first above written.

LESSOR

LESSEE

CITY OF KERMAN

Giacolini Ag Lease 2008

BY _____

BY _____
Earl Giacolini

BY _____
Roland Nale

ATTEST:

Partners E & R Ranch

CITY CLERK

YAMABE & HORN ENGINEERING, INC.

CIVIL ENGINEERS - LAND SURVEYORS

1300 E. Shaw Avenue, Suite 176, Fresno, CA 93710

(559) 244-3123, FAX (559)244-3120

EXHIBIT "A"

May 9, 2008

LEGAL DESCRIPTION
GIACOLINI GIFT PROPERTY
CITY OF KERMAN

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 8, TOWNSHIP 14 SOUTH, RANGE 18 EAST, MOUNT DIABLO BASE AND MERIDIAN, ACCORDING TO THE OFFICIAL PLAT THEREOF; THENCE SOUTH 89°51'14" EAST, ALONG THE SOUTH LINE OF SAID SECTION 8, A DISTANCE OF 185.94 FEET, TO THE TRUE POINT OF BEGINNING; THENCE NORTHEASTERLY ALONG THE ARC OF A NON-TANGENT CURVE CONCAVE SOUTHEASTERLY WITH CENTER POINT BEARING SOUTH 63°20'27" EAST A RADIUS OF 666.34 FEET, THROUGH A CENTRAL ANGLE OF 40°44'24" AN ARC LENGTH OF 473.80 FEET; THENCE NORTH 67°23'57" EAST A DISTANCE OF 178.60 FEET, TO A POINT ON THE SOUTHERLY RIGHT OF WAY LINE OF THE UNION PACIFIC (FORMERLY SOUTHERN PACIFIC) RAILROAD COMPANY'S MAIN LINE FROM KERMAN TO FRESNO, SAID POINT BEING AT RIGHT ANGLES TO AND DISTANT 50 FEET SOUTHERLY FROM THE CENTER OF ABOVE SAID MAIN LINE AT ENGINEER'S STATION 31+09.9; THENCE ALONG SAID SOUTHERLY RIGHT OF WAY LINE, ALONG THE ARC OF A CURVE CONCAVE NORTHWESTERLY WITH CENTER POINT BEARING NORTH 18°09'28" WEST A RADIUS OF 11509.16 FEET, THROUGH A CENTRAL ANGLE OF 1°29'25" AN ARC LENGTH OF 299.41 FEET; THENCE NORTH 70°21'06" EAST A DISTANCE OF 753.75 FEET; THENCE LEAVING SAID RIGHT OF WAY LINE, SOUTH 0°27'40" WEST A DISTANCE OF 739.08 FEET, TO A POINT ON THE SOUTH LINE OF SAID SECTION 8; THENCE NORTH 89°51'14" WEST, ALONG SAID SOUTH LINE, A DISTANCE OF 1491.44 FEET, TO THE TRUE POINT OF BEGINNING.

CONTAINING 15.60 ACRES, MORE OR LESS.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KERMAN
APPROVING THE EXECUTION OF AN EXCLUSIVE OPTION FOR THE
PURCHASE OF LAND BY THE CITY FROM JACK E. WAGENLEITNER,
JEAN WAGENLEITNER, AND ALENE HAMILTON.

WHEREAS, the City Council of the City of Kerman (the “City”), as the legislative body of the City is authorized to purchase real property for the common benefit of its citizens; and

WHEREAS, the City has an opportunity to obtain an exclusive option to purchase certain lands within the City that will be useful for public purposes and the common good of local residents.

NOW, THEREFORE, the City Council does find, determine, resolve and order as follows:

1. The Council has reviewed the terms of the proposed Agreement for Option to Purchase Between the City of Kerman and Jack E. Wagenleitner, Jean Wagenleitner, and Alene Hamilton attached hereto as Attachment “A”.
2. Upon the basis of information provided by City staff, the Agreement will serve a public purpose by providing the City with the opportunity to purchase and direct the development of the affected land so as to promote the orderly development and growth of local employment opportunities and an enhanced tax base.
3. The sale as proposed in the Agreement promotes a public purpose by providing for the development of diverse local employment opportunities and related benefits, and that the sale will therefore serve the general welfare of the citizens of this City.
4. The Council has provided opportunity for public comment on the Agreement as proposed.
5. The Council hereby authorizes the Mayor to execute the Agreement in substantially the form attached hereto as Attachment “A” with such subsequent minor revisions as may be approved by the City Manager and the City Attorney.

The foregoing resolution was adopted at a regular meeting of the City Council of the City of Kerman on the 1st day of October, 2008 and passed at said meeting by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

The foregoing resolution is hereby approved.

MAYOR, CITY OF KERMAN

ATTEST:

CITY CLERK, CITY OF KERMAN

ATTACHMENT A

*When Recorded, Please Return Original,
and send Tax Bills, if any to:*

City of Kerman, A California Municipal Corp.
850 South Madera Avenue
Kerman, CA 93630
Attn: City Clerk

No Recording Fee Required
Cal. Government Code Section 27383

Space Above This Line Reserved for Recorder's Use

A.P.N: 023-060-17
023-060-13

**AGREEMENT FOR OPTION TO PURCHASE
BETWEEN THE CITY OF KERMAN AND
JACK E. WAGENLEITNER, JEAN WAGENLEITNER, AND ALENE HAMILTON**

This Agreement for Option to Purchase (“Agreement”) is entered into as of the ____ day of _____, 2008 between Jack E. Wagenleitner, Jean Wagenleitner, and Alene Hamilton as Trustees of the Testamentary Trust created by the Will of Edward Wagenleitner, deceased (referred to collectively herein as “Seller”) and the City of Kerman, a public agency (“Purchaser”).

Recitals

A. Seller is the owner of that certain real properties (“Real Property”) located within the jurisdictional limits of the City of Kerman, California, in an area that is planned and zoned for industrial uses. Said Real Property is currently used for agricultural purposes and is more particularly described in the attached Exhibit A as Parcel 1 and Parcel 2.

B. Purchaser desires to obtain an option to purchase the Real Property, and Seller desires to grant an option to purchase the Real Property subject to the terms and conditions in this Agreement.

Agreement

For good and valuable consideration, the receipt and adequacy of which are acknowledged, the parties agree as follows:

Wagenleitner OPTION 092508

Section 1. Option to Purchase Real Property

Seller grants to Purchaser an option to purchase the Real Property (sometimes called the "Option Property") subject to the terms and conditions of this Section. This option will permit Purchaser to seek grants or other funds that may be useful to development of public infrastructure necessary to development of the Real Property to industrial uses.

(a) The Purchaser or Purchaser's nominee shall have an exclusive option to purchase all or a part of the Option Property as hereafter set out at any time within 10 years of the execution of this Agreement, provided however, that the option shall expire on December 31, 2018. The option may be exercised as successive purchases of portions of the Option Property. To exercise the option, Purchaser shall give written notice to Seller, and the parties shall promptly open an escrow to consummate the sale of the Property pursuant to this Agreement at the office of First American Title Company, 7625 North Palm Ave., Ste. 101, Fresno, CA 93711. Purchaser and Seller shall deliver signed instructions to escrow within thirty (30) days of opening the escrow. The instructions shall not modify or amend this Agreement; provided, however, that the parties shall execute any additional instructions requested by escrow in a manner consistent with this Agreement and with the Purchase and Sale Agreement which shall be as attached hereto as Exhibit "B" with the name and contact information of Purchaser or Assignee inserted and the Purchase Price calculated as set forth in Paragraph (i) of this Section, provided however, that in the event of any conflict between the terms and provisions of this Option Agreement and the Purchase and Sale Agreement, the Purchase and Sale Agreement shall control.

(b) The Close of Escrow and Purchaser's obligation to purchase the Property pursuant to this Agreement are conditioned on:

(i) Purchaser's approval of a preliminary report on the Property, together with copies of all documents referred to in the report (collectively, Preliminary Report) and copies of any effective leases, rental agreements, or any other agreements which are to remain in effect after Purchaser takes title. Purchaser shall have fifteen (15) days from receipt of the Preliminary Report to report in writing any valid objections to it. Any exceptions to title to the Property shown on the Preliminary Report shall be deemed to have been accepted by Purchaser unless objected to in writing by Purchaser to Seller within fifteen (15) days. If Purchaser objects to any exceptions to the title to the Property, and the exceptions are not removed before the Close of Escrow, all rights and obligations under this Agreement may, at the election of the Purchaser, terminate unless Purchaser elects to purchase the Property subject to the exceptions.

(ii) The conveyance to Purchaser or Purchaser's nominee of title to the Property, as evidenced by a standard form California Land Title Association (CLTA) title insurance policy or other policy acceptable to Purchaser, in the full amount of the purchase price, issued by Title Company.

Should any of the conditions specified in Section 1(b) fail to occur before or concurrently with

the Close of Escrow, Purchaser shall have the right, exercisable by the giving of written notice to the escrow agent and to Seller, to cancel the escrow, terminate this Agreement, and recover any amounts paid by Purchaser to the Title Company on account of the Purchase Price. The exercise of this power by Purchaser shall not, however, constitute a waiver by Purchaser of any other rights Purchaser may have against Seller for breach of this Agreement.

(c) At the closing, Title Company shall make the following prorations:

(i) Property taxes, if any, shall be prorated as of the Close of Escrow, including any additional property taxes, which may be assessed after Close of Escrow, pertaining to the period prior to transfer of title to Purchaser, regardless of when notice is delivered, or who receives the notice.

(ii) Any bond or assessment for the improvement or service to the Property that is a pre-existing lien, determined as of the Close of Escrow, shall be pro-rated between the Parties as set forth in the preceding paragraph, provided however, that any amounts that are past due, or which relate to services or commodities already consumed, shall be paid by Seller at the Close of Escrow.

(d) The expenses of the escrow shall be paid by Purchaser or its designee; Seller shall not be liable for any expenses in connection with the escrow, except that Seller shall be responsible to pay any expenses in connection with the removal of any encumbrances, liens, past due taxes or other obligations against the Property.

(e) Purchaser, or persons designated by Purchaser, shall have the right at all reasonable times to enter on the Property for the purpose of conducting those soil tests, surveys, and studies as Purchaser may require to ascertain the suitability of the Property for Purchaser's purposes. Purchaser shall repair and replace any damage to the Property caused by any entry on the Property by Purchaser or any persons designated by Purchaser. Purchaser shall also indemnify and hold Seller harmless against any claims arising from Purchaser's or Purchaser's designated persons' entry on the Property, and against all costs, expenses, and liabilities incurred in or in connection with any claim or proceeding brought on a claim, including, but not limited to, attorney fees and court costs.

Purchaser shall hold harmless and indemnify Seller from any and all liens which may attach to the property as a result of the investigations of Purchaser prior to the close of escrow.

(f) Regardless of the time of title passing, the Seller shall be permitted a reasonable time to farm and harvest the next occurring harvest of any crop then growing on the Real Property or Option Property.

(g) Seller and Purchaser each warrant to the other that no person or entity can properly claim a right to a commission, finder's fee, or other compensation with respect to the transaction contemplated by this Agreement.

(h) Parcel 1 and Parcel 2 may be purchased as their boundaries currently exist, or Purchaser may purchase a portion of either Parcel provided the Purchaser shall pay all costs necessary to the creation of the portion as a legal parcel. If a portion of a parcel is purchased, the minimum size of any portion purchased and any unpurchased portion shall be 5 acres. If only a portion of a parcel is purchased, this Option shall continue to be effective according to its terms as to any unpurchased portions. If successive options are used, each option shall be contiguous to prior parcels created or sold pursuant to this Option Agreement unless Seller approves in writing of alternate configurations.

(i) The purchase price for Option Property shall be at the rate of \$32,000.00 Dollars per acre through December 31, 2009. On January 1, 2010, the purchase price shall increase by 3%, and the purchase price shall increase by another 3% on January 1, 2013, and shall increase by another increase of 3% on January 1, 2016.

(j) Following the execution of this Agreement for Option to Purchase, the Seller will cooperate with the Purchaser to promptly grant to Purchaser one or more easements and rights of way for the development of public infrastructure to serve the Real Property, and thereby facilitate the sale of the Real Property for its intended industrial uses. Easements shall be granted without cost to the Purchaser, but Purchaser shall purchase and make payment for rights of way at the price per acre prevailing according to the previous paragraph at the time that roadways or other improvements are installed in such rights of way.

Section 2. Assignment.

The Real Property subject to this Agreement is intended as possible sites for new businesses or other economic development for the benefit of the City of Kerman. To further these purposes, it is understood that Purchaser may assign the rights herein, or designate a nominee to exercise said rights. Such assignment shall be in writing, in substantially the form attached hereto as Exhibit "C"

Section 3. Notices.

All notices to be given under this Agreement shall be in writing and either:

(a) Sent by certified mail, return receipt requested, in which case notice shall be deemed delivered three (3) business days after deposit, postage prepaid in the United States Mail,

(b) Sent by a nationally recognized overnight courier, in which case notice shall be deemed delivered one (1) business day after deposit with this courier, or

(c) By telecopy or similar means, if a copy of the notice is also sent by United States Certified Mail, in which case notice shall be deemed delivered on transmittal by telecopier or other similar means provided that a transmission report is generated by reflecting the accurate transmission of the notices, as follows:

TO SELLER:

JACK E. WAGENLEITNER, JEAN WAGENLEITNER

And ALENE HAMILTON, Trustees of the
Testamentary Trust of Edward Wagenleitner, deceased
P.O. Box 93, Kerman, CA 93630

With Courtesy Notice to: O. James Woodward III, Esq.
Baker, Manock & Jensen
5260 N. Palm Ave., Suite 421
Fresno, CA 93704

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

With Courtesy Notice to: Mark A. Blum, Esq.
441-C South Madera Avenue
Kerman, CA 93630

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

Section 4. Attorney Fees.

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

Section 5. Specific Performance.

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

Section 6. Entire Agreement.

This Agreement contains the entire agreement between the parties as to the subject of a purchase option for the Real Property identified herein, and supersedes any previous agreements between the parties regarding the Real Property. No promises, representation, warranty, or covenant not included in this Agreement has been or is relied on by either party. Each party has

relied upon his own examination of this Agreement, the counsel of his own advisors, and the warranties, representations, and covenants in the Agreement itself. The failure or refusal of either party to read the Agreement or other documents, or to obtain legal or other advice relevant to this transaction constitutes a waiver of any objection, contention, or claim that might have been based on such reading, inspection, or advice.

Section 7. Time of Essence.

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

Section 8. Counterparts.

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

Section 9. Severability.

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

Section 10. Waivers.

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

Section 11. Construction.

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

Section 12. Governing Law.

This Agreement shall be governed and construed in accordance with California law.

Section 13. Authorized Action.

Each party signing below certifies that he or she is authorized to execute this Agreement

and thereby obligate the party on whose behalf such signature is made. The authority of each signer was, if necessary, granted by appropriate corporate action.

Section 14. Amendments To Be In Writing; Authorization Required.

This Agreement may be modified or amended only by a writing duly authorized and executed by both parties. It may not be amended or modified by oral agreements or understanding between the parties. This Agreement and any modification or amendment thereto shall only be effective if authorized by the City Council of the City of Kerman
The parties have executed this Agreement as of the date first written above.

PURCHASER:

CITY OF KERMAN

BY: _____
Ron Manfredi, City Manager

Date: _____

SELLER:

JACK E. WAGENLEITNER

Trustee of the Testamentary Trust created by
The Will of Edward Wagenleitner, deceased

Date: _____

JEAN WAGENLEITNER

Trustee of the Testamentary Trust created by
The Will of Edward Wagenleitner, deceased

Date: _____

ALENE HAMILTON

Trustee of the Testamentary Trust created by
The Will of Edward Wagenleitner, deceased

Date: _____

- Attachments: Exhibit A Legal Description
Exhibit B Purchase and Sale Agreement
Exhibit C Assignment Agreement
Notary's Acknowledgments

LEGAL DESCRIPTION

The land referred to in this Report is described as follows:

All that certain real property situated in the City of Kerman, County of Fresno, State of California, described as follows:

PARCEL ONE:

That portion of the Southwest quarter of the Northeast quarter of Section 13, Township 14 South, Range 17 East, Mount Diablo Base and Meridian, according to the United States Government Township Plats, which lies West of the West right of way line of sewer; said West line being described as follows:

BEGINNING at a point on the South line of said Southwest quarter of the Northeast quarter, said point being North $89^{\circ} 21 \frac{1}{2}'$ East and distant 830.6 feet from the center quarter corner of said Section 13; thence North $00^{\circ} 31'$ East along said West line of sewer right of way, a distance of 1326.47 feet, more or less, to the North line of said Southwest quarter of the Northeast quarter.

EXCEPTING THEREFROM the South 20 feet and the West 20 feet, reserved for road purposes:

EXCEPTING THEREFROM all oil, gas and other hydrocarbon substances in and under said premises, together with the right and privilege to develop and remove the same, as reserved in the Deed from Henry Kressman, as his sole and separate property, and Portia F. Kressman, wife of Henry Kressman, to Carless Peer and Pauline Peer, husband and wife as joint tenants, dated January 30, 1951, recorded February 8, 1951, in Book 2967, Page 288, as Document No. 8343, Official Records.

PARCEL TWO:

That portion of the Northwest quarter of the Northeast quarter of Section 13, Township 14 South, Range 17 East, Mount Diablo Base and Meridian, according to the Official Map or Plat thereof, lying South of the South line of the Southern Pacific Railroad right of way and West of the Westerly line of sewer right of way, said Westerly line being described as follows:

BEGINNING at a point on the South line of said Northwest quarter of the Northeast quarter of said section, said point being North $89^{\circ} 20 \frac{3}{4}'$ East 829.82 feet from the Southwest corner of said Northwest quarter of the Northeast quarter; thence North $00^{\circ} 31'$ East along said Westerly sewer right of way 1157.38 feet, more or less, to a point on the Southerly line of the Southern Pacific Railroad right of way, said point being North $89^{\circ} 59'$ East 829.17 feet from the West line of said Northwest quarter of the Northeast quarter;

EXHIBIT A

Legal Description Continued:

EXCEPTING THEREFROM the West 20 feet thereof reserved for road purposes;

ALSO EXCEPTING THEREFROM unto Henry Kressman, Portia F. Kressman, Gertrude C. Whitacre and Jathryn L. Davis, their Heirs, Executors, Administrators and Assigns, all oil, gas and other hydrocarbon substances as reserved in the Deed from Henry Kressman, as his sole and separate property, and Portia F. Kressman, his wife of Henry Kressmann, by Deed recorded January 23, 1952, in Book 3113, Page 349, Official Records.

APN: 023-060-13 023-060-17

EXHIBIT "B"

**PURCHASE AND SALE AGREEMENT
BETWEEN _____, AND
JACK E. WAGENLEITNER AND JEAN WAGENLEITNER AND ALENE HAMILTON**

This Purchase and Sale Agreement ("Agreement") is entered into as of the ____ day of _____, 2008 between _____ (referred to hereinafter "Purchaser" or collectively as "_____") and Jack E. Wagenleitner, and Jean Wagenleitner, and ALENE HAMILTON, Trustees of the Testamentary Trust of Edward Wagenleitner, deceased ("Seller").

Recitals

A. Seller is the owner of that certain real property located in an industrially-zoned district in in the City of Kerman, California and more particularly described in the attached Exhibit A.

B. Purchaser desires to purchase an approximately _____ acre parcel of Seller's real property, said parcel being referred to hereinafter as the "Real Property", and Seller desires to sell the Real Property subject to the terms and conditions in this Agreement.

Agreement

For good and valuable consideration, the receipt and adequacy of which are acknowledged, the parties agree as follows:

Section 1. Purchase and Sale.

Subject to the terms and conditions in this Agreement, Seller agrees to sell and Purchaser agrees to purchase the Real Property.

Section 2. Purchase Price.

(a) The Purchaser shall pay the Purchase Price of _____ for the Real Property calculated as \$ _____ per acre for _____ acres.

(b) Upon the execution of this Agreement, Purchaser and Seller shall open an escrow with a mutually agreed title company and Purchaser shall deposit \$5,000.00 with the title company as a non-refundable deposit for each five acres of property purchased. The deposit shall be applied as an initial installment of the Purchase Price, but if the escrow terminates without transfer to the Purchaser through no fault of the Seller, then Purchaser directs that the 5,000.00 deposit shall be paid to Seller as liquidated damages for Seller's expenses in connection with the failed transaction. Upon payment of the balance of the Purchase Price into escrow and the satisfaction of all other conditions of the escrow agreement, the escrow shall be completed and fee title to the Real Property shall pass to Purchaser.

Section 3. Escrow.

An escrow shall be opened to consummate the sale of the Property pursuant to this Agreement within five (5) days from the execution of this Agreement by all parties. Purchaser and Seller shall deliver signed instructions to escrow within thirty (30) days of opening the escrow. The instructions shall not modify or amend this Agreement; provided, however, that the parties shall execute any additional instructions requested by escrow that are not inconsistent with this Agreement. Escrow shall close as soon as reasonably possible, but not later than twelve months after the execution of this Agreement.

Section 4. Conditions of Escrow.

(a) Purchaser's Conditions. The Close of Escrow and Purchaser's obligation to purchase the Property pursuant to this Agreement are conditioned on:

(i) Purchaser's approval of a preliminary report on the Property, together with copies of all documents referred to in the report (collectively, Preliminary Report) and copies of any effective leases, rental agreements, or any other agreements which are to remain in effect after Purchaser takes title. Purchaser shall have fifteen (15) days from receipt of the Preliminary Report to report in writing any valid objections to it. Any exceptions to title to the Property shown on the Preliminary Report shall be deemed to have been accepted by Purchaser unless objected to in writing by Purchaser to Seller within fifteen (15) days. If Purchaser objects to any exceptions to the title to the Property, and the exceptions are not removed before the Close of Escrow, all rights and obligations under this Agreement may, at the election of the Purchaser, terminate unless Purchaser elects to purchase the Property subject to the exceptions.

(ii) The conveyance to Purchaser or Purchaser's nominee of title to the Property, as evidenced by a standard form California Land Title Association (CLTA) title insurance policy or other policy acceptable to Purchaser, in the full amount of the purchase price, issued by Title Company, subject only to the exceptions approved by Purchaser pursuant to Section 4(a)(i). Seller shall provide Purchaser with a copy of any survey pertaining to the Real Property that may be in Seller's possession, and Purchaser may require Title Company to issue an ALTA policy of title insurance and/or additional endorsements as Purchaser may specify, provided that the additional cost of such increased coverage and endorsements shall be borne by Purchaser.

(iii) Purchaser's review and approval, within thirty (30) days of Seller's acceptance of this Agreement, of zoning, soil conditions, geology, engineering requirements, all governmental requirements, and other matters affecting Purchaser's proposed development of the Property. If Purchaser does not approve of any of the previous matters affecting the Property, Purchaser shall so notify Seller in writing within the thirty (30) day period. If Purchaser does not so notify Seller within the thirty (30) days, then all these matters shall be deemed approved.

“Governmental requirements” as used in the preceding paragraph shall not include the

requirements for a Site Plan Review or Conditional Use Permit issued by the City of Kerman.

Should any of the conditions specified in Section 4(a) fail to occur before or concurrently with the Close of Escrow, Purchaser shall have the right, exercisable by the giving of written notice to the escrow agent and to Seller, to cancel the escrow, terminate this Agreement and recover any amounts paid by Purchaser to the Title Company on account of the Purchase Price that exceed the \$5000.00 non-refundable deposit. The exercise of this power by Purchaser shall not, however, constitute a waiver by Purchaser of any other rights Purchaser may have against Seller for breach of this Agreement.

(b) Seller's Conditions. The Close of Escrow and Seller's obligation to sell the Property pursuant to this Agreement are conditioned on the performance by Purchaser of each obligation under this Agreement, including, without limitation, Purchaser's obligations to make payments described in Section 2 within the time periods designated. Should these conditions fail to occur, then Seller shall have the right, exercisable by the giving of written notice to Title Company and to Purchaser, to cancel the escrow and terminate this Agreement, and Seller shall be entitled to retain Purchaser's \$5,000 deposit.

Section 5. Prorations.

At the closing, Title Company shall make the following prorations:

(a) Property taxes, if any, shall be prorated as of the Close of Escrow, including any additional property taxes, which may be assessed after Close of Escrow, pertaining to the period prior to transfer of title to Purchaser, regardless of when notice is delivered, or who receives the notice; provided that any additional taxes billed following the closing shall be prorated outside of escrow by the parties and Title Company shall have no obligations therefor.

(b) Any bond or assessment for the improvement or service to the Property that is a pre-existing lien, determined as of the Close of Escrow, shall be pro-rated between the Parties as set forth in the preceding paragraph, provided however, that any amounts that are past due, or which relate to services or commodities already consumed, shall be paid by Seller at the Close of Escrow.

Section 6. Brokers' Commissions.

Seller and Purchaser each warrant to the other that no person or entity can properly claim a right to a commission, finder's fee, or other compensation with respect to the transaction contemplated by this Agreement.

Section 7. Expenses of Escrow.

The expenses and costs related to the escrow shall be divided between Purchaser and Seller in the manner customary to Fresno County. Prior to closing, Purchaser shall be responsible for the cost of the parcel split if necessary to establish the Real Property as described in Exhibit A as a legal parcel, and all fees or costs related to recording the parcel map or other record of the parcel split. Recording of the parcel split, if necessary, shall occur prior to, or concurrently with, the close of escrow. If additional parcel splits or modifications to parcel boundaries are required, Purchaser shall be

responsible for the costs associated with such actions.

Section 8. Control of Property During Escrow.

Purchaser, or persons designated by Purchaser, shall have the right at all reasonable times to enter on the Property for the purpose of conducting those soil tests, surveys, and studies as Purchaser may require to ascertain the suitability of the Property for Purchaser's purposes. Purchaser shall repair and replace any damage to the Property caused by any entry on the Property by Purchaser or any persons designated by Purchaser. Purchaser shall also defend, indemnify and hold Seller harmless against any claims arising from Purchaser's or Purchaser's designated persons' entry on the Property, activities or omissions to act while on the Property, and against all costs, expenses, and liabilities incurred in or in connection with any claim or proceeding brought on a claim, including, but not limited to, attorney fees and court costs.

Purchaser shall hold harmless and indemnify Seller from any and all liens that may attach to the property as a result of the investigations of Purchaser prior to the close of escrow. The provisions of this Section shall survive any termination of this Agreement.

Section 9. Disclaimer of Representations and Warranties by Seller.

(a) There are no representations, agreements, arrangements, or circumstances, oral or written, between the parties relating to the subject matter contained in this Agreement that are not fully expressed in the Agreement, and Seller has not made and does not make any representation or warranty concerning any matter or thing affecting or relating to the Property not expressed in this Agreement.

(b) Purchaser warrants that Purchaser is a sophisticated owner and developer of real property, familiar and experienced with requirements for the development of real property. Purchaser has examined the Property, is familiar with its physical condition, and accepts the Property in an "as is" condition. Seller has not made and does not make any representations as to the physical condition of the Property.

(c) Purchaser has conducted or will conduct an independent investigation with respect to zoning and subdivision laws, ordinances, resolutions, and regulations of all governmental authorities having jurisdiction over the Property, and the use and improvement of the Property, and Seller has not made representations to Purchaser on any of these matters. Seller agrees to cooperate with Purchaser to obtain a parcel split or other necessary division of land and appropriate land use entitlements for Purchaser's intended use of the Real Property for construction and operation of its proposed industrial facility.

Section 10. Compliance with Applicable Laws and Regulations.

Purchaser shall comply with all applicable laws, regulations and ordinances, including but not limited to obtaining all appropriate licenses and permits for its activities connected with the

performance of this Agreement and its intended business activities on the Real Property. The defense and indemnification provisions of Section 8 above shall be applicable to any violation of this Section, including, but not limited to, any violation of laws concerning hazardous waste or substances.

Section 11. Damage or Condemnation.

(a) In the event of any damage or other loss to the Property prior to the Close of Escrow, Purchaser shall not be entitled to terminate this Agreement, but shall be obligated to close the escrow and purchase the Property as provided in this Agreement, without abatement in the Purchase Price; provided that Seller shall assign to Purchaser at the Close of Escrow all monies to be paid by Seller's insurer in connection with the damage or loss, and all claims for monies payable from Seller's insurer in connection with the damage or loss.

(b) If, prior to the Close of Escrow, all of the Property is taken by eminent domain, or is the subject of a pending taking which has not been consummated, Seller shall immediately notify Purchaser of the event. In this event, this Agreement shall be immediately terminated. On termination of this Agreement, neither party shall have any rights or responsibilities to the other, and the Deposit shall be promptly returned to Purchaser. In this event, any escrow cancellation fees in connection with the termination shall be shared fifty percent (50%) by Purchaser and fifty percent (50%) by Seller.

(c) If, prior to the Close of Escrow, a material portion but not all of the Property is taken by eminent domain, or is the subject of a pending taking which has not been consummated, Seller shall immediately notify Purchaser of this event. Purchaser shall then have the right to terminate this Agreement by written notice to the Seller delivered within ten (10) business days after Purchaser's receipt of this notice, if Purchaser reasonably believes that the portion of the Property subject to being taken would materially and adversely affect Purchaser's intended use of the Property. If Purchaser elects not to exercise the right to terminate pursuant to this Section, Seller shall assign and deliver to Purchaser, and Purchaser shall be entitled to receive, all awards, otherwise payable to Seller, for the taking by eminent domain. The parties shall proceed to the Close of Escrow pursuant to the terms of this Agreement, without modification of this Agreement, except as necessitated by eminent domain action, and without any reduction in the Purchase Price. If Purchaser terminates pursuant to this Section, then neither party shall have any rights or responsibilities to the other, and the Deposit shall be promptly returned to Purchaser.

Section 12. Assignment; Restriction on Transfer.

This Agreement shall not be assigned by Purchaser without the prior written approval of Seller and the City of Kerman, which approval shall not be unreasonably withheld.

Section 13. Notices.

All notices to be given under this Agreement shall be in writing and either:

(a) Sent by certified mail, return receipt requested, in which case notice shall be deemed delivered three (3) business days after deposit, postage prepaid in the United States Mail,

(b) Sent by a nationally recognized overnight courier, in which case notice shall be deemed delivered one (1) business day after deposit with this courier, or

(c) By telecopy or similar means, if a copy of the notice is also sent by United States Certified Mail, in which case notice shall be deemed delivered on transmittal by telecopier or other similar means provided that a transmission report is generated by reflecting the accurate transmission of the notices, as follows:

TO SELLER: JACK E. WAGENLEITNER, JEAN WAGENLEITNER
And ALENE HAMILTON, Trustees of the
Testamentary Trust of Edward Wagenleitner, deceased
P. O. Box 93
Kerman, CA 93630

With Courtesy Notice to: O. James Woodward III, Esq.
Baker, Manock & Jensen
5260 N. Palm Ave., Suite 421
Fresno, CA 93704

TO PURCHASER:

With Courtesy Notice to: City Manager
CITY OF KERMAN
850 South Madera Avenue
Kerman, CA 93630

With Courtesy Notice to: Mark A. Blum, Esq.
441-C South Madera Avenue
Kerman, CA 93630

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

Section 15. Attorney Fees.

If either party commences an action against the other to enforce this Agreement, or because of the breach by either party of this Agreement, the prevailing party in this action shall be entitled to

recover attorney fees and costs incurred in connection with the prosecution or defense of this action, including any appeal of the action, in addition to all other relief. Prevailing party within the meaning of this Section shall include, without limitation, a party who successfully brings an action against the other party for sums allegedly due or performance of covenants allegedly breached, or that party who obtains substantially the relief sought in the action.

Section 16. Specific Performance.

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

Section 17. Entire Agreement.

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

Section 18. Time of Essence.

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

Section 19. Counterparts.

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

Section 20. Severability.

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

Section 21. Waivers.

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

Section 22. Construction.

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

Section 23. Governing Law.

This Agreement shall be governed and construed in accordance with California law.

Section 24. Authorized Action.

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

Section 25. Amendments To Be In Writing; Authorization Required.

This Agreement may be modified or amended only by a writing duly authorized and executed by both parties. It may not be amended or modified by oral agreements or understanding between the parties.

SELLER:

JACK E. WAGENLEITNER Trustee
Testamentary Trust of Edward Wagenleitner, deceased

Date: _____

JEAN WAGENLEITNER Trustee
Testamentary Trust of Edward Wagenleitner, deceased

Date: _____

ALENE HAMILTON, Trustee
Testamentary Trust of Edward Wagenleitner, deceased

Date: _____

PURCHASER:

BY: _____

Date: _____

BY: _____

Date: _____

Exhibits to Attach:

Exhibit A: Legal Description of Parcel

Exhibit B: Map of Parcels

EXHIBIT C

*When Recorded, Please Return Original,
and send Tax Bills, if any to:*

City of Kerman, A California Municipal Corp.
850 South Madera Avenue
Kerman, CA 93630
Attn: City Clerk

Space Above This Line Reserved for Recorder's Use

**ASSIGNMENT TO _____ OF OPTION TO PURCHASE
BETWEEN THE CITY OF KERMAN AND JACK E. WAGENLEITNER, JEAN
WAGENLEITNER, AND ALENE HAMILTON**

The City of Kerman (“Assignor”) holds an exclusive option to purchase certain real property as set forth in an Agreement for Option to Purchase (“Option Agreement”) entered into as of the ____ day of _____, 2008 between Jack E. Wagenleitner and Jean Wagenleitner, and Alene Hamilton as Trustees of the Testamentary Trust created by the Will of Edward Wagenleitner, deceased (“Seller”) and the City of Kerman, a public agency.

This Assignment of the Option Agreement is entered into as of the ____ day of _____, 20____, between the City of Kerman, a public agency as Assignor and _____ (hereafter, “Assignee”) as Assignee.

Recitals

A. Seller is the owner of certain real properties located to the south of Commerce Way west of Madera Avenue in the City of Kerman, California. Said real property is more particularly described in the attached Exhibit A.

B. Assignee desires to obtain an option to purchase Parcel ____ of the real property (hereafter the “Real Property”), consisting of approximately _____ acres, and Assignor desires to assign an option to purchase the Real Property subject to the terms and conditions in this Agreement.

Agreement

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

Section 1. Assignment of Option to Purchase Real Property

Assignor hereby assigns to Assignee its rights and obligations pursuant to the Option Agreement, but only as such rights and obligations affect the Real Property, that is, Parcel _____ as described in the Option Agreement, consisting of approximately _____ acres located west of Madera Avenue south of Commerce Way in the City of Kerman, California, subject to the terms and conditions of this Assignment.

Assignee accepts the assignment made herein and agrees to perform the obligations set forth in the Option Agreement and to execute and perform the obligations set forth in the Purchase and Sale Agreement Between _____ and Jack E. Wagenleitner and Jean Wagenleitner, and Alene Hamilton as Trustees of the Testamentary Trust created by the Will of Edward Wagenleitner, deceased, in substantially the form attached hereto as Exhibit B.

The parties to this Assignment acknowledge that time is of the essence, and therefore this Assignment shall terminate and have no further force or effect if Assignee has not completed the purchase contemplated by the Purchase and Sale Agreement set forth in Exhibit B within 120 days of executing this Assignment.

Section 2. Restrictions on Further Assignment.

The Real Property subject to this Assignment is intended as a site for new businesses or other economic development for the benefit of the City of Kerman. To further these purposes, it is understood that Assignee may not make any transfer or assignment of the rights and obligations created by this Assignment without first obtaining the written consent of Assignor, which approval shall not be unreasonably withheld provided that the proposed transferee can demonstrate that it has the financial and organizational capability of performing the obligations and duties imposed upon the Assignee in this Assignment. Until the completion of the required Improvements as defined below, Assignee must obtain the written permission of Assignor before selling, leasing or transferring the Real Property, which permission shall not be unreasonably withheld.

Section 3. Improvements to Be Constructed; Option to Purchase.

(a) Assignor's purpose in making this Assignment is to promote the development of the City of Kerman and to encourage the creation of local employment opportunities. To this end, Assignee shall apply to the City of Kerman for a Building Permit and other necessary site plan reviews, planning or land use permits within 12 months of signing this Assignment. Within 12 months of receiving a building permit for the construction and operation of a service commercial or light industrial facility on the Real Property, Assignee shall commence and make diligent progress toward the construction of at least _____ square feet of enclosed structures and related improvements to the Real Property. Assignee is required to substantially complete construction of the improvements specified in the building permit within twenty-four (24) months following the issuance of a building permit, subject to extension for excusable delays. "Excusable delays" means delays occasioned by acts of God, acts of the

other party or the other party's agent or agents, acts of a public enemy, inclement weather, war, war defense conditions, labor disputes, acts of public utilities, or other contingencies beyond the reasonable control of that party.

Prior to occupancy of the Improvements, Assignee shall construct and install pavement, curb and gutter, storm drain, water main and similar street and frontage improvements to City of Kerman specifications and standards along the areas detailed in Exhibit C, attached hereto. Assignee shall be reimbursed for the construction of such improvements along the frontage of the Remainder Parcel when the Remainder Parcel is developed. Alternately, Assignee and Seller may agree that the cost of said improvements may be deducted from the sale price.

(b) Assignee hereby grants an option to Assignor to purchase the Real Property for the Purchase Price of \$_____ per acre if Assignee has not satisfied the timelines of this Section for the obtaining of permits, or the commencement of construction. Alternately, upon compliance with the timelines in the previous paragraph for the obtaining of permits, and the commencement of construction, Assignor's purchase option shall terminate and Assignor shall upon written request execute and record a quitclaim deed with respect to the Real Property upon Assignee's delivery of: (a) a written construction budget that covers construction of at least the Improvements as defined below, and (b) written evidence of construction financing or other funds sufficient to pay the amount set forth in the budget. With respect to (b), a duly executed loan commitment letter from a commercial lender shall be sufficient evidence of financing for the amount set forth in the commitment. The Assignor shall cooperate with Assignee's lender and Assignee as reasonably requested so that the Assignor's quitclaim deed records at or prior to the recording of the lender's construction deed of trust. Assignor's option to purchase shall commence upon its determination that a timeline has not been satisfied and shall continue for a period of up to 15 years from the Assignee's date of acquiring title to the Real Property if Assignee has not commenced construction of Improvements on the Real Property. Assignor shall have absolute discretion, but no obligation, to exercise the option at any time within ten years of Assignee's failure to meet the timelines. Assignee shall include in any lease of the Real Property a provision terminating the lease upon the Assignor's exercise of its option to purchase the Real Property.

(c) Improvements, as used in this Section shall mean, at a minimum:

- 1) the construction of _____
- 2) the construction of such on-site improvements and connections with adjacent infrastructure as may be required by any site plan permit obtained for the Real Property; and
- 3) the construction of water, sewer, utility connections and off-site street and frontage improvements convenient or necessary to the proposed improvements.

Section 4. Notices.

All notices to be given under this Agreement shall be in writing and either:

- (a) Sent by certified mail, return receipt requested, in which case notice shall be deemed

delivered three (3) business days after deposit, postage prepaid in the United States Mail,

(b) Sent by a nationally recognized overnight courier, in which case notice shall be deemed delivered one (1) business day after deposit with this courier, or

(c) By telecopy or similar means, if a copy of the notice is also sent by United States Certified Mail, in which case notice shall be deemed delivered on transmittal by telecopier or other similar means provided that a transmission report is generated by reflecting the accurate transmission of the notices, as follows:

TO ASSIGNEE:

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

With Courtesy Notice to: Mark A. Blum, Esq.
 441-C South Madera Avenue
 Kerman, CA 93630

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

Section 5. Attorney Fees.

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

Section 6. Specific Performance.

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

Section 7. Entire Agreement.

This Assignment contains the entire agreement between the parties as to the subject of the assignment of a purchase option for the Real Property identified herein, and supersedes any previous agreements between the parties regarding the Real Property. No promises, representation, warranty, or covenant not included in this Assignment has been or is relied on by either party. Each party has relied upon his own examination of this Assignment, the counsel of his own advisors, and the warranties, representations, and covenants in the Assignment itself. The failure or refusal of either party to read the Assignment or other documents, or to obtain legal or other advice relevant to this transaction constitutes a waiver of any objection, contention, or claim that might have been based on such reading, inspection, or advice.

Section 8. Time of Essence.

Time is of the essence for each condition, term, and provision in this Assignment.

Section 9. Counterparts.

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

Section 10. Severability.

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

Section 11. Waivers.

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

Section 12. Construction.

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

Section 13. Governing Law.

This Assignment shall be governed and construed in accordance with California law.

Section 14. Authorized Action.

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

Section 15. Amendments To Be In Writing; Authorization Required.

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

The parties have executed this Agreement as of the date first written above.

ASSIGNOR:

CITY OF KERMAN

BY: _____
Ron Manfredi, City Manager

Date: _____

ASSIGNEE:

BY: _____

Date: _____

ACKNOWLEDGMENT OF RECEIPT OF NOTICE OF ASSIGNMENT AND NOTICE OF EXERCISE OF PURCHASE OPTION.

The undersigned acknowledges receipt of a copy of the foregoing documents as receipt of notice of assignment and notice of exercise of the option to purchase certain real property as set forth in an Agreement for Option to Purchase ("Option Agreement") is entered into as of the ____ day of _____, 20__ between Jack E. Wagenleitner and Jean Wagenleitner, and Alene Hamilton as Trustees of the Testamentary Trust created by the Will of Edward Wagenleitner, deceased (Seller) and the City of Kerman, a public agency.

Dated: _____, 20__ _____

					05/06	06/07	07/08	07/08	08/09	
					Actual	Actual	Budget	Amended	Budget	
10.0	3061	410	10	00	Salaries	60,791	66,788	60,343	60,343	68,060
10.0	3061	410	30	00	Overtime	2,347	5,938			
10.0	3061	410	40	00	Holiday Pay	1,346	2,229			
10.0	3061	420	00	00	Fringe Benefits	26,908	36,878	39,657	39,657	31,940
Subtotal						91,393	111,833	100,000	100,000	100,000
10.0	3061	521	10	00	Equipment & Uniforms	2,043	3,258			
Subtotal						2,043	3,258	0	0	0
10.0	3061	600	04	00	Cap. Outlay/Mech. & Equip.					
Subtotal Capital Costs						0	0	0	0	0
Total Expenditures						93,436	115,091	100,000	100,000	100,000
Total Revenue						100,000	100,000	100,000	100,000	100,000
Excess (Deficit) Revenue						6,564	(15,091)	0	0	0

Budget Request Remarks

- I. **Personnel:** SLESF funding for 2008/2009 will be used to fund one full-time uniformed officer and a portion of one CSO's salaries and benefits.
- II. **M & O Costs:** None
- III. **Capital:** None

Program Elements:

**City of Kerman Municipal Budget
Police Operations**

FY 08/09

**Activity: 3011
Fund: 10.0
Department: Police Department**

Fund	Object	Project		05/06	06/07	07/08	07/08	08/09		
Activity	Sub Obj.	Description		Actual	Actual	Budget	Amended	Budget		
10.0	3011	410	10	00	Salaries	767,384	890,879	1,076,695	892,000	1,116,585
10.0	3011	410	20	00	Part Time Salaries	1,842	9,394	6,300	15,000	15,000
10.0	3011	410	30	00	Overtime	74,329	91,452	81,700	93,000	88,000
10.0	3011	410	35	00	Court Standby	2,198	1,710	5,000	1,100	2,000
10.0	3011	410	36	00	FTO	687	51	2,000	800	500
10.0	3011	410	38	00	Uniform Allowance		18,667			
10.0	3011	410	45	00	Holiday Pay	38,627	46,553	44,200	37,000	39,000
10.0	3011	420	00	00	Fringe Benefits	407,143	459,318	551,440	448,953	547,916
				Subtotal		1,292,210	1,518,024	1,767,335	1,487,853	1,809,001
10.0	3011	510	01	00	Contract Services		495			
10.0	3011	510	11	00	Prof. Services - Emp. Hiring	6,560	14,142	8,000	9,000	3,000
10.0	3011	510	12	00	Prof. Services - Lab Criminal	3,380	4,210	3,600	7,000	2,400
10.0	3011	510	13	00	Prof. Services - Lab Employees					1,600
10.0	3011	510	15	00	Sex Assault/Child Abuse Med.	600	1,703	2,500	745	1,500
10.0	3011	510	28	00	Dispatch	102,179	112,686	124,000	124,000	132,500
10.0	3011	510	29	00	RMS-CAD	1,470	1,769	1,800	1,800	2,000
10.0	3011	510	30	00	Booking Fees	25,865	23,290	23,000		15,000
10.0	3011	510	31	00	Parking Citations	3,447	2,155	3,000	1,500	2,000
10.0	3011	510	32	00	Live Scan Fingerprints	2,575	3,128	3,000	3,500	3,500
10.0	3011	515	01	00	Utilities	12,843	15,220	16,000	16,000	18,000
10.0	3011	521	01	00	Office Supplies	5,338	5,429	6,000	6,000	6,500
10.0	3011	521	02	00	General Supplies	5,828	5,546	6,000	6,000	6,500
10.0	3011	521	10	00	Uniform Supplies	11,658	4,341	6,500	6,300	5,000
10.0	3011	521	12	00	Bullet Resistant Vests					6,450
10.0	3011	521	15	00	Flares/Batteries	604	937	1,200	1,000	1,000
10.0	3011	521	25	00	Evidence and Property	691	631	700	600	600
10.0	3011	521	30	00	Film/ID Supplies	338	121	200	150	150
10.0	3011	521	35	00	Firearms Purchase	2,659	2,864	2,000	2,000	2,000
10.0	3011	521	40	00	Range Supplies	200	248	500	300	400
10.0	3011	521	41	00	Range Maintenance	481	359	500	300	400
10.0	3011	521	42	00	Crime Prevention			5,000	2,000	2,000
10.0	3011	530	01	00	Equipment Mtn/Repair	5,112	3,627	4,000	4,000	4,000
10.0	3011	540	02	00	Equipment Rental	4,193	4,486	4,400	4,400	4,400
10.0	3011	545	00	00	Vehicle/Equip. Usage	124,677	152,106	224,934	224,934	240,679
10.0	3011	546	00	00	Comp./Equip. Internal Rent	7,537	9,000	19,902	19,902	25,606
10.0	3011	551	01	00	Comm./Telephone	4,802	3,209	4,500	2,500	2,500
10.0	3011	551	02	00	Comm./Cell Phone	4,198	6,501	5,600	5,000	5,600
10.0	3011	551	05	00	Live Scan Line	2,616	0	5,400	5,400	5,400
10.0	3011	551	06	00	MDT Monthly Access	5,235	5,291	5,500	3,000	4,000
10.0	3011	552	02	00	Public Notice	1,126	1,419	1,400	500	1,000
10.0	3011	554	01	00	Training & Lodging	12,124	11,406	13,000	12,000	12,000
10.0	3011	554	05	00	Training Supplies	3,402	5,870	6,500	5,000	5,500
10.0	3011	554	10	00	Training Library	209	403	500	400	400
10.0	3011	555	02	00	Professional Dues	714	1,139	1,200	1,000	1,000
10.0	3011	555	03	00	Professional Codes	1,053	994	1,100	900	900
10.0	3011	575	01	00	Supplies/Veterinary	330	502	600	600	600
10.0	3011	577	01	00	Explorer Program	505	483	550	200	300
				Subtotal M&O		364,548	405,710	512,586	477,931	526,386
				Subtotal Operations		1,656,758	1,923,734	2,279,921	1,965,784	2,335,386
10.0	3011	600	03	00	Cap. Outlay/Improv.					
10.0	3011	600	04	00	Cap. Outlay/Mech. & Equip.					
				Subtotal		0	0	0	0	0
				Total Expenditures		1,656,758	1,923,734	2,279,921	1,965,784	2,335,386

EXHIBIT A

Fund	Activity	Description	Personnel	M&O	Subtotal Operations	Capital	Total
10	6001	City Council	\$13,443	\$26,650	\$40,093	\$0	\$40,093
10	6003	City Attorney	0	53,000	53,000	0	53,000
10	1002	General Administration	59,875	176,519	236,394	2,000	238,394
10	5005	Financial Administration	40,313	34,000	74,313	0	74,313
10	1008	Planning	112,395	25,200	137,595	3,500	141,095
10	6004	Legislation	35,187	22,516	57,702	1,000	58,702
10	2002	Recreation Administration	153,945	52,754	206,699	5,000	211,699
10	2044	Senior Center Services	129,799	49,915	179,714	0	179,714
71	2044	Senior Outreach Grant	21,174	4,350	25,524	0	25,524
73	2046	Senior Center Services	19,091	3,881	22,973	0	22,973
10	2047	Swimming Pool Operations	23,497	12,000	35,497	0	35,497
86	2049	Transportation/Farebox Match	86,779	8,600	95,379	0	95,379
10	2062	Planned Recreation	30,932	16,400	47,332	0	47,332
10	2063	Kerman Youth Soccer League (CYSA)	6,925	25,075	32,000	0	32,000
10	2065	Youth Service Bureau	49,972	8,950	58,922	0	58,922
10	2069	Kerman Community Teen Center	102,944	56,556	159,500	4,000	163,500
10	3011	Police Operations	1,809,001	526,386	2,335,386	0	2,335,386
10	3059	SLESF Grant	100,000	0	100,000	0	100,000
10	4041	Animal Regulation/Code Enforcement	35,583	25,501	61,084	2,500	63,584
51	3051	Technology Maintenance	0	30,000	30,000	26,740	56,740
10	4007	Engineering	0	88,000	88,000	0	88,000
17	4007	General Plan Updates	16,401	23,347	39,748	0	39,748
10	4011	Buildings & Park Operations	117,833	110,572	228,405	6,500	234,905
10	4042	Code Enforcement/Inspection	215,461	58,123	273,584	0	273,584
14	4024	Facilities Construction	0	0	0	283,620	283,620
58, 59	4024	Parks Construction	0	0	0	252,134	252,134
41	5005	Water	210,969	145,719	356,688	2,000	358,688
41	5006	Water	0	219,126	219,126	0	219,126
41	4011	Water Operations	281,638	401,334	682,973	0	682,973
41	4024	Water Construction - "CIP Other Than SRF"	0	0	0	1,078,000	1,078,000
42	5005	Sewer	169,462	148,274	317,736	2,000	319,736
42	5006	Sewer	0	69,414	69,414	0	69,414
42	4011	Sewer Collection Operations	190,069	48,228	238,298	0	238,298
42	4014	Sewer WWTP Operation	129,867	172,098	301,965	0	301,965
42	4024	Sewer Facilities Construction	0	0	0	263,000	263,000
43	5005	Solid Waste (Refuse)	153,098	612,532	765,630	172,577	938,207
47	4011	Storm Drain Maintenance & Operations	38,861	21,595	60,456	2,350	62,806
48, 49	4024	Storm Drain	0	0	0	15,000	15,000
50	4011	Vehicle/Equipment Operations	65,677	288,486	354,162	8,000	362,162
50	4013	Vehicle/Equipment Replacement	0	0	0	44,000	44,000
75	4011	Lighting & Landscaping District 1	114,045	53,588	167,633	10,000	177,633
80	4011	Street Maintenance, Operations & Admin	220,883	233,902	454,785	69,800	524,585
80	4024	Street Construction	0	0	0	1,575,616	1,575,616
			\$4,755,118	\$3,852,592	\$8,607,710	\$3,829,337	\$12,437,047

**AMENDED AND RESTATED
MEMORANDUM OF UNDERSTANDING BETWEEN
THE COUNTY OF FRESNO, THE CITY OF KERMAN,
AND THE KERMAN REDEVELOPMENT AGENCY**

THIS AMENDED AND RESTATED MEMORANDUM OF UNDERSTANDING (hereinafter "Restated MOU") is made and executed this 2nd day of May, 2006 by and between the COUNTY OF FRESNO, a political subdivision of the State of California (hereinafter referred to as "COUNTY"), and the City of KERMAN, a municipal corporation of the State of California (hereinafter referred to as "CITY"), and the KERMAN REDEVELOPMENT AGENCY, a redevelopment agency organized and existing under and by virtue of the laws of the State of California (hereinafter referred to as "AGENCY").

WITNESSETH

WHEREAS, COUNTY, CITY and AGENCY wish to work together to develop a fair and equitable approach to tax sharing and the encouragement of sound economic growth; and

WHEREAS, in order to encourage economic development and environmentally sound land use planning, it is important that any tax sharing among COUNTY, CITY and AGENCY be determined in advance and that such arrangements not be fiscally detrimental to either COUNTY, CITY, or AGENCY; and

WHEREAS, COUNTY, CITY and AGENCY recognize the importance of COUNTY and CITY services and are prepared to cooperate in an effort to address COUNTY's and CITY's fiscal problems; and

WHEREAS, through annexation and appropriate redevelopment, CITY and AGENCY provide the opportunity for economic growth and development to support public services for CITY and COUNTY; and

WHEREAS, close cooperation between COUNTY, CITY and AGENCY is necessary to maintain the quality of life throughout Fresno County and deliver needed services in the most cost-efficient manner to all CITY and COUNTY residents; and

1 WHEREAS, COUNTY recognizes the need for orderly growth within and
2 adjacent to CITY and for supporting appropriate annexations and promoting the
3 concentration of development within CITY; and

4 WHEREAS, CITY and AGENCY recognize that development within CITY limits
5 may also have the effect of concentrating revenue-generating activities within CITY
6 rather than in unincorporated areas and that, as a result of Proposition 13 and its
7 implementing legislation, annexation by CITY of unincorporated territory can result in a
8 loss of revenue sources for COUNTY unless there is significant new development
9 activity as a result of annexation; and

10 WHEREAS, annexation which results in the development of urban uses in
11 response to a clearly demonstrated community demand is appropriate; and well
12 planned and fiscally sound redevelopment can be a valuable tool in the physical and
13 economic development of CITY and COUNTY;

14 WHEREAS, the parties recognize that COUNTY General Plan Goal LU-G
15 provides that COUNTY will direct urban growth and development within the cities
16 spheres of influence to existing incorporated cities and will ensure that all development
17 in city fringe areas is well planned and adequately served by necessary public facilities
18 and infrastructure and furthers countywide economic development goals; and

19 WHEREAS, the parties recognize that when urban growth and development is
20 directed to cities there is a lost opportunity of development by COUNTY in the
21 unincorporated area and that sharing of local sales and use taxes generated by such
22 development would serve as a tool for the COUNTY to participate in receiving a share
23 of that new revenue; and

24 WHEREAS, it is the interest of the parties to require all new urban development
25 to pay a roughly proportionate share of the cost of urban services and infrastructure
26 created by the development, whether it occurs in the CITY or in the adjacent
27 unincorporated area of the CITY's sphere of influence.

28

1 NOW, THEREFORE, COUNTY, CITY and AGENCY hereby agree as follows:

2 ARTICLE I

3 DEFINITIONS

4 Unless the particular provision or context otherwise requires, the definitions
5 contained in this article and in the Revenue and Taxation Code shall govern the
6 construction, meaning, and application of words used in this RESTATED MOU.

7 1.1 "Base property tax revenues" means property tax revenues allocated by
8 tax rate equivalents to all taxing jurisdictions as to the geographic area comprising a
9 given tax rate area annexed in the fiscal year immediately preceding the tax year in
10 which property tax revenues are apportioned pursuant to this RESTATED MOU,
11 including the amount of State reimbursement of the homeowners' and business
12 inventory exemptions.

13 1.2 Except as provided in Section 6.1, "property tax increment" means
14 revenue from the annual tax increment, as "annual tax increment" is defined in Section
15 98 of the Revenue and Taxation Code, attributable to the tax rate area for the
16 respective tax year.

17 1.3 "Substantial development" or "substantially developed" means real
18 property which, prior to annexation, has an improvement value to land value ratio equal
19 to or greater than 1.25:1, as of the lien date in the fiscal year in which the annexation
20 becomes effective under the Cortese-Knox Local Government Reorganization Act, and
21 on and after January 1, 2000, the Cortese-Knox-Hertzberg Local Government
22 Reorganization Act of 2000.

23 1.4 "Property tax revenue" means base property tax revenue, plus the
24 property tax increment for a given tax rate area.

25 1.5 "Tax apportionment ratio" means the tax apportionment ratio of the parties
26 for a given fiscal year and shall be ascertained by dividing the amount determined for
27 each party pursuant to Revenue and Taxation Code Sections 96(a) or 97(a), whichever
28 is applicable, by that party's gross assessed value, and by then dividing the sum of the

1 resulting tax rate equivalents of both parties into each party's tax rate equivalent to
2 produce the tax apportionment ratio.

3 1.6 "Tax rate equivalent" means the factor derived for an agency by dividing
4 the property tax levy for the prior fiscal year computed pursuant to Section 97 of the
5 Revenue and Taxation Code by the gross assessed value of the agency for the prior
6 fiscal year.

7 1.7 "Redevelopment project" means any new redevelopment plan or project
8 area and any amendment to an existing development plan or project area to which
9 Health and Safety Code Section 33354.6, as amended by Chapter 147 of the 19845
10 Statutes, applies. For example, the addition of the power of eminent domain to an
11 existing redevelopment plan is not a "redevelopment project" because it does not affect
12 any of the criteria listed in Health and Safety Code Section 33354.6.

13 1.8 "Effective Date" shall mean the date that all the parties hereto shall
14 execute this Amended and Restated Memorandum of Understanding between the
15 County of Fresno and the City of Kerman and the City of Kerman Redevelopment
16 Agency.

17 1.9 "Urban development" or "urban type development" shall mean
18 development not allowed in areas designated Agriculture, Rural Residential or River
19 Influence in COUNTY's General Plan or its applicable community plans as of the
20 Effective Date of this RESTATED MOU.

21 ARTICLE II

22 ANNEXATIONS BY CITY

23 2.1 Any annexations undertaken by CITY following the date of the execution
24 of this RESTATED MOU shall be consistent with both the terms of this MOU and the
25 standards (hereinafter "The Standards" or "Standards") as set forth in Exhibit "1",
26 attached hereto and incorporated by reference herein as if set fourth fully at this point.
27 This RESTATED MOU shall not apply to annexations proposed by CITY which are not
28 in compliance with its terms or which fail to meet The Standards. If a proposed

1 annexation is not in compliance with the terms of this RESTATED MOU, including but
2 not limited to, The Standards, then no property tax exchange agreement, as required by
3 Revenue and Taxation Code Section-99,-shall-exist in regards to that proposed
4 annexation. Any such non-complying annexation shall be handled individually through
5 separate negotiations between CITY and COUNTY.

6 2.2 In order to encourage the orderly processing of proposed annexations,
7 CITY shall, at least thirty (30) days prior to filing any annexation proposal with the
8 Fresno County Local Agency Formation Commission (hereinafter "LAFCO"), notify
9 COUNTY of its intention to file such proposal and the date upon which CITY expects
10 such proposal to be filed. Upon COUNTY's request, CITY agrees to meet with
11 COUNTY to review whether its proposed annexation complies with The Standards.
12 Within fifteen (15) days after the date COUNTY receives notice by the CITY of its
13 annexation proposal, COUNTY shall notify CITY in writing if it has determined that the
14 proposed annexation is inconsistent with The Standards. Upon receipt of such
15 notification, CITY may either modify the proposal to COUNTY's specifications or adopt a
16 resolution finding that the proposed annexation is, in CITY's determination, consistent
17 with The Standards. If County fails to give such notice within the fifteen-day period, the
18 annexation shall be conclusively deemed consistent with all provisions of this article and
19 The Standards.

20 2.3 If CITY adopts a resolution making the findings described in Section 2.2,
21 then COUNTY may challenge such findings by appropriate court action filed within thirty
22 (30) days of receipt of written notice of the adoption of CITY's resolution. The court
23 shall independently review the evidence and determine whether the proposed
24 annexation is consistent with the Standards.

25 As an alternative to a judicial challenge by the COUNTY, the parties may within
26 the aforesaid thirty (30) day period mutually agree in writing to arbitrate their dispute
27 through proceedings conducted in accordance with the rules established by the
28 American Arbitration Association. The parties upon agreeing to arbitrate will proceed

1 with arbitration in a timely manner. The arbitrator hearing the matter shall
2 independently review the evidence and determine whether the proposed annexation is
3 consistent with The Standards.

4 Costs incurred by the prevailing party, either in county proceedings or the
5 arbitration proceedings, shall be paid by the non-prevailing party. The parties agree
6 that CITY shall not proceed to LAFCO with the proposed annexation until the dispute is
7 finally resolved either by court or arbitration proceedings. If CITY attempts to proceed
8 with such proposed annexation prior to the expiration of the period in which COUNTY
9 may file its court action or agree to arbitrate, or prior to the final conclusion of such court
10 or arbitration proceeding, then this RESTATED MOU shall immediately terminate as to
11 such annexation and, in particular, no property tax exchange agreement, as required by
12 Section 99 of the Revenue and Taxation Code, shall exist between CITY and COUNTY
13 as to that proposed annexation.

14 Notwithstanding the foregoing, the CITY may proceed to LAFCO under this
15 RESTATED MOU if court or arbitration proceedings are not completed within thirty (30)
16 days after the filing thereof provided, however, that LAFCO in its resolution of approval,
17 at the request of the CITY, conditions the completion of the annexation upon the
18 Executive Officer's prior receipt of a certified copy of the document evidencing the
19 finality of the aforesaid court or arbitration proceedings determining that the proposed
20 annexation is consistent with Exhibit "1" attached hereto, or alternatively, receipt of a
21 written stipulation of the CITY and COUNTY agreeing that a master property tax
22 agreement still exists permitting the completion of such proposed annexation. If LAFCO
23 declines to include the aforesaid condition, or CITY fails to timely request such
24 condition, no property tax exchange agreement as required by section 99 of the
25 Revenue and Taxation Code shall exist between CITY and COUNTY as to that
26 proposed annexation. If CITY nevertheless attempts to proceed with the annexation,
27 such action on the part of the CITY shall also be deemed good cause for the COUNTY
28 at its option to terminate this MOU.

1 Sections 54902, 54902.1 and 54903 of Government Code and Sections 97 and 99 of
2 the Revenue and Taxation Code, the distribution of such property tax revenues will not
3 be effective until the revenues are collected in the tax year following the calendar year
4 in which the statement of boundary changes and the map or plat is filed with the County
5 Assessor and the State Board of Equalization.

6 3.2 In regards to the annexation of real properties which are not considered
7 substantially developed at the time of annexation, COUNTY will retain all of its base
8 property tax revenue upon annexation. The amount of the property tax increment for
9 special districts whose services are assumed by CITY shall be combined with the
10 property tax increment of the COUNTY, the sum of which shall be allocated between
11 CITY and COUNTY pursuant to the following ratio:

12 COUNTY: 66%

13 CITY: 34%

14 Effective July 1, 2006 these property tax-sharing ratios shall be as shown in Exhibit "2".

15 3.3 In regards to the annexation of real properties which are considered
16 substantially developed at the time of annexation, property tax revenue (base plus
17 increment) will be reallocated as follows: a detaching or dissolving district's property tax
18 revenue (base plus increment) shall be combined with COUNTY's and the sum of which
19 shall be allocated between CITY and COUNTY pursuant to the ratio set forth in Section
20 3.2.

21 ARTICLE IV

22 DEVELOPMENT WITHIN AND ADJACENT

23 TO CITY'S SPHERE OF INFLUENCE

24 4.1 COUNTY shall not approve any discretionary development permits for
25 new urban development within CITY's sphere of influence unless the development shall
26 have first been referred to CITY for consideration of possible annexation. If CITY does
27 not, within sixty (60) days of receipt of notice from COUNTY, adopt a resolution of
28 application to initiate annexation proceedings before LAFCO, COUNTY may approve

1 development permits for that new urban development. County's approval shall take into
2 consideration CITY's general plan and be consistent with COUNTY's general plan
3 policies, provided, that the development is orderly and does not result in the premature
4 conversion of agricultural lands.

5 4.2 Within the CITY's sphere of influence, COUNTY shall require compliance
6 with development standards that are comparable to CITY's and charge fees reflecting
7 the increased administrative and implementing cost where such CITY standards are
8 more stringent than COUNTY's. These requirements shall apply to discretionary
9 development applications approved by COUNTY. For purposes of this Agreement,
10 "discretionary development applications" shall mean General Plan Amendments,
11 Rezoning, Tentative Tract Maps, Tentative Parcel Maps, Conditional Use Permits,
12 Director Review and Approvals, and Variances.

13 4.3 CITY development fees shall be charged for any discretionary
14 development applications to be approved by the COUNTY within CITY's sphere of
15 influence. To establish or amend CITY development fees, CITY shall conduct a public
16 hearing and notify property owners in accordance with State Law. At the conclusion of
17 that hearing, CITY shall adopt a resolution describing the type, amount, and purpose of
18 CITY fees to be requested for COUNTY adoption.

19 4.4 CITY shall transmit the adopted resolution to the COUNTY for its adoption
20 of the fees. CITY shall include a draft ordinance for COUNTY's adoption with
21 appropriate supporting documentation or findings by the CITY demonstrating that the
22 fees comply with Section 66000 of the Government Code and other applicable State
23 Law requirements. CITY fees may also include CITY's and COUNTY's increased
24 administrative costs and inspection charges.

25 4.5 COUNTY shall collect the applicable CITY development fees for
26 infrastructure and facilities at the time of final map approval or issuance of building
27 permits as established by the fee schedule. Or, COUNTY shall require the applicant to
28 present a voucher issued by CITY evidencing the payment of the fees directly to CITY,

1 or written confirmation by CITY that fees are inapplicable. If COUNTY imposes and
2 collects fees on behalf of CITY, COUNTY shall transfer the fees to CITY at the earliest
3 time legally permitted.

4 4.6 CITY shall give COUNTY at least thirty (30) days notice before
5 implementing any new fees or an amendment to existing fees. Notwithstanding this
6 Section 4.6, or any other provision of this MOU, CITY shall be solely responsible for
7 determining the amount of the fees and setting them in accordance with law. This
8 Section 4.6 shall not be construed as a representation by COUNTY as to the propriety
9 of the fees or the procedures used in setting them.

10 4.7 CITY shall hold harmless, defend and indemnify the COUNTY from all
11 claims, demands, litigation of any kind whatsoever arising from disputes relating to the
12 fees, the enactment of or the collection of CITY development fees.

13 4.8 If COUNTY adopts capital facilities fees, CITY shall require that an
14 applicant for any land use entitlement or permit within CITY shall pay all COUNTY
15 public facilities fees applicable to the entitlement or permit on behalf of the COUNTY.
16 At the COUNTY's request, CITY shall either timely impose and collect all such fees or
17 shall require the applicant to present a voucher issued by COUNTY evidencing the
18 payment of fees directly to COUNTY. If adopted by COUNTY, the fees are to mitigate
19 the impact of development on required COUNTY facilities and services including, but
20 not limited to, the criminal justice system, health, social services, parks, transportation
21 and library. If CITY imposes and collects fees on behalf of COUNTY, CITY shall
22 transfer the fees to COUNTY at the earliest time legally permissible to do so. COUNTY
23 may impose new fees and amend existing fees from time to time in its sole discretion.
24 COUNTY shall give CITY at least thirty (30) days notice before implementing any new
25 fees or an amendment to existing fees. Notwithstanding this Section 4.8, or any other
26 provision of this Restated MOU, COUNTY shall be solely responsible for determining
27 the amount of the fees and setting them in accordance with law. This Section 4.8 shall
28

1 not be construed as a representation by CITY as to the propriety of the fees or the
2 procedures used in setting them.

3 ~~4.9~~ COUNTY shall hold harmless, defend and indemnify the CITY from all
4 claims, demands, litigations of any kind whatsoever arising from disputes relating to the
5 enactment or collection of COUNTY capital facilities fees.

6 4.10 COUNTY shall support urban unification. To this end, COUNTY shall
7 oppose the creation of new governmental entities within CITY's sphere of influence,
8 except for such entities that may be necessary to address service requirements that
9 cannot be addressed by annexation to CITY. CITY and COUNTY will support transition
10 agreements with current service providers which recognize the primary role of cities as
11 providers of urban services and where current service providers have participated in
12 service master planning.

13 4.11 Within CITY's sphere of influence and for the two-mile area beyond that
14 sphere of influence, COUNTY and CITY agree that, in the early stages of preparation of
15 zone changes, circulation proposals and general plan amendments for new urban
16 development, they shall consult and formally notify at the staff level in such fashion as
17 to provide meaningful participation in the policy formulation process, and shall likewise
18 consult on other policy changes which may have an impact on growth or the provision of
19 urban services. CITY shall also be given the opportunity to respond to COUNTY before
20 the final document is prepared for presentation to COUNTY's Planning Commission.
21 COUNTY agrees that it will solicit comments from CITY in the preparation of any Initial
22 Study required by the California Environmental Quality Act undertaken within the area.
23 If CITY determines such urban development may have a significant effect on the
24 environment, the COUNTY shall require an EIR to be prepared if a fair argument can be
25 made in support of the CITY's finding.

26 4.12 Any change in the CITY's sphere of influence proposed by either
27 COUNTY or CITY which would modify the area depicted in Exhibit "3" requires the
28 mutual consultation of both parties prior to submission to LAFCO.

1 ARTICLE V

2 IMPLEMENTATION OF SALES TAX

3 REVENUE COLLECTION

4 5.1 Pursuant to the Bradley Burns Uniform Local Sales and Use Tax Law,
5 Part 1.5, Division 2, of the Revenue and Taxation Code (commencing with Section
6 7200), CITY is, concurrent with the execution of this RESTATED MOU, amending its
7 local sales and use tax ordinance. This amendment shall be timely forwarded to the
8 State Board of Equalization so that it will become operative as of the first July 1
9 following the CITY reaching the threshold forth in subsections 5.2.1 and 5.2.2. This
10 amendment shall enable COUNTY, pursuant to its sales and use tax ordinance, to
11 collect a portion of the sales and use tax revenues generated within the incorporated
12 areas of CITY in accordance with the applicable rate set forth on Exhibit 4", attached
13 hereto and incorporated by reference as if set forth fully at this point. The format of this
14 amendment by CITY to its local sales and use tax ordinance shall likewise provide as a
15 credit against the payment of taxes due under such ordinance, an amount equal to any
16 sales and use tax due to COUNTY.

17 5.2 Except as otherwise provided herein, CITY further agrees that the
18 amendment adopted pursuant to Section 5.1 above shall likewise provide for the
19 periodic reallocation of additional sales tax revenues generated within the incorporated
20 areas of CITY in accordance with the schedule set forth on Exhibit "4". Each
21 subsequent incremental adjustment shall go into effect at the commencement of the
22 fiscal year indicated. These periodic adjustments shall enable COUNTY, pursuant to its
23 sales and use tax ordinance, to collect that portion of the sales and use tax revenues
24 generated within the incorporated areas of CITY equal to the applicable percentage as
25 specified in Exhibit "4". These periodic adjustments shall automatically go into effect
26 provided that:

27 5.2.1 CITY receives sales tax revenues per capita in an amount greater
28 than fifty percent (50%) of the sales tax revenue per capita collected by all

1 Fresno County cities when taken as a group during the most recent fiscal
2 year for which State Board of Equalization information is available, then it
3 hereby agrees to reallocated sales tax revenues with COUNTY beginning
4 in fiscal year 2006-07 in accordance with the provisions of this article; and
5 5.2.2 CITY's annual sales tax revenue information is available for the
6 State Board of Equalization allows City to reallocate sales tax revenue at
7 the percentage designated in Exhibit "4" and still have a net increase in its
8 remaining sales tax revenue when compared with the fiscal year
9 immediately preceding the fiscal year described above. The periodic
10 phase in of sales tax reallocation described herein shall be delayed from
11 year-to-year if CITY falls below the sales tax reallocation threshold as
12 identified in Section 5.2. In those years in which CITY does not meet the
13 sales tax reallocation threshold, CITY's sharing proportion shall continue
14 at the same rate as in the last year in which CITY met or exceeded the
15 threshold. When, in a subsequent year, CITY again meets or exceeds the
16 threshold, the sharing proportion of CITY shall be at the next higher
17 sharing proportion shown on Exhibit "4", and the annual phase-in shall
18 continue therefrom.

19 5.3 The sales tax ordinance amendments adopted by CITY pursuant to this
20 article are intended to reduce CITY's sales tax rate from its then-existing level to a level
21 which thereby enables COUNTY, pursuant to its sales tax ordinance, to continue
22 collecting those amounts set forth in the previous provisions of this article as well as the
23 applicable percentages set forth on Exhibit "4". In addition, each periodic adjustment is
24 intended by the parties to enable COUNTY to collect an amount equivalent to the
25 applicable percentage specified in Exhibit "4".

26 5.4 Whenever CITY proposes an annexation of unincorporated territory which
27 generates substantial sales tax revenue for COUNTY, CITY, agrees to further amend its
28 local sales and use tax ordinance as set forth in this section. Notwithstanding the

1 language of subsections 5.2.1 and 5.2.2, this additional amendment shall become
2 operative no later than the commencement of the next calendar quarter following the
3 date upon which such annexation is certified as complete by the Executive Officer of
4 LAFCO. This additional amendment shall decrease CITY 's sales tax rate to yield an
5 amount of substantial sales tax revenue being collected by COUNTY in the area to be
6 annexed, thus enabling COUNTY to increase its sales tax rate by a corresponding
7 percentage which shall continue to accrue to COUNTY throughout the term of this
8 RESTATED MOU. Any such additional amendment made by CITY pursuant to this
9 section shall be cumulative and likewise preserve intact any periodic adjustments
10 previously implemented pursuant to this RESTATED MOU. Further, CITY agrees that it
11 shall not split or separate areas into smaller annexations for the purpose of, or having
12 the effect of, creating an annexation or annexations which, individually, do not generate
13 substantial sales tax revenue, but which would generate such revenue if combined. For
14 purposes of this article, the term "substantial sales tax revenue" shall be defined as
15 sales tax revenue derived from taxable sales in the area annexed equal to at least:

16 5.4.1 If only information for less than one fiscal year exists, then
17 \$100,000 in taxable sales in the most recent quarter for which such
18 information from the State Board of Equalization is available in writing or
19 electronic or magnetic media, and projected to a full four quarters, at least
20 \$400,000 in taxable sales.

21 5.4.2 If information for one or more years exist, then \$400,000 in taxable
22 sales in the most recent year for which such information from the State
23 Board of Equalization is available in writing or electronic or magnetic
24 media.

25 5.5 If CITY fails to amend its sales tax ordinance as provided in section 5.1, or
26 if the amendment to the sales tax ordinance fails to provide for the periodic reallocation
27 of additional sales tax revenues as provided in section 5.2, the subsections therein, and
28 Exhibit "4", or if CITY fails to further amend its sales tax ordinance upon the annexation

1 obligation includes a finding by AGENCY that any pass through of the property tax
2 increment to COUNTY and the Library District is necessary and appropriate to alleviate
3 any financial burden or detriment to COUNTY and the Library District caused by a
4 redevelopment project.

5 6.2 Understanding that the following remedies are available without statement
6 herein, but desiring that the parties be aware, if a redevelopment project is approved
7 without CITY and AGENCY fully complying with this article, then COUNTY's cumulative
8 remedies shall include, but not be limited to, the following:

9 6.2.1 COUNTY may, to the full extent provided by law, challenge the
10 validity of the redevelopment plan approved or adopted for a
11 redevelopment project and may exercise any and all other such remedies
12 it may have related to such redevelopment project. This subsection shall
13 not be construed to allow COUNTY to challenge a redevelopment plan
14 approved prior to the date of this RESTATED MOU, except as allowed by
15 law in the absence of this RESTATED MOU.

16 6.2.2 If CITY and AGENCY fail or refuse to negotiate with COUNTY or if
17 negotiations do not conclude in an agreement, and CITY and AGENCY
18 pass through to COUNTY and the Library District less than one hundred
19 percent (100%) of their respective shares of the property tax increment,
20 then this RESTATED MOU shall automatically terminate and, in particular,
21 no property tax exchange agreement, as required by Section 99 of the
22 Revenue and Taxation Code, shall exist between City and County.

23 6.2.3 COUNTY may maintain a court action for specific performance of
24 the provisions of this article, and for declaratory relief to settle disputes as
25 to CITY's or AGENCY's compliance with this article.

26 6.3 The provisions of this article shall apply only to Redevelopment Plans
27 adopted prior to January 1, 1994. For each redevelopment plan adopted prior to
28

1 January 1, 1994, but amended after January 1, 1994, to include new territory, Article VI
2 of the RESTATED MOU shall be inapplicable to the new added territory.

3 ARTICLE VII

4 COUNTY AND CITY ASSURANCES ON USE OF REVENUE

5 7.1 COUNTY recognizes that certain revenue reallocated to it by this
6 RESTATED MOU would otherwise have been appropriated by CITY to meet demands
7 for services. In light therefore, COUNTY agrees to use such new revenue in order to
8 maintain levels of COUNTY services that are supportive of CITY and AGENCY
9 services, unless the federal or state governments materially reduce the level of funding
10 for such services. Examples of such COUNTY services include: criminal justice
11 system, public health, and other similar services.

12 7.2 CITY agrees to continue enforcement of laws which result in the collection
13 of fines and forfeitures.

14 ARTICLE VIII

15 COOPERATIVE EFFORTS AT LEGISLATIVE REFORM

16 8.1 CITY and COUNTY agree to work jointly for state legislation and
17 appropriations that would improve the fiscal condition of both CITY and COUNTY.

18 ARTICLE IX

19 GENERAL PROVISIONS

20 9.1 Term of MOU

21 This RESTATED MOU shall commence as of the date of execution by COUNTY,
22 CITY and AGENCY and shall remain in effect for a period of fifteen (15) years, unless
23 terminated prior to that time by mutual agreement of the parties.

24 In addition, should all or any portion of this RESTATED MOU be declared invalid
25 or inoperative by a court of competent jurisdiction, or should any party to this
26 RESTATED MOU fail to perform any of its obligations hereunder, or should any party to
27 this RESTATED MOU take any action to frustrate the intentions of the parties as
28 expressed in this RESTATED MOU, then in such event, this entire RESTATED MOU,

1 as well as any ancillary documents entered into by the parties in order to fulfill the intent
2 of this RESTATED MOU, shall immediately be of no force and effect and, in particular,
3 no property tax exchange agreement, as required by Section 99 of the Revenue and
4 Taxation Code, shall exist between the CITY and COUNTY as to unincorporated
5 property.

6 9.2 Geographic Application of RESTATED MOU

7 This RESTATED MOU shall apply only to the area identified as the City of Kerman's
8 Sphere of Influence as depicted in Exhibit 3. This RESTATED MOU shall not apply to
9 any sphere of influence beyond the area depicted in Exhibit 3 unless and until the
10 parties mutually agree to amend this RESTATED MOU,

11 9.3 Termination Due to Changes in Law

12 The purpose of this MOU is to alleviate in part the revenue shortfall experienced
13 by COUNTY which may result from CITY's annexation of revenue-producing or
14 potentially revenue-producing properties located within the unincorporated area of
15 COUNTY, and from CITY's and AGENCY's redevelopment projects. The purpose of
16 this RESTATED MOU is also to enable CITY to proceed with territorial expansion and
17 economic growth consistent with the terms of existing law as mutually understood by
18 the parties as well as to maximize each party's ability to deliver essential governmental
19 services. In entering into this RESTATED MOU, the parties mutually assume the
20 continuation of the existing statutory scheme for the distribution of available tax
21 revenues to local government and that assumption is a basic tenet of this RESTATED
22 MOU. Accordingly, it is mutually understood and agreed that this RESTATED MOU
23 may, by mutual agreement be terminated should changes occur in statutory law, court
24 decisions or state administrative interpretations which negate the basic tenets of this
25 RESTATED MOU.

26 9.4 Modification

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1 This RESTATED MOU and all of the covenants and conditions set forth herein
2 may be modified or amended only by a writing duly authorized and executed by
3 COUNTY, CITY and AGENCY.

4 9.5 Enforcement

5 COUNTY, CITY and AGENCY each acknowledge that this instrument cannot
6 bind or limit themselves or each other or their future governing bodies in the exercise of
7 their discretionary legislative power. However, each binds itself that it will insofar as is
8 legally possible fully carry out the intent and purposes hereof, if necessary by
9 administrative action independent of ordinances, and that this RESTATED MOU may
10 be enforced by injunction to the extent allowed by law.

11 9.6 Entire MOU; Supersession

12 With respect to the subject matter hereof, this RESTATED MOU supersedes any
13 and all previous negotiations, proposals, commitments, writings, and understandings of
14 any nature whatsoever between COUNTY, CITY and AGENCY except as otherwise
15 provided herein. This RESTATED MOU does not supersede existing written
16 agreements among COUNTY, CITY and AGENCY pertaining to redevelopment
17 projects, as defined in this RESTATED MOU, trigger the application of article VI of this
18 RESTATED MOU.

19 9.7 Notice

20 All notices, requests, certifications or other correspondence required to be
21 provided by the parties to this RESTATED MOU shall be in writing and shall be
22 delivered by first class mail or an equal or better form of delivery to the respective
23 parties at the following addresses:

24	<u>COUNTY</u>	<u>CITY AND AGENCY</u>
25	County Administrative Officer	City Manager
26	County of Fresno	City of Kerman
27	Hall of Records, Room 300	City Hall
28	2281 Tulare Street	850 S. Madera
	Fresno, CA 93721	Kerman, CA 93630

9.8 Renegotiation

1 If County enters into an MOU with another City that has terms and conditions
2 more favorable in the aggregate to that city than those terms and conditions contained
3 herein, COUNTY agrees that it will negotiate such terms and conditions upon written
4 request from CITY or AGENCY, with the intent of offering a more favorable agreement.
5 Negotiations shall conclude thirty (30) days from the date of receipt of notice by
6 COUNTY and, if agreement is tentatively reached during that period, the legislative
7 bodies of the parties shall approve any such amendment within thirty (30) days following
8 the date of the tentative agreement. COUNTY, CITY and AGENCY are not required to
9 reach agreement.

10 9.9 Notice of Breach

11 Prior to this RESTATED MOU being terminated as expressly provided in
12 Sections 5.5,6.2.2 and 9.1, COUNTY shall provide notice to CITY and AGENCY of such
13 breach, and CITY and AGENCY shall comply with the terms and conditions of this
14 RESTATED MOU within thirty (30) days of receipt of notice. If CITY or AGENCY fail to
15 timely comply, this RESTATED MOU shall terminate as provided herein. During the
16 thirty (30) day notice period and until CITY and AGENCY certify in writing that they are
17 in compliance and COUNTY agrees in writing, no property tax exchange agreement, as
18 required by Section 99 of the Revenue and Taxation Code, shall exist between
19 COUNTY and CITY with respect to any pending annexations.

20 In like manner the CITY and AGENCY shall give COUNTY thirty (30) days
21 written notice and opportunity to cure any alleged breach of the RESTATED MOU on
22 the part of the COUNTY.

23 /
24 /
25 /

26 IN WITNESS WHEREOF, the parties hereto have executed this RESTATED
27 MOU in the County of Fresno, State of California, on the dates set forth above.

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COUNTY OF FRESNO, a Political
Subdivision of the State of California
("COUNTY")

By: Phil Larson
Phil Larson, Chairman
Board of Supervisors

MAY 02 2006

ATTEST:
Bernice E. Seidel,
Clerk to the Board of Supervisors

By: Gwen Jeffall, Deputy

REVIEWED AND RECOMMENDED
FOR APPROVAL
Bart Bohn, County Administrative Officer

By: Bart Bohn

APPROVED AS TO LEGAL FORM:
Dennis Marshall, County Counsel

By: Dennis Marshall

APPROVED AS TO ACCOUNTING FORM:
Auditor-Controller/Treasure-Tax Collector

By: J. H. Hays

CITY OF KERMAN, a Municipal
Corporation of the State of California
("CITY")

By: Kenneth Moore
Kenneth Moore, Mayor
City of KERMAN

REDEVELOPMENT AGENCY OF THE
CITY OF KERMAN ("Agency")

By: Ron Manfredi
Ron Manfredi
Executive Director

APPROVED AS TO LEGAL FORM:
Mark Blum, City Attorney
City of KERMAN

By: Mark Blum

ATTEST:

Clerk to the City of KERMAN

By: L. Anne Holdcroft

EXHIBIT 1
STANDARDS FOR ANNEXATION

- The proposal must be consistent with the adopted sphere of influence of the city and not conflict with the goals and policies of the Cortese-Knox-Hertzberg Act.
- The proposal must be consistent with city general and specific plans, including adopted goals and policies.
- Pursuant to CEQA, the proposal must mitigate any significant adverse effect on continuing agricultural operations on adjacent properties, to the extent reasonable and consistent with the applicable general and specific plan.
- A proposal for annexation is acceptable if one of the following conditions exist:
 1. There is existing substantial development provided the City confines its area requested to that area needed to include the substantial development and create logical boundaries.
 2. Development exists that requires urban services which can be provided by the City.
 3. If no development requiring urban services exists, at least 50% of the area proposed for annexation has:
 - (a) Approved tentative subdivision map (single-family residential)
 - (b) Approved site plan (for uses besides single-family residential)
- The proposal would not create islands. Boundaries must ultimately minimize creation of peninsulas and corridors, or other distortion of boundaries.

For any of the following circumstances a proposal for annexation is presumed to comply with all standards for annexation:

- The request for annexation is by a city for annexation of its own publicly-owned property for public use.
- The request for annexation is by a city in order to facilitate construction of public improvements or public facilities which otherwise could not be constructed.
- The request for annexation is to remove an unincorporated island or substantially surrounded area.
- The request for annexation is for an industrial or regional commercial project for which a development application has been made and no significant adverse environmental impact will result that cannot be mitigated or overridden by a necessary public purpose. Condition(s) assuring the financing or completion of necessary development infrastructure before completion of annexation shall be made a part of the proposal.
- The annexation is intended to mitigate or otherwise comply with standards/conditions required by another agency with respect to another development annexation.

20-Oct-05

EXHIBIT 2

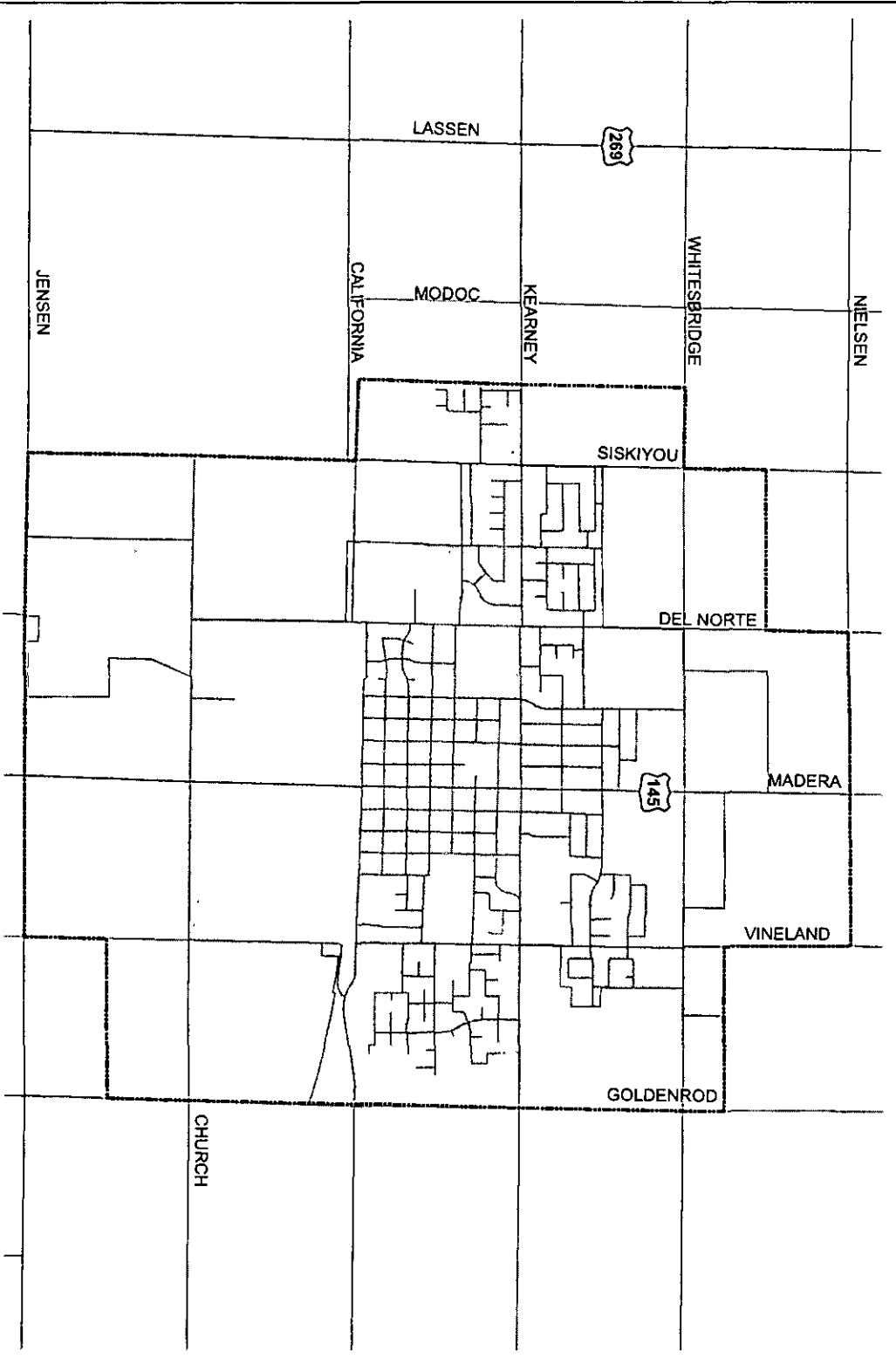
KERMAN

Effective July 1, 2006, the property tax-sharing ratios shall be as follows:

County	City	Effective Date:
66.0%	34.0%	July 1, 2006
65.5%	34.5%	July 1, 2007
65.0%	35.0%	July 1, 2008
64.5%	35.5%	July 1, 2009
64.0%	36.0%	July 1, 2010
63.5%	36.5%	July 1, 2011
63.0%	37.0%	July 1, 2012
63.0%	37.0%	July 1, 2013
63.0%	37.0%	July 1, 2014
63.0%	37.0%	July 1, 2015
63.0%	37.0%	July 1, 2016
63.0%	37.0%	July 1, 2017
63.0%	37.0%	July 1, 2018
63.0%	37.0%	July 1, 2019
63.0%	37.0%	July 1, 2020

CITY OF
KERMAN

Adopted: October 23, 1974
 Updated: August 4, 1982
 Map Date: June 7, 2005



<p>Legend</p> <p> Sphere of Influence</p> <p> City Limits</p>	<p>FRESNO LOCAL AGENCY FORMATION COMMISSION</p> <p>CITY OF KERMAN SPHERE OF INFLUENCE</p>	<p>City Date (12/04)</p> <p><small>Note: Acreage area digitized acreages and do not reflect actual legal values.</small></p> <p>Sphere Area 3,097 Acres</p> <p>City Area 1,715 Acres</p>
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TABLE 1: SALES TAX REVENUE ALLOCATION APPLICATION FY 2003-04 DATA

CITY	SALES TAX REVENUE 2002-2003	POPULATION JANUARY 1 2003	PER CAPITA SALES TAX REVENUE 2002-2003	SALES TAX REVENUE 2003-2004	POPULATION JANUARY 1 2004	PER CAPITA SALES TAX REVENUE 2003-2004	MEETS 50% CRITERIA 2002-2003	MEETS 50% CRITERIA 2003-2004	GROWTH OVER 1/2%	SALES TAX REVENUE GROWTH
	A	B	C	D	E	F	G	H	I	J
CLOVIS	\$11,068,774	75,977	\$145.69	\$11,880,894	80,884	\$146.89	A	A	YES	7.34%
COALINGA (1)	\$657,568	11,505	\$57.15	\$757,100	11,780	\$64.27	B	A	YES	15.14%
FIREBAUGH	\$648,375	6,172	\$105.05	\$560,376	6,585	\$85.10	A	A	NO	-13.57%
FOWLER	\$586,855	4,273	\$137.34	\$839,660	4,600	\$182.53	A	A	YES	43.08%
FRESNO	\$56,899,314	448,453	\$126.88	\$61,848,563	456,143	\$135.59	A	A	YES	8.70%
HURON	\$133,441	6,894	\$19.36	\$147,496	6,969	\$21.16	B	B	YES	10.53%
KERMAN	\$597,099	9,993	\$59.75	\$624,057	10,666	\$58.51	A	B	YES	4.51%
KINGSBURG	\$594,097	10,489	\$56.64	\$654,516	11,157	\$58.66	B	B	YES	10.17%
MENDOTA	\$325,350	8,163	\$39.86	\$342,470	8,656	\$39.56	B	B	YES	5.26%
ORANGE COVE	\$122,038	8,739	\$13.96	\$136,415	9,255	\$14.74	B	B	YES	11.78%
PARLIER	\$194,649	12,167	\$16.00	\$293,951	12,262	\$23.97	B	B	YES	51.02%
REEDLEY	\$1,357,474	21,335	\$63.63	\$1,308,719	21,753	\$60.16	A	B	NO	-3.59%
SANGER	\$1,464,559	19,894	\$73.62	\$1,513,208	20,520	\$73.74	A	A	YES	3.32%
SAN JOAQUIN	\$116,983	3,492	\$33.50	\$126,836	3,569	\$35.54	B	B	YES	8.42%
SELMA	\$3,926,954	20,902	\$187.87	\$4,096,095	21,781	\$188.06	A	A	YES	4.31%
SALES TAX REVENUE TOTAL ALL CITIES	\$78,693,530	668,448	\$117.73	\$85,130,356	686,580	\$123.99				
PER CAPITA ALL CITIES			\$58.88			\$62.00				
UNINCORPORATED POPULATION (1)		172,975			176,062					
TOTAL COUNTY POPULATION		841,423			862,642					

SALES TAX REVENUES: COLUMNS A & D, SOURCE STATE BOARD OF EQUALIZATION ANNUAL REPORT STATISTICAL APPENDIX, FISCAL YEAR DATA AVAILABLE IN JANUARY OF NEXT CALENDAR YEAR
 POPULATION DATA: COLUMNS B & E, SOURCE STATE DEPARTMENT OF FINANCE JANUARY 1, POPULATION ESTIMATES, AVAILABLE IN MAY OF THAT CALENDAR YEAR
 PER CAPITA SALES TAX ALL CITIES (FY 1996) SUM COLUMNS A & B THEN DIVIDE THE COLUMN A SUMMED TOTAL BY THE COLUMN B SUMMED TOTAL THE RESULT IS LISTED IN COLUMN C AS "PER CAPITA CITIES"
 PER CAPITA SALES TAX ALL CITIES (FY 1997) SUM COLUMNS D & E THEN DIVIDE THE COLUMN D SUMMED TOTAL BY THE COLUMN E SUMMED TOTAL THE RESULT IS LISTED IN COLUMN F AS "PER CAPITA CITIES"
 50% MINIMUM CRITERIA THE PREVIOUS CALCULATIONS ARE DIVIDED BY 2 THEN A COMPARISON OF THIS NUMBER WITH THE NUMBERS IN COLUMNS C & F IS MADE THE RESULTS ARE REFLECTED IN COLUMNS G & H. "A" MEANS ABOVE, "B" BELOW THE CRITERIA
 SALES TAX REVENUE GROWTH COLUMN J, COMPUTE PERCENTAGE GROWTH OF SALES TAX REVENUE CHANGE IN SALES TAX REVENUE IN COLUMN D COMPARED TO COLUMN A.
 GROWTH CRITERIA: IF THE SALES TAX REVENUES OF THE CITY GREW BY AT LEAST 1/2% THE RESULTS ARE REFLECTED IN COLUMN "I" WITH A "YES"
 (1) COALINGA & UNINCORPORATED YEAR 2003 and 2004 POPULATION ADJUSTED PER AGREEMENT DATED MARCH 23, 1999, SECTION 6 Population data for the adjustment provided by Council of Fresno County Governments

CERTIFICATE OF DELIVERY OF DOCUMENT

I am employed by the County of Fresno as a Deputy Clerk of the Board of Supervisors. On May 2, 2006, I delivered a copy of Agreement #06-123 regarding Item #16 to the Chairman of the Fresno County Board of Supervisors.

Gwen Leffall,
Deputy Clerk