



CITY OF MENDOTA

"Cantaloupe Center Of The World"

ROBERT SILVA
Mayor
SERGIO VALDEZ
Mayor Pro Tempore
JOSEPH AMADOR
ROLANDO CASTRO
JOSEPH RIOFRIO

AGENDA
MENDOTA CITY COUNCIL
Regular City Council Meeting
CITY COUNCIL CHAMBERS
643 QUINCE STREET
October 13, 2015
6:00 PM

VINCE DiMAGGIO
City Manager
MEGGIN BORANIAN
City Attorney

The Mendota City Council welcomes you to its meetings, which are scheduled for the 2nd and 4th Tuesday of every month. Your interest and participation are encouraged and appreciated. Notice is hereby given that Council may discuss and/or take action on any or all of the items listed on this agenda. **Please turn your cell phones on vibrate/off while in the council chambers.**

Any public writings distributed by the City of Mendota to at least a majority of the City Council regarding any item on this regular meeting agenda will be made available at the front counter at City Hall located at 643 Quince Street Mendota, CA 93640, during normal business hours, 8 AM - 5 PM.

CALL TO ORDER

ROLL CALL

FLAG SALUTE

INVOCATION

FINALIZE THE AGENDA

1. Adjustments to Agenda.
2. Adoption of final Agenda.

CENSURE RESOLUTION

1. Mayor Pro Tem Valdez requests a censure resolution against Councilor Amador.

PRESENTATION

1. Acquisition Partners of America to present an update on grant writing services.

CITIZENS ORAL AND WRITTEN PRESENTATIONS

At this time members of the public may address the City Council on any matter not listed on the agenda involving matters within the jurisdiction of the City Council. Please complete a "request to speak" form and limit your comments to THREE (3) MINUTES. Please give the completed form to City Clerk prior to the start of the meeting. All speakers shall observe proper decorum. The Mendota Municipal Code prohibits the use of boisterous, slanderous, or profane language. All speakers must step to the podium, state their names and addresses for the record. Please watch the time.

APPROVAL OF MINUTES AND NOTICE OF WAIVING OF READING

1. Minutes of the Regular City Council meeting of September 22, 2015.
2. Notice of waiving of the reading of all resolutions and/or ordinances introduced and/or adopted under this agenda.

CONSENT CALENDAR

Matters listed under the Consent Calendar are considered to be routine and will be enacted by one motion and one vote. There will be no separate discussion of these items. If discussion is desired, that item will be removed from the Consent Calendar and will be considered separately.

1. SEPTEMBER 15, 2015 THROUGH OCTOBER 07, 2015
WARRANT LIST CHECKS NO. 39924 THRU 40053
TOTAL FOR COUNCIL APPROVAL = \$635,160.47
2. Council adopt **Resolution No. 15-67**, transferring funds from the City's bank account and financial records to the Mendota Community Corporation's bank account and financial records.
3. Council adopt **Resolution No. 15-68**, authorizing a contract with the Board of Administration California Public Employees' Retirement System for an actuarial valuation.
4. Council adopt **Resolution No. 15-70**, approving to enter into an agreement for engineering services for the CDBG Water Treatment Plant Improvement Project.
5. Council adopt **Resolution No. 15-71**, amending the engineering services agreement with Provost & Pritchard consulting group for the 6th Street Reconstruction.
6. Council adopt a Non-Disclosure Agreement related to a proposed Tertiary Treatment Project at the Waste Water Treatment Plant.
7. Council adopt an Exclusive Right to Negotiate related to a proposed Tertiary Treatment Project at the Waste Water Treatment Plant.

8. Council accept and file the Community Facilities District No. 2006-1 Annual Report for Fiscal Year 2015/16.
9. Council authorize staff to prepare a Request For Proposals for legal services.

BUSINESS

1. Council receive report on the costs of the July flash flood.
 - a. *Receive report from City Manager DiMaggio*
 - b. *Inquiries from Council to staff*
 - c. *Mayor opens floor to receive any comment from the public*
 - d. *Council provides direction to staff on how to proceed*
2. Council discussion and consideration to adopt **Resolution No. 15-65**, setting the application fee for public dances and dance halls.
 - a. *Receive report from Planning & Economic Development Manager Flood*
 - b. *Inquiries from Council to staff*
 - c. *Mayor opens floor to receive any comment from the public*
 - d. *Council adopt Resolution No. 15-65*
3. Council discussion and consideration to adopt **Resolution No. 15-72**, approving a Solar Power Services Agreement with Mendota Solar 1, LLC.
 - a. *Receive report from City Manager DiMaggio*
 - b. *Inquiries from Council to staff*
 - c. *Mayor opens floor to receive any comment from the public*
 - d. *Council adopt Resolution No. 15-72*

DEPARTMENT REPORTS AND INFORMATIONAL ITEMS

1. Code Enforcement
 - a) Monthly Report
2. Police Department
 - a) Monthly Report
3. City Attorney
 - a) Update
4. City Manager

MAYOR AND COUNCIL REPORTS AND INFORMATIONAL ITEMS

1. Council Member(s)
2. Mayor

CLOSED SESSION

1. PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE
CA Government Code §54957(b)(1); City Attorney
 - Council to take appropriate action resulting from Closed Session.

ADJOURNMENT

CERTIFICATION OF POSTING

I, Celeste Cabrera, Deputy City Clerk of the City of Mendota, do hereby declare that the foregoing agenda for the Mendota City Council Regular Meeting of October 13, 2015, was posted on the outside bulletin board located at City Hall, 643 Quince Street Friday, October 9, 2015 at 4:25 p.m.



Celeste Cabrera, Deputy City Clerk

**BEFORE THE CITY COUNCIL
OF THE
CITY OF MENDOTA, COUNTY OF FRESNO**

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MENDOTA CENSURING
COUNCILMEMBER JOSEPH AMADOR**

RESOLUTION NO. 15-69

WHEREAS, it is a core value of this City Council that citizens, visitors, staff, and fellow elected officials be treated with the utmost respect and integrity; and

WHEREAS, the elected leaders of this City shall set the example and tone for demonstrating respect and integrity; and

WHEREAS, it is this City Council's expectation that members of this body consistently behave in a professional manner and show deference to those who disagree and encourage public dialogue; and

WHEREAS, this Council finds that Councilmember Joseph Amador has behaved in contradiction to the core values of this body, as evidenced by the examples cited in Exhibit A, included herein and made part hereof.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Mendota that the City Council hereby reprimands Councilmember Joseph Amador for conduct which does not meet the basic standards of respect, professionalism, or the core values of this body.

Robert Silva, Mayor

ATTEST:

I, Matt Flood, City Clerk of the City of Mendota, do hereby certify that the foregoing resolution was duly adopted and passed by the City Council at a regular meeting of said Council, held at the Mendota City Hall on the 13th day of October, 2015, by the following vote:

AYES:

NOES:

ABSENT:


ABSTAIN:

Matt Flood, City Clerk

EXHIBIT A

Mayor Pro Tem Sergio Valdez submits the following points in support of the censure resolution against Councilmember Amador:

- Disrespectful to community members;
- Repeatedly disrespectful and exhibiting behavior unbecoming of an elected official to the staff.
- Falsely accusing the Mayor Pro Tem of using staff resources for personal gain;
- Falsely accusing the Mayor and Mayor Pro Tem of Brown Act violations and holding “secret” meetings with staff.


Sergio Valdez, Mayor Pro Tem

10-6-15
Date



MINUTES OF MENDOTA REGULAR CITY COUNCIL MEETING

Regular Meeting

September 22, 2015

Meeting called to order by Mayor Silva at 6:02 p.m.

Roll Call

Council Members Present: Mayor Robert Silva, Mayor Pro Tem Sergio Valdez, Councilors Joseph Amador and Rolando Castro.

Council Members Absent: Councilor Joseph Riofrio.

Flag salute led by Councilor Castro.

Invocation led by Omaged Mondol from the Iglesia Cristiana Highlands.

FINALIZE THE AGENDA

1. Adjustments to Agenda.
2. Adoption of final Agenda.

A motion was made by Councilor Amador to adopt the agenda, seconded by Mayor Pro Tem Valdez; unanimously approved (4 ayes, absent: Riofrio).

CITIZENS ORAL AND WRITTEN PRESENTATIONS

Kenneth Faulkner (5662 S. Washoe Avenue) – reported on various problems in the United States; the refugee crisis occurring in Europe; and explained the benefits of having a relationship with God.

Craig Schmidt (Gill Ranch Storage) – reported on Gill Ranch Storage being a natural gas storage facility where customers are able to purchase natural gas and store it at the facility (6:11 p.m. Councilor Amador left the Council Chambers); the facility including an approximate 27-mile, 30-inch pipeline which connects to a PG&E line; emphasized the importance of pipeline safety such as calling 811 to identify pipeline locations at an

area scheduled to be excavated (6:15 p.m. Councilor Amador returned to the Council Chambers); and reported on an upcoming meeting that will be held at the Mendota High School to review an informational brochure.

Discussion was held on effective ways to reach out to the public in regards to pipeline safety; yellow warning markers that indicate where pipelines are located and tell how to contact the pipeline operator; and Gill Ranch Storage donating \$1,000 to the Mendota High School Agriculture Program.

APPROVAL OF MINUTES AND NOTICE OF WAIVING OF READING

1. Minutes of the Regular City Council meeting of August 25, 2015.
2. Notice of waiving of the reading of all resolutions and/or ordinances introduced and/or adopted under this agenda.

A motion was made by Councilor Amador to approve items 1 and 2, seconded by Mayor Pro Tem Valdez; unanimously approved (4 ayes, absent: Riofrio).

CONSENT CALENDAR

1. AUGUST 21, 2015 THROUGH AUGUST 31, 2015
WARRANT LIST CHECKS NO. 39813 THRU 39857
TOTAL FOR COUNCIL APPROVAL = \$572,367.93
2. SEPTEMBER 04, 2015 THROUGH AUGUST 31, 2015
WARRANT LIST CHECKS NO. 39858 THRU 39923
TOTAL FOR COUNCIL APPROVAL = \$207,614.76
3. Council adopt **Resolution No. 15-64**, approving the City to perform the administrative financial services for the Mendota Community Corporation.
4. Council adopt **Resolution No. 15-65**, setting the fee for public dances and dance halls.
5. Council adopt **Resolution No. 15-66**, authorizing the transfer of City funds from one mutual fund to another.
6. Council direct the City Manager to write a letter to Governor Brown on behalf of the City Council encouraging him to sign AB 2 into law.

A request was made to pull item 4 for discussion.

A motion was made to approve items 1 through 3 and 5 and 6 of the consent calendar by Mayor Pro Tem Valdez, seconded by Councilor Amador; unanimously approved (4 ayes, absent: Riofrio).

4. Council adopt **Resolution No. 15-65**, setting the fee for public dances and dance halls.

Discussion was held on the Mendota Municipal Code stating that the permit fee for public dances shall be set by resolution of the City Council; the purpose of the proposed resolution being to designate the permit fee for public dances; the various businesses that will be subject to the permit fee; whether non-profit organizations are subject to the fee; the purpose of the fee being to recuperate staff time that is used to review the permit; the proposed fee being set at \$50 which will need to be paid quarterly; and staff informing businesses about the proposed fee.

A motion was made to table item 4 of the consent calendar in order to inform businesses about the proposed fee by Mayor Pro Tem Valdez, seconded by Councilor Amador; unanimously approved (4 ayes, absent: Riofrio).

DEPARTMENT REPORTS AND INFORMATIONAL ITEMS

1. Code Enforcement
 - a) Monthly Report

Planning & Economic Development Manager Flood summarized the report including the hiring the of the new Code Enforcement Officer; the focus on public nuisances and water conservation measures; issues with out-of-town property owners; and enforcing the Bin Enclosure Guidelines throughout the City in order to beautify the community.

Discussion was held on the out-of-town vendors conducting business within the City without a business license; issues in regards to illegal truck/trailer parking; the enforcement of amplified music regulations; and an individual that was selling new/tagged clothing at a yard sale.

2. Police Department
 - a) Monthly Report

Chief of Police Andreotti summarized the report including the increase of warrant arrests; the increase of narcotic violations; majority of arrests being made through self-initiated activity by the officers; reported on a recent homicide which is being investigated by the Fresno County Sheriff's department; a recent shooting involving gang members; the increase of auto-thefts; the hiring of the new Police Records Clerk; the COPS Veteran Hiring Grant for hiring being approved; private funding for the Community Service Officer not being received; and that the new police vehicle was up-fitted.

Discussion was held on the increase of school fights; the School Resource Officer identifying gangs at schools; the major drug problem in the City; and the increase of drug paraphernalia since the adoption of Proposition 47.

Robert Rasmussen (230 McCabe Avenue) – inquired as to the amount of identified gangs within the City and the burglary rate.

Discussion was held on the amount of gangs within the City.

3. Public Works
a) Monthly Report

Public Works Director Gonzalez reported on scheduling to move the Dave Daniels skate park sign to the front of the park; recently having a final walk through of the reconstructed 6th street; and the timeframe that dirt grindings will be removed from Mr. Joe Gil Gomez's property.

Discussion was held on the arrow markings on 6th street; the length of the warranty on 6th Street; the poor condition that Pool Park is in; the possibility of having inmates from FCI-Mendota maintain Pool Park; verifying that City employees follow proper safety procedures; and the speaking to Supervisor Pacheco in regards to funding for Pool Park.

4. Public Utilities
a) Monthly Report

City Manager DiMaggio reported that Public Utilities Director Lewis was out ill; the contractor being scheduled to be out at the Water Treatment Plant to replace the media; Borrego Solar working with the City in regards to installing a solar system out at the Waste Water Treatment Plant; the contract for the solar system coming in front of Council at a future meeting; and funding being available to repair the B&B bridge.

Discussion was held on fire hydrants being flushed out; the accuracy of the new hand-held water meter readers; and verifying that the water meter readers are functioning properly.

5. City Attorney
a) Monthly Report

City Attorney Boranian reported on the success of a recent Pitchess Motion; thanked Chief Andreotti for his assistance in court matters; congratulated Councilor Amador for the upcoming 20th Annual Driver Awareness event; and reported on the upcoming sexual harassment and abuse in the workplace training.

6. City Manager

City Manager DiMaggio provided an update on the Joint Powers Agreement (JPA) that was adopted by the Council at a recent meeting; the purpose of the JPA being to seek water storage funding under Proposition 1 which are available for disadvantaged communities and counties; reported on meetings that he attended in order to finalize the

membership of the JPA; and the Chairwoman of the Fresno County Board of Supervisors preferring Fresno County staff to manage the JPA.

Discussion was held on various cities and water districts opposing the management of the JPA by Fresno County staff; the Board of Supervisors of various counties voting on the issue; and the different options available.

City Manager DiMaggio reported on the traffic study for the Derrick/Oller roundabout being completed; meeting with the City Engineer to discuss the results of the study; the results being presented to Council at a future meeting which will include the computerization of a traffic signal and a roundabout at the Derrick/Oller intersection.

Discussion was held on losing funding that is specified for the roundabout if Council decides to move forward with a traffic signal at the intersection.

City Manager DiMaggio reported on the Council Sub-Committee that was established by Council at a previous meeting; an Israeli national company that is owned by the Israeli government that is interested in developing a tertiary treatment facility at the Waste Water Treatment Plant; the company using sophisticated technologies to treat waste water to near potable level and then dispose of it in the river for water credits; the treated water being monetized through agreements; delegates of the sub-committee traveling to Israel to view the technology; and the possibility of having to sign a non-disclosure agreement due to the confidentiality of the technology.

Discussion was held on the City being reimbursed for expenses acquired by the delegates that will travel to Israel to view the technology; special Counsel assigned to the sub-committee that reviewed the Exclusive Right to Negotiate agreement between the other party and the sub-committee; Mendota being in a location that favors the water delivery system; the need to make profit from the proposed project; and the status of the storm water drain grant.

Robert Rasmussen (230 McCabe Avenue) – inquired as to the location of the proposed roundabout.

Discussion was held on the status of the establishment of McDonalds and Autozone in Mendota and the status of a building that is being constructed on Oller Street.

Omaged Mondol (Iglesia Cristiana Highlands) – emphasized the importance of looking into the opportunities that are offered to the City and discussed the benefits of the sub-committee delegates traveling to Israel.

Discussion was held on City Attorney Boranian reviewing the Exclusive Right to Negotiate Agreement between the other party and the City and provide a report to Council via email.

MAYOR AND COUNCIL REPORTS AND INFORMATIONAL ITEMS

1. Council Member(s)
Council reports

Mayor Pro Tem Valdez reported on two grants that Mendota Youth Recreation (MYR) will be applying for; MYR partnering with the City to apply for a Major League Baseball grant; how the grant will be used if it is awarded to MYR; and the recreational needs in the community.

Councilor Amador reported on recognizing a Mendota resident that published a book and on the upcoming 20th Annual Driver Awareness Event.

2. Mayor

Mayor Silva reported on Governor Brown's task force on the drought attending a meeting in Mendota; a recent backpack giveaway hosted by Alliance for Medical Outreach & Relief (AMOR); the need to meet with Mendota Unified School District officials in order to create a joint flood plan; and an upcoming Water Rally that will be held at Rojas-Pierce Park.

ADJOURNMENT

With no more business to be brought before the Council, a motion for adjournment was made at 8:36 p.m. by Councilor Amador, seconded by Mayor Pro Tem Valdez; unanimously approved (4 ayes, absent: Riofrio).

Robert Silva, Mayor

ATTEST:

Matt Flood, City Clerk

**CITY OF MENDOTA
CASH DISBURSEMENTS
9/15/2015-10/07/2015
Check #39924-40053**

Date	Check #	Amount	Vendor	Department	Description
September 15, 2015	39924	\$630.00	ADMINISTRATIVE SOLUTIONS, INC.	GENERAL	MONTHLY MEDICAL ADMINSTRATIVE FEE FOR SEPTEMBER 2015
September 15, 2015	39925	\$860.39	BEST UNIFORM	GENERAL	(1) BODY ARMOUR FOR POLICE DEPARTMENT
September 15, 2015	39926	\$25.00	CALIFORNIA DEPARTMENT OF JUSTICE	GENERAL	REGISTRATION FEE FOR MENDOTA COMMUNITY CORPORATION
September 15, 2015	39927	\$405.06	CAPITAL ONE COMMERCIAL	GENERAL-WATER-SEWER	DOG FOOD FOR ANIMAL CONTROL, SPLENDA, KS TOOL KIT, FOLGERS, COFFEMATE, LIGHT SECURITY FOR CITY HALL
September 15, 2015	39928	\$380.00	DEPARTMENT OF JUSTICE	GENERAL	(7) FINGERPRINT APPS, (2) FINGERPRINT-FBI, CHILD ABUSE INDEX CK, PEACE OFFICER-BILLED (PD)
September 15, 2015	39929	\$5,506.40	STANTEC CONSULTING SERVICES, INC.	SEWER	GROUND WATER SAMPLING AND REPORTING-P.O.#15212
September 15, 2015	39930	\$260.00	FAMILY HEALING CENTER	GENERAL	MDIC CASE#15-394 (PD)
September 15, 2015	39931	\$196.95	SEBASTIAN	GENERAL	SERVICE CHARGE FOR STEEL DOOR-LOW VOLTAGE TECHNICIAN LAB, 7 AMP 12V BATTERY (PD)
September 15, 2015	39932	\$2,432.54	SORENSEN MACHINE WORKS	GENERAL-WATER-SEWER-STREETS	1 GALLON PRIMER, 1/2" QUICK COUPLER1/2" BODY, (4) WINDEX, (3) FRS-R-SO AMP FUSES,(5) RED MARKING,(5) GAL. DRIVEWAY SEALER
September 15, 2015	39933	\$68.08	UNIFIRST CORPORATION	GENERAL-WATER-SEWER	MONTHLY SERVICE: WET MOP LARGE WITH R, 36" DRY MOP, TERRY CLOTHS
September 15, 2015	39934	\$1,012.05	WESTAMERICA BANK	GENERAL	(1) INTERCEPTOR, (1) UTILITY VEHICLE (PD) SEPTEMBER 2015
September 15, 2015	39935	\$55.80	WECO	SEWER	RENT CYCLE ACETYLENE #4 FOR 31 DAYS
September 17, 2015	39936	\$132.46	A1 JANITORIAL SUPPLY	SEWER	(10) POWDERED DRAIN SEWER OPENER
September 17, 2015	39937	\$25.98	AIRGAS USA, LLC	WATER	RENT CYCLE IND SMALL CARBON DIOXIDE
September 17, 2015	39938	\$60.00	ALTA LANGUAGE SERVICES, INC.	GENERAL	LISTENING & SPEAKING TEST LIVE (O. RIVAS) (PD)
September 17, 2015	39939	\$750.00	GREGG ANDEROTTI	GENERAL	TRAINING AND EXECUTIVE SCHOOL FOR CHIEF
September 17, 2015	39940	\$350.00	BAR PSYCHOLOGICAL GROUP	GENERAL	POST PRE-EMPLOYMENT PSYCITOLOGICAL SCREEN FOR (HAWKINS,B) (PD)
September 17, 2015	39941	\$300.00	BARCUS STRUCTURAL ENGINEERING, INC.	WATER	STRUCTURAL OBSERVATIONS FOR FRESNO SLOUGH BRIDGE
September 17, 2015	39942	\$57.54	CONSLIDATED ELECTRICAL DISTRIBUTORS, INC	GENERAL	BLST 175 W MH 5 TAP 120/480 47 FOR BASKET BALL COURT IN THE PARK
September 17, 2015	39943	\$175.00	CORELOGIC INFORMATION SOLUTIONS, INC.	GENERAL-WATER-SEWER	MONTHLY FEE FOR REALQUEST GEOGRAPHIC PACKAGE
September 17, 2015	39944	\$215.95	CREATIVE SERVICES OF NEW ENGLAND	GENERAL	(2,000) 7 CUSTOM SEVEN POINT STAR JUNIOR OFFICER BADGE STICKERS (PD)
September 17, 2015	39945	\$130.80	FRESNO COUNTY SHERIFF	GENERAL	RMS JMS ACCESS FEE FOR AUGUST 2015
September 17, 2015	39946	\$700.00	JENKINS & HOGIN, LLP	GENERAL	SPECIAL COUNSEL SERVICES FOR MENDOTA MUNICIPAL CODE
September 17, 2015	39947	\$600.00	LAW & ASSOCIATES INVESTIGATIONS	GENERAL	LAW ENFORCEMENT BACKGROUND INVESTIGATION FOR (ANDRADE) (PD)

**CITY OF MENDOTA
CASH DISBURSEMENTS
9/15/2015-10/07/2015
Check #39924-40053**

September 17, 2015	39948	\$39,641.94	PG&E	GENERAL-WATER-SEWER	CITY WIDE UTILITIES 07/17/2015 - 08/17/2015
September 17, 2015	39949	\$126.90	PLATT ELECTRIC SUPPLY	WATER-SEWER	SIE 75D73070C COIL KIT FOR (WTP)
September 17, 2015	39950	\$595.00	MARRIOT HOTEL SERVICES INC.	GENERAL	HOTEL ROOM FOR CHIEFS POST EXECUTIVE SCHOOL FOR OCTOBER 18,2015-OCTOBER 23,2015
September 17, 2015	39951	\$296.00	SANTA ROSA JUNIOR COLLEGE/ACCOUNTING	GENERAL	COURSE FEE AND ENROLLMENT FEE FOR J. URBIETA, C. TSARIS (PD)
September 17, 2015	39952	\$43.32	CHRIS TSARIS	GENERAL	1/4 FEM T PLUG,BLOW GUN,3/8X25 AIR HOSE FOR RANGE EQUIPMENT FOR (PD)
September 18, 2015	39953	\$1,156.78	AT&T MOBILITY	GENERAL	AIR CARDS FOR POLICE DEPARTMENT 7/20/2015-8/19/2015 & 9/20/2014-10/19/2015 & 12/20/2014-1/19/2015
September 18, 2015	39954		VOID		
September 30, 2015	39955	\$89,878.00	WESTAMERICA BANK	GENERAL	PAYROLL TRANSFER 9/7/2015 THROUGH 9/20/2015
September 30, 2015	39956	\$1,575.00	WESTAMERICA BANK	SEWER	TRAVEL PER DIEM - SPECIAL WWTP (R.SILVA, V.DIMAGGIO, C.GONZALEZ)
September 30, 2015	39957	\$309.62	BOARD OF EQUALIZATION	GENERAL-SEWER-DRIVER AWARENESS	2014 SALES TAX RETURN - FOR ITEMS PURCHASED IN 2014 WITHOUT PAYING SALES TAX
September 30, 2015	39958	\$16,690.68	BANKCARD CENTER	SEWER	CREDIT CARD EXPENSE FOR 9/18/2015 - SPECIAL WWTP FLIGHT TICKETS (R.SILVA, V.DIMAGGIO, C.GONZALEZ-REIMBURSEABLE)
September 30, 2015	39959	\$3,030.95	WALMART	DRIVER AWARENESS	20TH ANNUAL DRIVER AWARENESS DONATIONS TO PURCHASE (30) BIKES AND PRIZES
September 30, 2015	39960	\$282.34	PPG ARCHITECTURAL FINISHES, INC.	WATER	(2) AMERLOCK GALLON KIT FOR WATER FILTERS
September 30, 2015	39961	\$556.28	A-1 NATIONAL FENCE	GENERAL-WATER-SEWER	17- 1 5/8 X 21' POSTS-TUBING, 56-1 5/8 TENSION BANDS WITH BOLTS & NUTS
September 30, 2015	39962	\$630.00	ADMINISTRATIVE SOLUTIONS, INC.	GENERAL	MONTHLY MEDICAL ADMINSTRATIVE FEE FOR SEPTEMBER 2015
September 30, 2015	39963	\$61.81	AG & INDUSTRIAL SUPPLY	WATER-STREETS	G1 O RING,HYD HOSE 1/4 2WIRE,GLOBAL FITTING (BACKHOE)
September 30, 2015	39964	\$320.16	AGRI VALLEY IRRIGATION, INC.	SEWER	PRO-FLAT,SUCTION HOSE 4",T-BOLT CLAMP 4",ADAPTAR MALE SCHEDULE 40,(PUMPS FOR SEWER)
September 30, 2015	39965	\$129.93	ALEX AUTO DIAGNOSTICS & SMOG	GENERAL-STREETS	ENGINE OIL,OIL FILTER,AIR FILTER (2012 FORD PICKUP F250),ENGINE OIL,OIL FILTER,AIR FILTER (SUPER DUTY F-250)
September 30, 2015	39966	\$105.00	ADMINSTRATIVE SOLUTIONS, INC.	GENERAL	(7) HRA ADMINSTRATION FEE FOR SEPTEMBER 2015 HEALTH FEES (PD)
September 30, 2015	39967	\$350.00	BAR PSYCHOLOGICAL GROUP	GENERAL	POST PRE-EMPLOYMENT PSYCITOLOGICAL SCREEN FOR (ANDRADE-HERNANDEZ) (PD)
September 30, 2015	39968	\$1,448.68	BEST UNIFORM	GENERAL	(2) SHIRT S/S, (2) PANT,(1) HAT (C. ESQUEDA),(1) SET CHEVRONS SGT REMOVE & SEW ON (J. URBIETA) (PD)
September 30, 2015	39969	\$50,913.00	CSJVRMA	GENERAL	(1) BUSINESS TRAVEL ACCIDENT 7/1/15 TO 6/30/15,CRIME SHIELD PROGRAM,LIABILTY PROGRAM
September 30, 2015	39970	\$262.00	CENTRAL VALLEY TOXICOLOGY, INC.	GENERAL	(1) ABUSE SCREEN, (1) SINGLE DRUG SCREEN, (1) ETHYL ALCOHOL, (1) COMPLETE DRUG (PD)
September 30, 2015	39971	\$150.00	DISCOUNT SHRED	GENERAL	96 GALLON BINS (PD)
September 30, 2015	39972	\$59.52	EINERSON'S PREPRESS	WATER-SEWER	BUSINESS CARDS FOR JERONIMO ANGEL

**CITY OF MENDOTA
CASH DISBURSEMENTS
9/15/2015-10/07/2015
Check #39924-40053**

September 30, 2015	39973	\$1,786.53	EWING FRESNO	GENERAL	EWG 50LB KING TALL FESCUE,12VAN RAINBIRD VARIABLE ARC,DCLS-P DC LATCHING SLENIOD,BLEED PLUG(PARKS)
September 30, 2015	39974	\$98.76	FERGUSON ENTERPRISES, INC	WATER	(1) MANI GA & HOSE SET 2 VLV,32 OZ BLUE LEAK LCTR 0-2500F(BLANKET)
September 30, 2015	39975	\$212.00	FRESNO POLICE DEPARTMENT	GENERAL	TACTICAL SHOT GUN CLASS SEPTEMBER 22,2015 FOR (C. TSARIS-A. CASAS)
September 30, 2015	39976	\$288.00	FRESNO COUNTY SHERIFF	GENERAL	16-PRISONER PROCESSING SERVICES FOR JULY 2015-AUGUST 2015
September 30, 2015	39977	\$69.99	G-NIEL DIRECT MAIL INC.	GENERAL-WATER-SEWER	POSTER GUARD 1YEAR STATE/FED RENEWAL/ CALIFORNIA /ENGLISH/PUBLIC HOUSEKEEPING
September 30, 2015	39978	\$1,800.00	GONZALEZ TRANSPORT, INC.	STREETS	(6) WATER TRUCK PER HOUR 2000 GALLON TANK, (3) 2.5 WATER TRUCK SERVICE PER HOUR 2000 GALLON TANK (7TH STREET-FLOOD)
September 30, 2015	39979	\$152.00	HELMETS R US	DRIVER AWARENESS	30- MEDIUM GREEN HELMET WITH WHITE EPS LINER AND NO LOWER SHELL
September 30, 2015	39980	\$195.00	LIEBERT CASSIDY WHITMORE	GENERAL-WATER-SEWER	PROFESSIONAL SERVICES RENDERED THROUGH 8/31/2015 REGARDING RULES REVISION
September 30, 2015	39981	\$52,248.29	MID VALLEY DISPOSAL, INC.	STREETS	SANITATION CONTRACT SERVICES FOR SEPTEMBER 2015,(6.75) 30 YARD ROLL OFF EXCHANGE REMOVAL
September 30, 2015	39982	\$650.00	MUNCIPAL CODE	GENERAL-WATER-SEWER	ANNUAL WEB HOSTING 09/01/2015 TO 08/31/2016,CODEBANK (ARCHIVES) 09/01/2015 TO 08/31/2015
September 30, 2015	39983	\$1,201.77	NORTHSTAR CHEMICAL	WATER	(620) GALLON SODIUM HYPOCHLORITE -12.5% (CHEMICALS)
September 30, 2015	39984	\$1,086.47	NSP3	GENERAL	(2) FAST PATCH-POURED IN PLACE SURFACING BASE LAYER REPAIR KIT,(4) FAST PATCH REPAIR FOR ROJAS PLAYGROUND
September 30, 2015	39985	\$570.20	OFFICE DEPOT	GENERAL-WATER-SEWER	FILE,STORE,HVDTV,LTR/LGL,NOTE,POST-IT,POP-UP,SS,SINGLE MONITOR FLEX,PAD,DESK,NET-ZERO,CARBO(CH)
September 30, 2015	39986	\$426.05	PETTY CASH	GENERAL-SEWER-DONATION	07/06/15 -PUBLIC SAFETY MEETING,08/03/15-NATIONAL NIGHT OUT, 08/11/15-FLOODING MEETING
September 30, 2015	39987	\$66,786.84	PG&E	GENERAL-WATER-SEWER-STREETS	WATERWELL UTILITIES 08/14/15-09/14/15,CITY WIDE UTILITIES 08/18/2015-09/16/2015
September 30, 2015	39988	\$4,959.95	PURCHASE POWER	GENERAL-WATER-SEWER	POSTAGE METER REFILL 8/13 & 9/1 & 9/11 & 4/15 & 5/8
September 30, 2015	39989	\$203.38	R&B COMPANY	WATER	6 REP CLAMP 226-0710X07-001,CTS PE TUBING 200PSI
September 30, 2015	39990	\$3,031.25	RAMON'S TIRE & AUTO SERVICE	GENERAL-WATER-SEWER-STREETS	(2) TIRE INSTALLATION (PD), (1)LT 235/85R16 TIRE REPAIR(ANIMAL CONTROL TRUCK) (1) FIRESTONE,OTR TUBE(J.D LOUDER 544)
September 30, 2015	39991	\$142.58	RED WING SHOE STORE	WATER-SEWER	BOOT REPLACEMENT PER MOU FOR HENRY SANCHEZ
September 30, 2015	39992	\$299.75	RUMEX CONSTRUCTION CORPORATION	GENERAL-WATER-SEWER-STREETS	DSL PUMP SERVICE NOT WORKING; TROUBLESHOOTED AND REPAIRED
September 30, 2015	39993	\$70.00	ERNEST PACKING SOLUTIONS	GENERAL	(10) SKINTX BLACK NITRILE EXAM GLOVES 100 PER BOX (PD)
September 30, 2015	39994	\$59.85	SEBASTIAN	GENERAL	ALARM SERVICES FOR OCTOBER, NOVEMBER AND DECEMBER 2015 (PD)
September 30, 2015	39995	\$2,450.32	T AND L TACTICAL, INC.	GENERAL	(1) WINCHESTER 180 GR JHP RANGER .40, (1) WINCHESTER BUCK 12 GA RANGER LOW (1) WINCHESTER 1 OZ SLUG RANGER (PD)
September 30, 2015	39996	\$10,735.18	TECHNICON ENGINEERING	STREETS	6TH STREET AND PEREZ STREET: SUBGRADE COMPACTION TESTING; AGGREGATE BASE COMPACTION TESTING; ASPHALT DENSITY TESTING
September 30, 2015	39997	\$475.00	TECH-MASTER	GENERAL	PEST CONTROL SERVICES FOR AUGUST 2015

**CITY OF MENDOTA
CASH DISBURSEMENTS
9/15/2015-10/07/2015
Check #39924-40053**

September 30, 2015	39998	\$272.59	HOME DEPOT	SEWER	12 INCH WRENCH, HAND PUMP, STRT CPLG, CARBN BL REP, HAMMER, WRENCH SET, HDX 39 BLACK
September 30, 2015	39999	\$359.16	THOMASON TRACTOR COMPANY	GENERAL-WATER-SEWER-STREETS	BACKHOE #11 - NEW BATTERY REPLACEMENT
September 30, 2015	40000	VOID			
September 30, 2015	40001	\$225.00	UNITED HEALTH CENTERS	GENERAL	(3) PRE-EMPLOYMENT EXAM (PD)
September 30, 2015	40002	\$4,938.57	UNITED RENTALS NORTHWEST	SEWER	(1) DOZER STANDARD TRACK RENTAL FOR WWTP PONDS
September 30, 2015	40003	\$286.02	USA BLUEBOOK	WATER	(1) CHERNE TEST BALL PLUG (1) YSI 5908 CAP MEMBRANE KIT
September 30, 2015	40004	\$541.99	VULCAN MATERIALS COMPANY	STREETS	(4.08) ST 1/2 IN HMA TYPE A ASPHALT & (4.10) ST 1/2 IN HMA TYPE A ASPHALT
September 30, 2015	40005	\$511.74	WESTAMERICA BANK	GENERAL-WATER-SEWER	FOLDING MACHINE PAYMENT FOR OCTOBER 2015
September 30, 2015	40006	\$36.80	WECO	GENERAL-WATER-SEWER	GAS OXYGEN "K" 200 CF RENTAL FOR AUGUST 2015
October 1, 2015	40007	\$259.99	ROBERT SILVA	SEWER	PASSPORT REIMBURSEMENT (REIMBURSEABLE FOR WWTP SPECIAL PROJECT)
October 6, 2015	40008	\$86,582.00	WESTAMERICA BANK	GENERAL	PAYROLL TRANSFER 9/21/2015 THROUGH 10/4/2015
October 7, 2015	40009	\$19,829.21	AETNA LIFE INSURANCE	GENERAL	MEDICAL INSURANCE FOR OCTOBER 2015
October 7, 2015	40010	\$412.54	AFLAC	GENERAL	AFLAC INSURANCE FOR SEPTEMBER 2015
October 7, 2015	40011	\$164.60	AMERIPRIDE VALLEY UNIFORM SERVICES	WATER-SEWER	PUBLIC WORKS/UTILITIES UNIFORM RENTALS FOR SEPTEMBER 2015
October 7, 2015	40012	\$100,361.00	ASPHALT MAINTENANCE	STREETS	SLURRY SEAL PROJECT: HACIENDA GARDENS SUBDIVISION
October 7, 2015	40013	\$446.01	COMCAST	GENERAL-WATER-SEWER	HIGH-SPEED INTERNET FOR OCTOBER-NOVEMBER-DECEMBER 2015
October 7, 2015	40014	\$175.00	COMMUNITY MEDICAL CENTER	GENERAL	(1) LEGAL BLOOD DRAW FOR AUGUST 2015 (PD)
October 7, 2015	40015	\$132.94	OFFICE DEPOT	GENERAL-WATER-SEWER	BULLETIN BOARD, BUSINESS CARD HOLDER, BINDER CLIPS
October 7, 2015	40016	\$3,705.22	PREMIER ACCESS	GENERAL	DENTAL INSURANCE FOR OCTOBER 2015
October 7, 2015	40017	\$1,108.30	BANKCARD CENTER	GENERAL-SEWER	CREDIT CARD EXPENSES FOR 9/10/2015-9/22/2015: AIRLINE EXPENSES FOR WWTP SPECIAL PROJECT - REIMBURSEABLE
October 7, 2015	40018	\$313.28	JOHN DELGADO	WATER	UTILITY REFUND FOR DEL0002
October 7, 2015	40019	\$100.00	DOLORES FRANCISCO	WATER	UTILITY REFUND FOR FRA0007
October 7, 2015	40020	\$74.23	JOE GIL GOMEZ	WATER	UTILITY REFUND FOR GOM0109
October 7, 2015	40021	\$65.80	MARIA MONTES	WATER	UTILITY REFUND FOR MON0027
October 7, 2015	40022	\$3,500.00	ACQUISITION PARTNERS OF AMERICA, LLC	GENERAL-WATER-SEWER	MONTHLY RETAINER FOR GRANT CONSULTING FOR OCTOBER 2015

**CITY OF MENDOTA
CASH DISBURSEMENTS
9/15/2015-10/07/2015
Check #39924-40053**

October 7, 2015	40023	\$69.50	ADT SECURITY SERVICES	GENERAL	SECURITY ALARM SERVICES FOR 10/1/2015-12/31/2015 - ROJAS-PIERCE PARK CONCESSION STAND
October 7, 2015	40024	\$2,596.05	ALERT-O-LITE	GENERAL-WATER-SEWER-STREETS	ASPHALT VIBER PLATE RENTAL FOR SYNTHETIC LAWN-WELCOME SIGN, SAFTETY GLASSES, REIMBURSEABLE ITEMS FOR PROTEUS EMPLOYEES
October 7, 2015	40025	\$325.00	ALL VALLEY ADMINISTRATORS, LLC	GENERAL-WATER-SEWER	4TH QUARTER 2015 RETIREMENT PLAN ADMINISTRATION FEE
October 7, 2015	40026	\$297.62	AMARK TEE SHIRTS	DRIVER AWARENESS	(50) T-SHIRTS FOR 20TH ANNUAL DRIVER AWARENESS EVENT
October 7, 2015	40027	\$775.45	AUTOMATED OFFICE SYSTEMS	GENERAL-WATER-SEWER	MAINTENANCE CONTRACT FOR COPY MACHINE AT CITY HALL AND POLICE DEPARTMENT FOR SEPTEMBER 2015
October 7, 2015	40028	\$4,500.00	MEGGIN BORANIAN	GENERAL-WATER-SEWER	MONTHLY RETAINER FOR GENERAL SERVICES FOR SEPTEMBER 2015
October 7, 2015	40029	\$11,433.70	MEGGIN BORANIAN	GENERAL-WATER-SEWER	SPECIAL SERVICES FOR SEPTEMBER 2015
October 7, 2015	40030	\$880.00	BSK ASSOCIATES	WATER-SEWER	MONTHLY AND WEEKLY WATER/WASTEWATER ANALYSES FOR SEPTEMBER 2015
October 7, 2015	40031	\$658.00	CALIFORNIA RURAL WATER ASSOCIATION	WATER-SEWER	MEMBERSHIP DUES FOR NOVEMBER 2015 THROUGH NOVEMBER 2016
October 7, 2015	40032	\$275.10	COLONIAL LIFE	GENERAL	COLONIAL INSURANCE FOR SEPTEMBER 2015
October 7, 2015	40033	\$625.52	CORBIN WILLITS SY'S INC.	GENERAL-WATER-SEWER	ENHANCEMENT AND SERVICE FEE FOR OCTOBER 2015 (MOM SOFTWARE)
October 7, 2015	40034	\$146.00	EMPLOYEE RELATIONS	GENERAL	PRE-EMPLOYMENT BACKGROUND (PD)
October 7, 2015	40035	\$87.50	FRESNO COUNTY AUDITOR'S OFFICE	GENERAL	PARKING CITATION FOR AUGUST 2015 (PD)
October 7, 2015	40036	\$50.00	FRESNO NETWORKS	GENERAL	UNINSTALLED ACTIVE PAPER FOR OFFICER O. RIVAS - (0.50) BILLABLE HOUR (PD)
October 7, 2015	40037	\$9.83	GRAINGER	WATER	(1) V-BELT PULLEY FOR WATER PLANT
October 7, 2015	40038	\$135.62	GUTHRIE PETROLEUM INC	SEWER	(50.6) BLK DIESEL FUEL FOR #32 VACTOR TRUCK
October 7, 2015	40039	\$14.74	HAVEN'S FOR TOTAL SECURITY, INC	GENERAL-WATER--SEWER	(3) DND SECTIONAL KEYS FOR CITY HALL
October 7, 2015	40040	\$29.00	ID CARDS, INC.	GENERAL	(2) CUSTOM PVC CARD, DUAL SIDE HOLOGRAM (PD)
October 7, 2015	40041	\$200.00	JUDICIAL DATA SYSTEMS	GENERAL	PARKING ACTIVITY FOR NOVEMBER-DECEMBER 2015
October 7, 2015	40042	\$67.85	CHARLES JOHNSON	GENERAL	MILEAGE REIMBURSEMENT FOR TRAINING "GENERATIONAL DIVERSITY AND SUCCESSION PLANNING" CITY OF CORCORAN
October 7, 2015	40043	\$1,130.41	KOPPEL & GRUBER	CFD	CFD NO. 2006-1 ANNUAL ADMINISTRATION FEE SERVICES FOR JULY THROUGH SEPTEMBER 2015
October 7, 2015	40044	\$336.35	DAVID MILLER	SEWER	REIMBURSEMENT FOR OPERATION OF WASTEWATER TREATMENT PLANT COURSE AND CERTIFICATION
October 7, 2015	40045	\$6,000.00	MOUNTAIN VALLEY ENVIRONMENTAL SERVICES	WATER-SEWER	WATER-DISTRIBUTION FOR WATER AND WASTEWATER SERVICES FOR NOVEMBER 2015
October 7, 2015	40046	\$1,862.12	MUTUAL OF OMAHA	GENERAL	LIFE/AD&D/LTD&STD INSURANCE FOR OCTOBER 2015
October 7, 2015	40047	\$176.65	AT&T	GENERAL-WATER-SEWER	TELEPHONE SERVICE FOR 559-266-6456 - 9/26/2015-10/25/2015

**CITY OF MENDOTA
CASH DISBURSEMENTS
9/15/2015-10/07/2015
Check #39924-40053**

October 7, 2015	40048	\$266.78	PITNEY BOWES INC.	GENERAL-WATER-SEWER	POSTAGE METER RENTAL 7/1/2015-9/30/2015
October 7, 2015	40049	\$8.13	R.G. EQUIPMENT COMPANY	GENERAL	LAWNMOWER PARTS SALES TAX UNPAID FROM INVOICE 97292
October 7, 2015	40050	\$309.52	UNION PACIFIC RAILROAD COMPANY	STREETS	ENCROACHMENT PUBLIC ROADWAY FOR 10/1/2015 THROUGH 10/31/2015
October 7, 2015	40051	\$490.31	TCM INVESTMENTS	GENERAL-WATER-SEWER	LEASE PAYMENT FOR COPY MACHINE AT CITY HALL AND POLICE DEPARTMENT FOR OCTOBER 2015
October 7, 2015	40052	\$2,040.50	THE BANK OF NEW YORK MELLON	SEWER	MENDOTA JOINT POWERS FINANCING AUTHORITY WASTEWATER BONDS 2005 ADMINISTRATION FEE 10/1/2015-9/30/2016
October 7, 2015	40053	\$1,019.16	VERIZON WIRELESS	GENERAL-WATER-SEWER	CITY CELL PHONES FOR 8/7/2015 THROUGH 9/6/2015

\$635,160.47

AGENDA ITEM – STAFF REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS
VIA: VINCE DIMAGGIO, CITY MANAGER
FROM: NANCY M. DIAZ, FINANCE ADMINISTRATIVE SUPERVISOR
SUBJECT: RESOLUTION 15-67 – TRANSFERRING THE CASH BALANCE FROM THE CITY’S BANK ACCOUNT AND FINANCIAL RECORDS OF FUND 03 – DRIVER AWARENESS & FUND 24 – DONATION FUND TO THE MENDOTA COMMUNITY CORPORATION BANK ACCOUNT AND FINANCIAL RECORDS
DATE: OCTOBER 9, 2015

ISSUE

Should the City Council approve the attached resolution to transfer funds from Fund 03 – Driver Awareness and Fund 24 – Donation Fund from the City’s bank account and financial records to the Mendota Community Corporation bank account and financial records?

BACKGROUND

The Mendota Community Corporation (MCC) was established on June 30, 2015 to conduct and facilitate activities that will improve the quality of life of the residents of Mendota by supporting educational, employment, and general welfare endeavors of the community.

Since the establishment of the MCC, a bank account has been opened with Westamerica Bank. The City of Mendota currently retains the funds for Fund 03 – Driver Awareness and Fund 24 – Donation Fund, including the proceeds from the softball game in August 2015.

ANALYSIS

Given that the MCC will be accepting donations and support various community activities, the balances from both funds (Fund 03 – Driver Awareness and Fund 24 – Donation Fund) should be transferred from the City’s bank account and financial records to the MCC’s bank account and financial records.

Both Fund 03 – Driver Awareness and Fund 24 – Donation Fund facilitate activities within the community such as, Driver Awareness, Explorers – Cadet Program, Backpack Giveaway, Senior Citizen Thanksgiving Luncheon, Earth Day, Toys 4 Tots and other general welfare endeavors of the community. These two funds are consistent with the intentions of the MCC.

Although the City will document financial transactions, the MCC will be in charge of how funds are collected and dispersed.

FISCAL IMPACT

No fiscal impact. Clear Fund 03 – Driver Awareness and Fund 24 – Donation to a ‘0’ Balance.

RECOMMENDATION

Council to approve Resolution 15-67 for the transfer of any remaining funds from the City’s bank account and financial records of Fund 03 – Driver Awareness and Fund 24 – Donation Fund to the Mendota Community Corporation’s bank account and financial records.

**BEFORE THE CITY COUNCIL
OF THE
CITY OF MENDOTA, COUNTY OF FRESNO**

**A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF MENDOTA APPROVING
THE TRANSFER OF FUND 03 – DRIVER AWARENESS
AND FUND 24 – DONATION FUND TO THE
MENDOTA COMMUNITY CORPORATION
BANK ACCOUNT/FINANCIAL RECORDS FROM
THE CITY’S BANK ACCOUNT/FINANCIAL RECORDS**

RESOLUTION 15-67

WHEREAS, on June 30, 2015, the Mendota Community Corporation (MCC), a non-profit organization was established; and

WHEREAS, since the establishment of the MCC, the City of Mendota will no longer retain the funds for Driver Awareness and Donation Fund received for other endeavors such as National Night Out, Explorers Program, Backpack Giveaway and other pass-through events that benefit the community; and

WHEREAS, the MCC will have their own bank account with Westamerica Bank to retain the funds from donations; and

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Mendota approves the transfer of funds from Fund 03 – Driver Awareness and Fund 24 – Donations to the MCC bank account with Westamerica Bank and financial records.

Robert Silva, Mayor

ATTEST:

I, Matt Flood, City Clerk of the City of Mendota, do hereby certify that the foregoing resolution was duly adopted and passed by the City Council at a regular meeting of said Council, held at the Mendota City Hall on the 13th day of October, 2015, by the following vote:

**AYES:
NOES:
ABSENT:
ABSTAIN:**

Matt Flood, City Clerk

**BEFORE THE CITY COUNCIL
OF THE
CITY OF MENDOTA, COUNTY OF FRESNO**

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MENDOTA AUTHORIZING
A CONTRACT WITH THE BOARD OF
ADMINISTRATION CALIFORNIA
PUBLIC EMPLOYEES' RETIREMENT
SYSTEM FOR AN ACTUARIAL VALUATION**

RESOLUTION 15-68

WHEREAS, on February 10, 2015, the Council had established a priority item during its Goal Setting Meeting for the City to obtain information to participate in the California Public Employees Retirement System (CalPERS); and

WHEREAS, CalPERS requires the submission of an actuarial valuation report as a condition of participation; and

WHEREAS, the City request for the CalPERS Board of Administration to perform the valuation required by Section 20466 of the Public Employees' Retirement Law for the purpose of determination by the Board of Administration of the contribution to be made by the City if a contract is entered into between the said Board and the City for benefits as described in the attached "Exhibits"; and

WHEREAS, staff recommends authorization to enter into the contract with the Board of Administration to prepare an actuarial valuation report for the amount of \$1,800.00 upon completion of the valuation, which such fee is being based on the number of membership categories involved.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Mendota hereby approves the contract with the Board of Administration to prepare the Actuarial Valuation Report as required by CalPERS in the amount of \$1,800.00.

Robert Silva, Mayor

ATTEST:

I, Matt Flood, City Clerk of the City of Mendota, do hereby certify that the foregoing resolution was duly adopted and passed by the City Council at a regular meeting of said Council, held at the Mendota City Hall on the 13th day of October, 2015, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Matt Flood, City Clerk

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Employer Account Management Division

Retirement Account Services Section

P.O. Box 942709

Sacramento, CA 94229-2709

(888) CalPERS (225-7377)

**CONTRACT
OF THE
CITY COUNCIL
CITY OF MENDOTA
WITH THE
BOARD OF ADMINISTRATION
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
FOR AN ACTUARIAL VALUATION AS STATED HEREIN**

By this AGREEMENT made this _____ day of _____, _____, in accordance with and subject to the provisions of the Public Employees' Retirement Law by and between the governing body of the above public agency, hereinafter referred to as Public Agency, and the Board of Administration, California Public Employees' Retirement System, hereinafter referred to as Board, Public Agency and Board agree as follows:

- A. Public Agency herewith retains the services of said Board to perform the valuations required by Section 20466 of the Public Employees' Retirement Law for the purpose of determination by the Board of Administration of the Public Employees' Retirement System of the contributions to be made by Public Agency if a contract is entered into with said Board which provides for benefits as described in the attached "Exhibit".
- B. Public Agency will pay \$1,800.00 to the Retirement System upon completion of the actuarial valuation, such fee being based on the number of membership categories involved.
- C. Any and all data and information requested by the Board from Public Agency for use in compilation of this valuation shall be furnished upon request. The actuarial tables and procedures to be used in the valuation shall be in accordance with the tables approved by said Board of Administration. Board shall have sole control of the valuation and its judgement in the determination thereof shall be final and conclusive. All work sheets and final results and reports, the product of the valuation, shall be and remain the property of the Board.

Witness our hands the day and year first above written.

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

CITY COUNCIL
CITY OF MENDOTA

BY _____
RENEE OSTRANDER, CHIEF
EMPLOYER ACCOUNT MANAGEMENT DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY _____
PRESIDING OFFICER

EXHIBIT

DATE: September 30, 2015

FRESNO REGIONAL OFFICE:

10 River Park Place East
Suite 230
Fresno, CA 93720
FAX: (559) 440-4901
Evelyn Perez, Manager
(559) 440-4906

AGENCY NAME: CITY OF MENDOTA

Miscellaneous

SOCIAL SECURITY COVERAGE

Effective Date 10/1/58
Exclusions Yes

RETIREMENT COVERAGE

Formula Section 7522.20 (2% @ 62) W/SS Supplemental
Employee Contribution Rate 0%
Prior Service % 0%

MANDATED BENEFITS FOR POOLED PLANS

- Risk Pool: Misc 2% @ 62
- Section 20965 (Credit for Unused Sick Leave)
- Section 21548 (Pre-Retirement Option 2W Death Benefit)
- Section 21023.5 (Public Service Credit for Peace Corps or AmeriCorps VISTA, or AmeriCorps Service)
- Section 21024 (Military Service Credit as Public Service)
- Section 21027 (Military Service Credit for Retired Persons)

OPTIONAL BENEFITS

EXCLUSIONS FROM CalPERS MEMBERSHIP Yes
 FIRE EMPLOYEES AND MEMBERS OF THE GOVERNING BODY.

LOCAL SYSTEM TRANSFER No
Transferred by Waiver N/A
Employees Transferred N/A
Inactives Transferred N/A
Employer Assets Transferred N/A
Employee Contributions Transferred N/A
Disposition of Retirees N/A

EXHIBIT

DATE: September 30, 2015

FRESNO REGIONAL OFFICE:

10 River Park Place East
Suite 230
Fresno, CA 93720
FAX: (559) 440-4901
Evelyn Perez, Manager
(559) 440-4906

AGENCY NAME: CITY OF MENDOTA

Police

SOCIAL SECURITY COVERAGE

Effective Date 10/1/58
Exclusions YES

RETIREMENT COVERAGE

Formula Section 7522.25(b) (2% @ 57) W/SS Supplemental
Employee Contribution Rate 0%
Prior Service % 0%

MANDATED BENEFITS FOR POOLED PLANS

- Risk Pool: Safety 2% @ 57
- Section 20965 (Credit for Unused Sick Leave)
- Section 21548 (Pre-Retirement Option 2W Death Benefit)
- Section 21023.5 (Public Service Credit for Peace Corps or AmeriCorps VISTA, or AmeriCorps Service)
- Section 21024 (Military Service Credit as Public Service)
- Section 21027 (Military Service Credit for Retired Persons)

OPTIONAL BENEFITS

EXCLUSIONS FROM CalPERS MEMBERSHIP Yes

FIRE EMPLOYEES AND MEMBERS OF THE GOVERNING BODY.

LOCAL SYSTEM TRANSFER

No
Transferred by Waiver N/A
Employees Transferred N/A
Inactives Transferred N/A
Employer Assets Transferred N/A
Employee Contributions Transferred N/A
Disposition of Retirees N/A

PERS-CON-19S with pooled benefits (8/2015)

**BEFORE THE CITY COUNCIL
OF THE
CITY OF MENDOTA, COUNTY OF FRESNO**

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MENDOTA AUTHORIZING
APPROVAL TO ENTER INTO THE AGREEMENT
WITH PROVOST & PRITCHARD FOR ENGINEERING
SERVICES FOR THE CDBG WATER TREATMENT
PLANT IMPROVEMENT PROJECT NO. 15471**

RESOLUTION 15-70

WHEREAS, The County of Fresno receives an annual allocation of Community Development Block Grant (“CDBG”) funds from the federal Department of Housing and Urban Development (“HUD”); and

WHEREAS, on July 14, 2015 the City Council issued approval to enter into the agreement with Fresno County for CDBG funds for construction of two metal buildings with ventilation to project existing water treatment equipment and piping at the Mendota Water Treatment Plant Improvement Project; and

WHEREAS, CDBG funding in the amount of approximately \$300,200 has been awarded to the City for the aforementioned project for the fiscal year of 2015-2016; and

WHEREAS, Provost and Pritchard has submitted their proposal for engineering services for the subject project in the amount of \$42,300; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Mendota hereby resolves the following:

1. That the City of Mendota enters into an agreement with Provost and Pritchard for the provision of engineering services, with said agreement attachment hereto.

Robert Silva, Mayor

ATTEST:

I, Matt Flood, City Clerk of the City of Mendota, do hereby certify that the foregoing resolution was duly adopted and passed by the City Council at a regular meeting of said Council, held at the Mendota City Hall on the 13th of October, 2015, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Matt Flood, City Clerk

October 7, 2015

Vince DiMaggio, City Manager
City of Mendota
643 Quince Street
Mendota, CA 93640

Subject: Proposal for Design, Bidding and Construction Management Services,
Shade Structures at the Water Treatment Plant
Mendota Water System Improvements, Project No. 15471
2015-16 CDGB Project, Mendota, CA

Dear Vince:

Thank you for the opportunity to submit this proposal to provide engineering services for the subject project. This proposal discusses our understanding of the project, recommends a scope of services together with associated fees, deliverables and approximate schedules, sets forth our assumptions and discusses other services that may be of interest as the project proceeds.

Project Understanding:

The City applied for CDBG grant funding for construction of two metal buildings with ventilation to protect existing water treatment equipment and piping at the Mendota Water Treatment Plant. The improvements will aid with controlling ambient temperatures around the equipment, and will improve physical security of the system. The amount awarded by Fresno County Community Development is \$300,200.

Our scope of services will include preparation of a topographic survey of the shade structure area at the WTP, and preparation of the plans, specifications and estimate (PS&E) for the shade structures, which are expected to be a form of pre-engineered metal building. We will also provide bid support, construction administration, construction observation services and construction staking for the project.

Scope of Services:

Our proposed scope of work for this project is segregated into several phases, described below.

Phase SUR: Topographical Survey

Confirm the Right-of-Way of 2nd Street along the eastside of the parcel and the property line on the north side of the parcel. Perform a limited topographical survey of the project area, sufficient to determine locations of existing concrete, pavement and water system improvements. The survey will not cover the entire property. Based upon that topographical survey we will:

- Prepare base plan sheets for use by the design team. at a scale of 1"=10' horizontal
- Prepare a cover sheet for the plan set including a site location diagram showing the project locations in the context of the City of Mendota.

We propose to complete the Topographical Survey Phase for the lump sum of **\$3,000.00**.

Phase PSE: Plans, Specifications, and Estimate

- Preparation of plans, specifications and engineer's opinion of probable construction cost (PS&E). Plans will be plan-view, building cross section and preferred foundation, at a scale of 1"=10' to allow for adequate illustration of detail.
- Provide detail drawings as required to illustrate design intent. We anticipate that each steel building manufacturer will provide its own detail drawings for joints, roofing, structure, and so forth. The Metal Building Manufacturer will be required to supply stamped design drawings and structural calculations for the shade structures and foundations.
- Preparation of specifications and contract documents conforming with CDBG requirements. Materials selections for shade structures to be approved by City staff prior to finalization of documents. All color selections to be subject to submittals during construction.
- We anticipate one preliminary submittal to the City for review when PS&E are approximately 50% complete. 50% plans, specifications and estimate will be also submitted to Fresno County for review.
- After review is complete, we will incorporate City and County comments and generate 100% plans. These will again be reviewed with the City for final approval, and will be submitted to the County for final approval.
- Prepare bid package for advertisement. Bid package will include plans, specifications and a separate bidder's package including all necessary documents to be submitted at time of bid opening.
- Request County of Fresno and Mendota City Council to authorize bidding of the project.
- Attend and run a pre-bid meeting and job walk for all interested bidders.
- Prepare any necessary clarifications and addenda during the bid time.
- Attend and run the bid opening, to be held at the City of Mendota.
- Prepare bid canvass and make recommendation of the lowest responsible, responsive bidder to the City Council and to the County. Upon receipt of Council and County approval to award, prepare Notice of Award to successful bidder.

We propose to complete the Plans, Specifications, and Estimate Phase for the lump sum of **\$24,000.00**.

Phase CM: Construction Management and Inspection Services

- Provide one set of horizontal and vertical control stakes for the shade structure improvements shown on the improvement plans, for the Contractor's use in setting detailed control points. No other construction staking will be provided.
- Review building manufacturer submittals and shop drawings for adequacy, and conformance with design intent and project specifications.
- Perform construction administration for the project, including responding to RFIs, reviewing potential requests for change orders, processing of contractor payment requests, coordination with contractor, coordination with City Staff for project updates and scheduling.
- Coordinate and attend a pre-Construction meeting including all necessary parties. Prepare agenda and minutes.
- Prepare up to five (5) sets of Conformed Contract Documents including executed agreement, bonds and all completed forms necessary.
- Resident Project Representative to be on site occasionally during construction of shade structure improvements and serve as the point of contact with the Contractor. **Anticipated time for this is one person for one day a week on site for eight weeks of construction observation, or about 20% time per week.**

We propose to complete the Construction Management Phase for the lump sum of **\$15,300**.

Schedule:

Once we receive a signed contract and are authorized to proceed, we will move forward with the above scope and prepare plans and specifications for bidding purposes.

Per the City's agreement with the County, section VII. Time of Performance, the following is the schedule:

1. Complete Design Engineering and Submit to the County for Review – December 1, 2015.
2. Complete County Review and Approval of Plans – February 29, 2016.
3. Begin Advertising for Bids – March 5, 2016.
4. Award Contract – May 10, 2016.

B. The Project's Notice of Completion shall be filed with the Fresno County Recorder's Office no later than December 15, 2016.

C. The final POM Report, written summary of all work completed, documentation demonstrating compliance with the Section 3 clause, and request for final payment shall be prepared by the City and submitted to the County no later than February 15, 2017.

Assumptions:

- No existing wet utilities, such as sewer, water, or storm drain will need to be replaced as a part of this project.
- No architecture plans are included. All architecture will be standard metal building facades approved during the submittal process.
- No other site improvements are planned aside from the metal buildings.
- A testing lab will be hired by the City at the City's expense to perform quantitative inspection and testing on the foundations and metal building shade structure materials and components.
- The City will prepare and process all paperwork, reimbursement invoicing and other contractual agreements of the awarded CDBG funds from the County of Fresno.

Terms and Conditions:

In order to convey a clear understanding of our mutual responsibilities under this proposal, the attached Consultant Services Agreement is made a part of this proposal. If this proposal is acceptable, please sign below and on the Consultant Services Agreement, and return a copy of each to our office. These documents will serve as our Notice to Proceed.

Sincerely Yours,

Provost & Pritchard Consulting Group



David McGlasson, PE, PLS
CE 38482, PLS 6968
Project Manager



Matthew W. Kemp, PE
C 66088
Vice President

Terms and Conditions Accepted:

By the City of Mendota

Signature

Vince DiMaggio Date
City Manager

**BEFORE THE CITY COUNCIL
OF THE
CITY OF MENDOTA, COUNTY OF FRESNO**

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MENDOTA AMENDING THE
ENGINEERING SERVICES AGREEMENT WITH
PROVOST & PRITCHARD CONSULTING GROUP
FOR THE 6TH STREET RECONSTRUCTION
PROJECT, TO INCLUDE DESIGN AND CONSTRUCTION
ENGINEERING SERVICES FOR RECONSTRUCTION
OF QUINCE STREET BETWEEN 8TH STREET AND
10TH STREET**

RESOLUTION NO. 15-71

WHEREAS, the City of Mendota entered into agreement with Provost & Pritchard Consulting Group for engineering and construction services for the 6th Street Reconstruction Project on March 25, 2015, and

WHEREAS, the City has determined that it will be to the advantage of the City to extend the construction contract with the 6th Street contractor, AJ Construction, to complete similar improvements on Quince Street between 8th Street and 10th Street, and

WHEREAS, it will be necessary to have engineered plans for such Quince Street work, and

WHEREAS, it will be necessary to retain a consultant to provide construction review and administrative services for the work, and

WHEREAS, the necessary work is substantially similar to work Provost & Pritchard is already providing for the 6th Street project, and

WHEREAS, amending the existing agreement with Provost & Pritchard is feasible, and will result in the City saving substantial funds versus handling the Quince Street work as a separate project with its own specifications and bid requirements, and

WHEREAS, Provost & Pritchard Consulting Group has submitted a proposal for the proposed Quince Street services which is responsive to the need and is acceptable to City staff, and

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

- 1) The City Council of the City of Mendota hereby approves Amendment No. 1 to the Engineering Services Agreement with Provost & Pritchard dated March 25, 2015, authorizing the necessary engineering and construction services for the Quince Street Project; and
- 2) The City Council of the City of Mendota hereby authorizes the City Manager to execute said Amendment No. 1.

Robert Silva, Mayor

ATTEST:

I, Matt Flood, City Clerk of the City of Mendota, do hereby certify that the foregoing resolution was duly adopted and passed by the City Council at a regular meeting of said Council, held at the Mendota City Hall on the 13th of October, 2015 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Matt Flood, City Clerk

October 7, 2015

Vince DiMaggio, City Manager
City of Mendota
643 Quince Street
Mendota, CA 93640

Subject: Amendment #1 to CSA Dated 3/25/2015 for 6th Street
Additional Survey, Design and Construction Services for
Quince Street Reconstruction, Mendota, CA

Dear Vince:

Thank you for the opportunity to submit this proposal to provide engineering services for the subject project. This proposal discusses additions the City would like to make to the project, recommends a scope of services together with associated fees, deliverables and approximate schedules, sets forth our assumptions and discusses other services that may be of interest as the project proceeds.

Project Understanding:

The initial scope of services for this agreement was 6th Street between Derrick Street and Oller Street and Perez Street from Mendota Elementary School to Lozano Street. As construction has proceeded, the City has determined that funding is available for additional work, and that two blocks of Quince Street, from 8th Street to 10th Street, could be added to the project. We have been asked to prepare plans for use by AJ Construction, making use of the existing project specifications, and to provide construction services in the same manner as was done for 6th Street.

Scope of Services:

Our proposed scope of work for this project is described below.

- Perform topographical survey along the two-block section of Quince Street sufficient to identify drainage issues along existing gutters and to estimate the quantity of material to be hauled off to the City's Wastewater Treatment Plan (WWTP).
- Preparation of a plan for the additional work on Quince Street. Plan will be single-window plan, at a scale of 1"=40' to allow for adequate illustration of detail.
- Analyze existing gutter grades to determine where and to what extent ponding occurs. Recommend feasible drainage improvements. Given the flat gutter grades and lack of storm drain system in the vicinity, options are very limited.
- Design of street improvements, including pavement and striping. Design curb, gutter, and curb ramp improvements for the streets only where existing improvements have failed and cannot be reused or as required by accessibility codes.

- Estimate quantity of material (asphalt pavement grindings, base and subgrade) to be hauled-off to the WWTP.
- Contact dry utility providers with services in the area and research maps and information they provide. Incorporate utility infrastructure into plans and/or notify contractor of locations of existing facilities.
- Perform construction administration for the project, including responding to RFIs, reviewing potential requests for change orders, processing of contractor payment requests, coordination with contractor, coordination with City Staff for project updates and scheduling.
- Resident Project Representative to be on site regularly but not full time during construction and serve as the point of contact with the Contractor. Budgeted time for this is 60 hours (15 hours per week for four weeks) of on-site construction observation, including travel time.
- Prepare record drawings based on Resident Project Representative's markups and notes.

We propose to complete these additional services on a time and materials basis, in accordance with our current schedule of charge. We estimate charges will be approximately **\$20,000.00**. Should we approach this budget and it appears we may go over, we will discuss with you and provide you with a revised budget before we bill more than the amount stated.

Schedule:

Survey and Plan work will be completed within one week. Construction will proceed as soon as AJ Construction can carry it out; anticipated construction schedule is 10/26/15 to 11/25/15.

Assumptions:


- No existing wet utilities, such as sewer, water, or storm drain will need to be replaced as a part of this project.
- No new storm drain lines will be constructed; drainage zones will remain as they are today.
- The new infrastructure will not be capacity-increasing, and is therefore eligible for a Categorical Exemption under CEQA.
- No sidewalk construction is planned as part of this project except at curb returns where accessible ramps will be constructed.

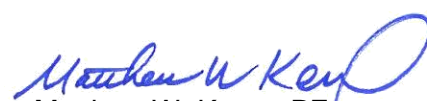
Terms and Conditions:

This scope of work is Amendment #1 to our current Consultant Services Agreement dated 3/25/15. The terms and conditions of the CSA will continue with this work.

Sincerely Yours,

Provost & Pritchard Consulting Group


David McGlasson, PE, PLS
CE 38482, PLS 6968
Principal Engineer


Matthew W. Kemp, PE
C 66088
Vice President

(Acceptance on Following Page)

AGENDA ITEM – STAFF REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS
FROM: VINCE DIMAGGIO, CITY MANAGER
SUBJECT: RATIFICATION OF A NON-DISCLOSURE AGREEMENT (NDA) RELATING TO A PROPOSED TERTIARY TREATMENT PROJECT AT THE WASTEWATER TREATMENT PLANT
DATE: OCTOBER 13, 2015

BACKGROUND

Attached is a Non-Disclosure Agreement (NDA) between the City of Mendota, Liberty Groves, LLC, Water Solution Technologies, LLC, and Mekorot Development and Enterprise Ltd. The Agreement was drafted by Special Counsel John Kinsey (working on behalf of the City) and counsel representing Liberty Groves, WST, and Mekorot. All parties have reviewed and are in agreement with the stipulations. The Agreement places a duty of confidentiality on employees, advisors, or representatives of the City who may become familiar with certain proprietary technologies as part of the proposed tertiary treatment project proposed for the City's wastewater treatment plant.

The NDA was not prepared in time to allow separate review by the Council Subcommittee on this project. However, time is of the essence in the approval of this document as the project proponents would like to have the NDA in place prior to the City's delegation leaving for Israel.

RECOMMENDATION

Staff recommends the adoption of the Non-Disclosure Agreement.

**MUTUAL NON-DISCLOSURE, CONFIDENTIALITY, and NON-CIRCUMVENTION
AGREEMENT**

This Mutual Non-Disclosure, Confidentiality, and Non-Circumvention Agreement (this "Agreement") is entered into this ___ day of _____, 2015, the ("Effective Date") by and among Liberty Groves, LLC, a California limited liability company ("Liberty Groves"), Water Solutions Technologies, LLC, a California limited liability company ("WST"), Mekorot Development and Enterprise Ltd. ("Mekorot"), and the City of Mendota ("Mendota"). Liberty Groves, WST, Mekorot, and Mendota are collectively referred to herein as the "Parties" and singularly as a "Party" or by their individual names.

R E C I T A L S

A. Liberty Groves, WST, and Mekorot possess certain proprietary and/or confidential information, contacts, contracts and other information that is a valuable asset to Liberty Groves's, WST's, and Mekorot's respective businesses.

B. The Parties desire to discuss and/or enter into negotiations regarding potential enhancements to Mendota's wastewater treatment plant (the "WWTP") to produce water suitable for agricultural use, which could potentially include, *inter alia*, the lease of portions of the WWTP to Liberty Groves and WST; physical improvements to the WWTP; the treatment of the WWTP outflow; the potential exchange, sale, and/or transfer of WWTP outflow; and the discharge of brine stream resulting from the treatment of sewage effluent into Mendota's evaporation ponds (the "Purpose"). During the course of the relationship, Liberty Groves, WST, and/or Mekorot may disclose to Mendota Confidential Information (as defined below) and the Parties wish to regulate and limit the use of such Confidential Information under and subject to the terms and conditions set out in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and these Recitals, which are incorporated herein by this reference, the Parties agree as follows:

1. **Disclosing and Receiving Parties.** As used in this Agreement, the term "Disclosing Party" shall mean Liberty Groves, WST, Mekorot, and any affiliate or contact introduced to Mendota by Liberty Groves, WST, or Mekorot. The term "Receiving Party" shall mean Mendota.

2. **Confidential Information.** As used in this Agreement, the term "Confidential Information" means information of a non-public, proprietary, or confidential nature belonging to one of the Disclosing Parties, including without limitation, inventions, technology, software and software development tools, trade secrets (as defined in California Civil Code Section 3426.1), processes, schedules, documentation, records, files, memoranda, reports, techniques, algorithms, routines, methodology, demonstration programs, know-how, designs, formulas, computer programs and systems, data bases, computer code, schematics, forecasts, strategies, customer and product development plans, business contact lists, potential project opportunities, price lists, ideas, concepts, improvements, customer and supplier lists, and

financial information. Confidential Information may be in any form whatsoever, including without limitation writings, recordings, electronic or oral data, computer programs, logic diagrams, component specifications, drawings or other media, and includes particulars which may at any time be disclosed (including particulars disclosed before the Effective Date) either directly or indirectly. Only that information disclosed by the Disclosing Party and clearly designated in writing as Confidential Information prior to its disclosure shall be deemed to be Confidential Information. Verbal information, including without limitation information presented in meetings and discussions, that is intended to be treated as Confidential Information shall be described in writing and identified as Confidential Information.

The term Confidential Information does not include:

- (a) Information which, at the time of disclosure, was in the public domain, without any violation of confidence by the Receiving Party;
- (b) Information which, after disclosure by the Disclosing Party, becomes part of the public domain by publication or otherwise, without any violation of confidence by the Receiving Party;
- (c) Information, which the Receiving Party can demonstrate by clear and convincing evidence, that is known, or becomes known, to the Receiving Party from a source other than the Disclosing Party or its representatives, provided that disclosure by such source is not in breach of a confidentiality agreement with the Disclosing Party;
- (d) Information which the Receiving Party can demonstrate was independently developed by the Receiving Party without any reliance upon any Confidential Information disclosed by the other Party;
- (e) Information required to be disclosed under law, provided, however, that prior to disclosure the Receiving Party shall first give notice to the Disclosing Party and make a reasonable effort to obtain a protective order requiring that the Disclosing Party's Confidential Information not be disclosed. This exception is limited to the extent disclosure is required under law; and
- (f) Information the Receiving Party legally receives from any third party, if the third party is not associated with the Disclosing Party and is legally entitled to have and to disclose the information. If the Confidential Information was acquired by the third party from the Disclosing Party or was not legally obtained by the third party, however, the Receiving Party shall be under the same obligation to keep such information confidential as if the Receiving Party had obtained the information directly from the Disclosing Party.

3. **Duty of Confidentiality**. The Receiving Party shall:

(a) Use the Confidential Information solely for the Purpose contemplated hereunder, and shall limit access to such Confidential Information solely to its employees, advisors, and representatives with a "need to know," which shall be determined by Receiving Party at Receiving Party's sole discretion, for such Purpose and who are subject to confidentiality obligations to the Receiving Party at least as restrictive as the Receiving Party's obligations to the Disclosing Party under this Agreement;

(b) Not disclose, copy, reverse engineer, or disassemble Confidential Information without the prior written consent of the Disclosing Party, except as expressly permitted in this Agreement;

(c) Keep and maintain the Confidential Information at all times secret and confidential, using the same degree of care that the Receiving Party uses to protect its own confidential and proprietary information of similar importance. Receiving Party shall, at a minimum, use a reasonable degree of care, including, without limitation, utilizing the same procedures utilized for the Receiving Party's own information to ensure that any person permitted access to the Confidential Information maintains it as confidential;

(d) Ensure that Receiving Party, including any employee, advisor, and representative of Receiving Party who has received the Confidential Information under this Agreement, does not use the Confidential Information to circumvent, compete with, obtain business from or otherwise prejudice the interests of the Disclosing Party; and

(e) Return to the Disclosing Party immediately after the termination of this Agreement or on first demand of the Disclosing Party, all materials containing Confidential Information, and any and all copies thereof.

4. **Ownership of Confidential Information.** All Confidential Information shall remain the property of the Disclosing Party and no license or other rights in connection with Confidential Information is granted or implied hereby other than the right to use the Confidential Information in accordance with the terms and conditions of this Agreement and/or any subsequent agreements between the Parties that specifically authorize the use of Confidential Information.

5. **No Obligation to Do Business.** The disclosure to the Receiving Party of Confidential Information hereunder shall not be construed as placing any obligation on the Disclosing Party to disclose any particular information to the Receiving Party or to enter into a business relationship with the Receiving Party. The Confidential Information is provided to the Receiving Party "as is," without giving any representation or warranty with respect thereto.

6. **No Circumvention.** Each Party agrees that it shall not utilize any information, contacts, introductions, customer lists, Confidential Information, plans or any other knowledge gained from any other Party to obtain any business opportunity without first

providing the other Party an equitable opportunity to participate in that business opportunity. If the Party provided the equitable opportunity to participate refuses or otherwise declines to participate in the business opportunity within a reasonable time, the Party proposing the business opportunity shall be free to pursue the business opportunity at its own discretion.

7. **Term of Confidentiality.** This Agreement shall remain effective with respect to any Confidential Information, which is disclosed hereunder for the entire period that the Parties are in discussions, negotiations or collaborating on any project and for a period of three (3) years after the date the Parties complete any such discussions, negotiations or joint activities.

8. **Survival of Obligation.** Upon termination of this Agreement, the Receiving Party shall stop making use of the Confidential Information. The obligations of the Parties under this Agreement shall survive the termination of this Agreement indefinitely or to the extent permitted by law.

9. **Injunction Available.** The Receiving Party acknowledges that, in the event of a breach of this Agreement, monetary damages may not be sufficient to compensate the Disclosing Party and that in cases of such a breach or threatened breach, the Disclosing Party shall be entitled to obtain an injunction against the Receiving Party utilizing or disclosing any Confidential Information. Nothing herein shall be construed as prohibiting the disclosing party from pursuing any other remedy available for such breach or threatened breach.

10. **Liability and Obligations in Response to Request for Confidential Information.** If a third party "Requestor" requests Confidential Information from the Receiving Party, then the Receiving Party shall cooperate with the Disclosing Party in any efforts to prevent disclosure of the Confidential Information. In addition, the Receiving Party shall only disclose Confidential Information to a Requestor, in the event disclosure of Disclosing Party's Confidential Information is required by law, or by an order issued by a court of competent jurisdiction, or by consent of the Disclosing party. The Receiving Party shall not, however, be required to expend any monies in excess of the cost of notifying the Disclosing Party by telephone, facsimile and/or mail that the Receiving Party received a demand for the Confidential Information. So long as the Receiving Party complies with the notification provisions in Section 11, below, and cooperates with Disclosing Party's efforts to protect the Confidential Information, at Disclosing Party's sole and only expense, the Receiving Party shall not be liable for any damages, including requests for attorneys' fees and costs arising from the Receiving Party disclosing the Confidential Information in the event disclosure of Disclosing Party's Confidential Information is required by law, or by an order issued by a court of competent jurisdiction, or by consent of the Disclosing party. Disclosing Party hereby releases the Receiving Party including the employees, agents, council members, attorneys and consultants of Receiving Party from any liability due to a disclosure of Confidential Information. In the event Receiving Party is required to defend any action or proceeding seeking disclosure of Confidential Information, the Disclosing Party agrees to defend and indemnify the Receiving Party from all costs and expenses, including reasonable attorney's fees, in any action, or liability imposed in or arising out of any suit, action, or proceeding. , Receiving Party shall not in any way be liable or responsible to Disclosing Party for the disclosure of any such Confidential Information that is

required by law, or by an order issued by a court of competent jurisdiction, or by consent of the Disclosing party..

11. **Notice.** Whether expressly so stated or not, all notices, demands, requests and other communications required or permitted by or provided for in this Agreement (“Notice”) shall be given by letter sent via US Mail to the Parties at their respective addresses set forth at the end of the Agreement, or at such other address as a Party shall designate for itself in writing. In addition, at a Party’s convenience, Notice may be given by telephone call or letter sent via facsimile at the facsimile number listed at the end of the Agreement.

- A. Upon request or demand of any third-person or entity not a Party (a “Requestor”) to the Receiving Party for production, inspection and/or copying of information designated by a Disclosing Party as Confidential Information, pursuant to the California Public Records Act or through the discovery or disclosure process in any action or legal proceeding, Receiving Party shall as soon practical, but within three (3) days of receipt of such request, give notice to the Disclosing Party that such request has been made.
- B. Receiving Party shall also give notice to the Disclosing Party, within a reasonable period of time and in any event no less than three (3) days prior to the date of disclosure, of information designated as Confidential Information by the Disclosing Party that the Receiving Party believes in good faith must be disclosed to the Requestor under California or federal law.
- C. The Disclosing Party shall be solely responsible for taking whatever legal steps are necessary to protect information deemed by it to be Confidential Information and to prevent release of information to the Requestor by the Receiving Party. If the Disclosing Party takes no such action, after receiving the foregoing Notice from the Receiving Party, the Receiving Party shall be permitted to comply with the Requestor’s demand and is not required to defend against it.

12. **Entire Agreement.** This Agreement constitutes the entire agreement between and among the Parties and supersedes any prior or contemporaneous oral or written representations regarding the subject matter hereof. This Agreement may not be modified other than in writing and any modification must be signed by all Parties.

13. **Severability.** The provisions of this Agreement are severable, and if any one or more of such provisions is determined to be judicially unenforceable, the remaining provisions shall nevertheless be binding and enforceable.

14. **Assignment.** No Party may assign any of its rights under this Agreement without the prior written consent of the other Parties, which shall not be unreasonably withheld.

No assignment shall relieve the Receiving Party of its obligations under this Agreement with respect to the Confidential Information disclosed to that Party prior to the agreed assignment.

15. **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the United States of America and the State of California and the Parties consent to the exclusive jurisdiction of the state courts and U.S. federal courts located within Fresno County of the State of California for any dispute arising out of this Agreement. The Parties agree that in the event of any breach or threatened breach by any other Party, the non-breaching Party may obtain, in addition to any other legal remedies and monetary damages which may be available, such equitable relief as may be necessary to protect the non-breaching Party against any such breach or threatened breach. A failure by any Party to enforce remedies for any breach or threatened breach of this Agreement shall not be construed as a waiver of any continuing or subsequent failure to perform or delay in performance of any term hereof.

16. **Authority.** Each Disclosing Party represents and warrants to the Receiving Party that it has the full unrestricted authority to disclose its Confidential Information and to discuss or enter into discussions concerning the WWTP without breaching any agreement or commitment with any other person which would prohibit such discussions, disclosure or agreement.

17. **Limited Waiver of State Immunity.** Mekorot shall either waive any claim or defense it may have that is based in whole or in part on state immunity or sovereign immunity based on the fact that Mekorot's ownership includes the government of Israel or demonstrate that Mekorot has no claim to sovereign immunity. In so waiving any state immunity or sovereign immunity that it may otherwise enjoy, Mekorot recognizes and agrees that any suits or administrative actions brought hereunder may be brought in the California Superior Court or the United States District Court for the Eastern District of California, and that all such proceedings and actions shall be governed by the substantive and procedural law of the United States and/or the State of California.

18. **Attorney's Fees.** Should any litigation be commenced between the Parties concerning this Agreement, or the rights and duties of the Parties in relation to the Confidential Information, the Party prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, to recover from the losing Party a reasonable sum for its attorneys' fees, paralegals' fees, and other professional fees and costs in such litigation.

19. **Counterparts; Separate Signature Pages.** This Agreement may be executed in any number of counterparts, or using separate signature pages. Each such executed counterpart and each counterpart to which such signature pages are attached shall be deemed to be an original instrument, but all such counterparts together shall constitute one and the same instrument. Signatures to this Agreement transmitted by telecopy or electronic mail shall be valid and effective to bind the Party so signing.

IN WITNESS WHEREOF, Liberty Groves, WST, Mekorot, and Mendota have caused this Agreement to be executed as of the Effective Date.

[signatures appear on following page]

**Water Solutions Technologies, LLC, a
California limited liability company**

By: Greystone Equities, LLC its Manager

By: _____
Igal Treibatch, Manager

**Mekorot Development and Enterprise
Ltd.**

By: _____
Name:
Title:

**Liberty Groves, LLC, a California limited
liability company**

By: Greystone Equities, LLC its Manager

By: _____
Igal Treibatch, Manager

City of Mendota

By: _____
Name:
Title:
Address
City, State ZIP

Addresses:

Water Solutions Technologies, LLC
Address
City, State ZIP

Liberty Groves, LLC
Address
City, State ZIP

Mekorot Development and Enterprise Ltd.
Address
City, State ZIP

City of Mendota

AGENDA ITEM – STAFF REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS
FROM: VINCE DIMAGGIO, CITY MANAGER
SUBJECT: RATIFICATION OF AN EXCLUSIVE RIGHT OT NEGOTIATE RELATING TO THE PROPOSED TERTIARY TREATMENT PROJECT AT THE WASTE WATER TREATMENT PLANT
DATE: OCTOBER 13, 2015

BACKGROUND

Attached is a standard Exclusive Right to Negotiate between the City of Mendota and Liberty Groves, LLC, and Waster Solution Technologies, LLC. The agreement was drafted by Special Counsel John Kinsey (working on behalf of the City) and counsel representing Liberty Groves and WST. All parties have reviewed and are in agreement with the stipulations. The ERN simply provides an exclusive right to the above named parties that the City will negotiate only with the above named parties on a tertiary treatment project at the City’s wastewater treatment plant.

Staff has shared the ERN with the Council subcommittee, however approval is required by the full council.

Of note, Section D of the agreement specifically provides for reimbursement of City expenses relating to the City’s “due diligence,” i.e., the delegation traveling to Israel to see the proposed technology.

Now that all parties have signed the agreement, the ERN is required to be adopted by the Council to commence the “negotiation period.”

RECOMMENDATION

Staff recommends the adoption of the Exclusive Right to Negotiate.

August 27, 2015

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

Mr. Vince DiMaggio
City Manager
City of Mendota
643 Quince Street
Mendota, California 93640

Re: Letter Agreement For Exclusive Right to Negotiate

Dear Mr. DiMaggio:

This Letter Agreement (the "Agreement") confirms the terms agreed to by the City of Mendota ("Mendota") and Liberty Groves, LLC and Water Solutions Technologies, LLC (collectively, the "Project Proponents"). Mendota and Project Proponents are collectively referred to herein as the "Parties," or individually as a "Party."

RECITALS

WHEREAS, Mendota presently owns and operates a wastewater treatment plant (the "WWTP") with a permitted treatment and disposal capacity of approximately 1 million gallons per day.

WHEREAS, Project Proponents seek to enter into negotiations with Mendota regarding potential enhancements to the WWTP to produce water suitable for agricultural use, which could potentially include, *inter alia*, the lease of portions of the WWTP to Project Proponents; physical improvements to the WWTP; the treatment of WWTP outflow; the potential exchange, sale, and/or transfer of WWTP outflow; and the discharge of brine stream resulting from the treatment of sewage effluent into Mendota's evaporation ponds (collectively, the "Potential Project").

WHEREAS, Mendota is amenable to entering into negotiations with Project Proponents regarding an agreement relating to the design, development, implementation, and operation of the Potential Project (the "Project Agreement"), so long as Project Proponents reimburse Mendota's reasonable costs and expenses associated therewith.

In this context, the Parties agree as follows:

AGREEMENT

A. Agreement to Negotiate Exclusively With Project Proponents

Mendota agrees that, during the Negotiating Period defined in Section B below, it shall negotiate exclusively with Project Proponents with respect to the potential Project Agreement. During the Negotiating Period, Mendota shall not solicit or entertain offers or proposals from any other party regarding similar WWTP projects.



B. Negotiating Period

The "Negotiation Period" shall commence the date upon which this Agreement is approved by Mendota's City Council, and shall terminate upon 30-days notice by either Party.

C. Due Diligence By Project Proponents & Access to WWTP

During the Negotiating Period, Project Proponents may perform their initial due diligence regarding the feasibility of the Potential Project. As part of their due diligence, Project Proponents may conduct physical inspections of the WWTP, and perform such tests, surveys, and other analyses as are required for Project Proponents to evaluate the feasibility of the Potential Project, with adequate notice to Mendota and at a time that is mutually convenient to the Parties. Project Proponents shall comply with all applicable laws and regulations with respect to any such inspections, tests, surveys, and other analyses.

At all times during the Negotiating Period, Project Proponents shall, at their sole cost and expense, arrange for and keep and maintain in full force and effect a policy of comprehensive general liability insurance, with broad form liability endorsement, naming Mendota as an additional insured, and having a combined single limit of not less than One Million Dollars (\$1,000,000.00) per occurrence, to cover Project Proponents' activities at the WWTP pursuant to this Agreement. Prior to conducting any physical inspections of the WWTP, or performing any tests, surveys, or other analyses contemplated herein, Project Proponents shall furnish to Mendota a certificate of such insurance.

D. Reimbursement of Mendota's Expenses

The evaluation of the Potential Project is outside the normal scope of Mendota's operations and, as a result, requires professional assistance to negotiate an agreement that protects the interests of Mendota's taxpayers. Project Proponents agree to reimburse Mendota any and all reasonable third-party consulting and incidental costs incurred by Mendota directly related to developing the Project Agreement, including but not limited to any initial due diligence, analysis by technical consultants, and the cost of outside legal counsel to assist and advise Mendota with respect to the Potential Project and the Project Agreement.

E. Confidential Information

Mendota understands that some information required for it to evaluate the Potential Project may include trade secrets, proprietary information or other confidential information of Project Proponents or third-parties that is of substantial value and the disclosure of which could result in substantial harm to Project Proponents and/or third-parties, and that, prior to Mendota's receipt of such confidential information, Project Proponents or third-parties may require Mendota to execute a mutually-acceptable confidentiality agreement.

F. Notice

Any notice required or permitted hereunder shall be delivered by overnight courier, or by registered or certified mail, postage prepaid, return receipt requested to such Party at its address shown below, or to any other place designated in writing by such Party.



MENDOTA

Mr. Vince DiMaggio
City Manager
City of Mendota
643 Quince Street
Mendota, California 93640

PROJECT PROPONENTS

Mr. Igal Treibatch
Greystone Equities, LLC
2116 Wilshire Blvd, Suite 241
Santa Monica, California 90403

With a Copy to:

Christopher L. Campbell
Baker Manock & Jensen, PC
5260 North Palm, Suite 421
Fresno, California 93704

Any such notice shall be deemed received upon delivery, if delivered personally, the next business day after delivery by a courier, if delivered by courier, and three (3) days after deposit into the United States Mail, if delivered by registered or certified mail.

If you agree to the terms of this Agreement, please date and sign this letter, and return it to me. We look forward to negotiating the Project Agreement with you.

Very truly yours,

Igal Treibatch

CITY OF MENDOTA

By: 
Vince DiMaggio

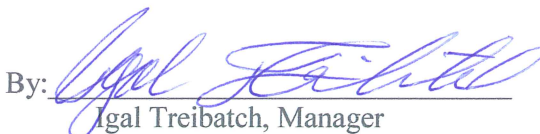
LIBERTY GROVES, LLC

By: Greystone Equities, Manager

By: 
Igal Treibatch, Manager

Water Solutions Technologies, LLC

By: Greystone Equities, Manager

By: 
Igal Treibatch, Manager

AGENDA ITEM – STAFF REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS
VIA: VINCE DIMAGGIO, CITY MANAGER
FROM: NANCY M. DIAZ, FINANCE ADMINISTRATIVE SUPERVISOR
SUBJECT: ACCEPT AND FILE THE COMMUNITY FACILITIES DISTRICT NO. 2006-1 ANNUAL REPORT FOR FISCAL YEAR 2015/16
DATE: OCTOBER 9, 2015

ISSUE

Should the City Council accept and file the Community Facilities District No. 2006-1 Annual Report for Fiscal Year 2015/16?

BACKGROUND

Community Facilities District No. 2006-1 (“CFD No. 2006-1”) was formed by the City on November 28, 2006 and includes properties within Las Palmas Tract 5483, which is generally located west of Hwy 33, north of Belmont Avenue, and bordered by Bass Avenue to the north and primarily Rowe Avenue to the east.

The qualified electors within CFD No. 2006-1 authorized the City to levy a Special Tax to finance certain services, specifically to pay the costs of providing police and fire services that are in addition to those provided in the territory within the CFD prior to the formation and to pay costs associated with the determination of the levy and collection of the special taxes.

It is the City’s intention to annex new residential developments into CFD No. 2006-1 as they are approved to provide for the services in the new growth areas of the City.

The Annual Report provides certain general and administrative information related to CFD No. 2006-1 including: (I) the Special Tax Levy for Fiscal Year 2014/15, the current Fiscal Year, (II) Background of CFD No. 2006-1, and (III) Summary of the projected and actual development within CFD No. 2006-1. The information described above is provided to the City for informational purposes only and is not required by any statute of law.

ANALYSIS

The Annual Report attached includes information prepared in compliance with the Local Agency Special Tax and Bond Accountability Act (“Accountability Act”). The

Accountability Act was enacted by California State Legislature through Senate Bill 165 to provide accountability measures for any local special tax and/or bond measure subject to voter approval on or after January 1, 2001. According to the requirements of the Accountability Act (Sections 50075.1 and 53410 of the Government Code of the State of California), an annual report must be filed by the local agency levying the special tax and or issuing a bond measure and shall contain a description of the following:

- (1) The amount of funds collected and expended.
- (2) The status of any project required or authorized to be funded by the special tax and/or bond measure.

Section VI. of the Annual Report includes information regarding the amount of the annual Special Taxes collected and the authorized expenditures for fiscal year 2014/2015.

FISCAL IMPACT

None

RECOMMENDATION

Staff recommends that the City Council accept and file the Community Facilities District No. 2006-1 Annual Report for Fiscal Year 2015/16.



**CITY OF MENDOTA
COMMUNITY FACILITIES DISTRICT No. 2006-1
(POLICE AND FIRE SERVICES)**

**ANNUAL REPORT
FISCAL YEAR 2015/2016**

KOPPEL & GRUBER
PUBLIC FINANCE

334 VIA VERA CRUZ, SUITE 256
SAN MARCOS
CALIFORNIA 92078

T. 760.510.0290
F. 760.510.0288

City of Mendota

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Attachments

Attachment 1 – Boundary Map

Attachment 2 – Rate & Method of Apportionment

Attachment 3 – FY 2015/2016 Special Tax Roll

INTRODUCTION

This Annual Special Tax Report (“Report”) summarizes certain general and administrative information related to Community Facilities District No. 2006-1 (Police and Fire Services) (“CFD No. 2006-1”) of the City of Mendota (“City”). The Report outlines the following for CFD No. 2006-1: (I) Special Tax Levy for Fiscal Year 2015/2016, (II) Background of CFD No. 2006-1, (III) Development Summary, and (IV) Reporting of information in compliance with the Local Agency Special Tax and Bond Accountability Act (SB 165). The Report also includes Attachments referenced by and/or supplementing the information outlined herein. The capitalized terms not defined in the Report are used as defined in the Rate & Method of Apportionment of CFD No. 2006-1 (“RMA”).

SECTION I. SPECIAL TAX LEVY FOR FY 2015/2016

Section I of the Report contains information for the determination of the Fiscal Year (“FY”) 2015/2016 Special Tax levy.

A. Special Tax Requirement

The Special Tax Requirement represents the sum of budgeted police and fire protection services and Administrative Expenses of CFD No. 2006-1 in FY 2015/2016. The Special Tax Requirement for FY 2015/2016 is \$162,700.04. The table below shows the calculation used to determine the FY 2015/2016 Special Tax Requirement as well as the FY 2014/2015 amounts for comparison.

SPECIAL TAX COMPONENTS	FY 2015/2016 DOLLARS	FY 2014/2015 DOLLARS
Police Services	\$157,509.06	\$149,684.40
Fire Services	0.00	0.00
Administrative Expenses	\$5,190.98	\$5,515.20
SPECIAL TAX REQUIREMENT	\$162,700.04	\$155,199.60

B. Distribution of Special Tax

Special Taxes that CFD No. 2006-1 may levy are limited by the RMA. A copy of the RMA is included as Attachment 2 provided herein. In FY 2015/2016, the Special Tax levy was applied to One Hundred Ninety (194) dwelling Units of Developed Residential Property at the Maximum Special Tax rate on a per dwelling Unit basis. The calculation for the Special Tax Requirement for FY 2015/2016 is based to the development of property within CFD No. 2006-1 and the Special Tax limitations on such Developed Residential Property as further described in the RMA. The FY 2015/2016 Maximum Special Tax rates, the applied annual Special Tax rates, number of dwelling Units with a levy amount for each land use classification is listed in the table below.

LAND USE CATEGORY	NUMBER OF DWELLING UNITS/ ACREAGE	FY 2015/2016 MAXIMUM SPECIAL TAX	FY 2015/2016 APPLIED ANNUAL SPECIAL TAX	PERCENT OF MAXIMUM	FY 2015/2016 LEVY AMOUNT
Developed Residential Property	194	\$838.66 per Unit	\$838.66 per Unit	100%	\$162,700.04
TOTAL	194	NA	NA	NA	\$162,700.04

C. Estimated Administrative Expenses

Each year a portion of the Special Tax levy goes to pay the ongoing costs of administration. The estimated FY 2015/2016 Administrative Expenses are shown below followed by a description of each line item. The FY 2014/2015 amounts are also shown for comparison.

ADMINISTRATIVE EXPENSES	FY 2015/2016 DOLLARS	FY 2014/2015 DOLLARS
City Administrative Fees and Expenses	\$1,000.00	\$1,000.00
Consultant Administrative Fees	4,058.00	4,058.00
County Tax Collection Fees ¹	32.98	357.20
Other Expenses	100.00	100.00
TOTAL	\$5,190.98	\$5,515.20

¹ Reflects change in County Fee Schedule.

City Administrative Fees and Expenses - includes customary out-of-pocket costs associated with the administration of CFD No. 2006-1 including, but not limited to: assessor parcel maps and data, postage, and telephone expenses. Also included are the City's estimated costs to provide accounting of funds collected by CFD No. 2006-1 and expended for the use of authorized facilities and maintenance costs.

Consultant Administrative Fees - include the cost of preparing the Annual Special Tax Report and providing special tax information to the County of Fresno ("County"), attorney fees, and other administrative contractors.

County Tax Collection Fees - refer to the County processing fee to levy and collect tax installments on the County property tax bill. The fee is currently equal to \$0.17 per parcel for parcels applied to the tax roll.

Other Expenses - include any other contingencies that have been added to protect CFD No. 2006-1 from unanticipated unbudgeted costs.

SECTION II. BACKGROUND OF CFD No. 2006-1

A. Summary Table of Information

The following table shows information related to the formation of CFD No. 2006-1:

CFD FORMATION	
Date of Resolution of Intention to Establish	October 24, 2006
Resolution of Intention Number	06-39
Date of Resolution of Formation	November 28, 2006
Resolution of Formation Number	06-44
County Fund Number	6109

B. CFD No. 2006-1 Background

The Mello-Roos Community Facilities Act (“Act”) of 1982 came about as a response to the lack of adequate financing for public capital facilities and services in the post-Proposition 13 era. State Legislatures Mello and Roos sponsored this Bill, which was enacted into law by the California Legislature and is now Section 53311 *et. seq.* of the California Government Code. The Act authorizes a local government agency, such as a park district or a city, to form a Community Facilities District (“CFD”) within a defined set of boundaries for the purposes of providing public facilities and services. A CFD is formed for financing purposes only and is governed by the agency that formed it.

The City Council of the City of Mendota established CFD No. 2006-1 on November 28, 2006. The qualified electors within CFD No. 2006-1 authorized the City to levy a Special Tax to finance certain services, specifically to pay the costs of police and fire services within the community facilities district and in the surrounding area, and to pay costs associated with the determination of the amount of and the levy and collection of the special taxes.

C. Boundaries

CFD No. 2006-1 is located west of Hwy 33, north of Belmont Avenue, and bordered by Bass Avenue to the north and primarily Rowe Avenue to the east.

It is the City’s intention to annex new residential developments into CFD No. 2006-1 as they are approved for police and fire services in the new growth areas of the City. The Future Annexation Area, as described in Resolution No. 06-39 Section 2, shall be comprised of undeveloped parcels within the boundaries of the City, other than those parcels already within the boundaries of CFD No. 2006-1, which are planned to be developed for private residential purposes and such other parcels as may be added upon the petition of property.

SECTION III. DEVELOPMENT SUMMARY

CFD No. 2006-1 is proposed to include 422 single family residences at build out. As of June 1, 2015, building permits had been issued for 194 dwelling Units.

SECTION IV. LOCAL AGENCY SPECIAL TAX AND BOND ACCOUNTABILITY ACT COMPLIANCE (SB 165)

A. Background

The Local Agency Special Tax and Bond Accountability Act (“Accountability Act”) was enacted by California State Legislature through Senate Bill 165 to provide accountability measures for any local special tax and/or bond measure subject to voter approval on or after January 1, 2001. According to the requirements of the Accountability Act (*Sections 50075.1 and 53410 of the Government Code of the State of California*), an annual report must be filed by the local agency levying a special tax and/or issuing a bond measure on or before each January 1, commencing January 1, 2002 and shall contain a description of the following:

- (1) The amount of funds collected and expended to fund authorized facilities/services for the previous fiscal year.
- (2) The status of any project required or authorized to be funded by the special tax and/or bond measure.

The information contained in this Section has been compiled and is being presented pursuant to and in accordance with the requirements outlined in the Accountability Act for Fiscal Year 2014/2015.

B. Authorized Services

The purpose of CFD No. 2006-1 is to provide for the cost of providing (1) police protection services, (2) fire protection services that are in addition to those provided in the territory within the CFD prior to the formation of CFD No. 2006-1, and (3) incidental expenses related to financing, forming and administering CFD No. 2006-1.

C. Collection of Special Taxes & Expenditures

A separate account is held by the City for the deposit of Special Taxes levied by CFD No. 2006-1 and for the disbursement of authorized expenditures. The following table provides a description of the collection of Special Taxes and the funds disbursed for authorized expenditures for Fiscal Year 2014/2015.

ITEM	AMOUNT
BEGINNING BALANCE AS OF JULY 1, 2014	\$114,970.93
<i>Sources of Funds</i>	
Special Tax Collections ¹	\$154,166.10
<i>Subtotal Sources of Funds</i>	<i>\$154,166.10</i>
<i>Expenditures</i>	
Administrative Expenses	(\$4,134.94)
Police Services	(\$141,197.36)
Fire Services	\$0.00
<i>Subtotal Expenditures</i>	<i>(\$145,332.30)</i>
ENDING BALANCE AS OF JUNE 30, 2015	\$123,804.73

ATTACHMENT 1
BOUNDARY MAP

The following page shows the recorded boundary map.

29

SHEET 1 OF 1

MAP OF PROPOSED BOUNDARIES OF
COMMUNITY FACILITIES DISTRICT NO. 2006-1
(POLICE AND FIRE SERVICES)

CITY OF MENDOTA
COUNTY OF FRESNO
STATE OF CALIFORNIA



FILED IN THE OFFICE OF THE CITY CLERK THIS 27th DAY OF October, 2006.
I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2006-1 (POLICE AND FIRE SERVICES), CITY OF MENDOTA, COUNTY OF FRESNO, STATE OF CALIFORNIA, WAS PREPARED AND SUBMITTED TO THE CITY CLERK AT A REGULAR MEETING HELD ON THE 27th DAY OF October, 2006, BY ITS RESOLUTION NO. 2006-1.

Rosalee L. Carter
CITY CLERK
CITY OF MENDOTA

FILED THIS 30th DAY OF November, 2006, AT THE HOUR OF 10 O'CLOCK A.M. IN THE BOOK 142 OF MAPS OF ASSIGNMENT AND COMMUNITY FACILITIES DISTRICTS, PAGE 29, AND AS INSTRUMENT NO. 2006-1 IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF FRESNO, STATE OF CALIFORNIA.

Donita Dainoff
COUNTY RECORDER
COUNTY OF FRESNO
STATE OF CALIFORNIA

THE LINES AND DIMENSIONS OF EACH LOT OR PARCEL SHOWN ON THIS DIAGRAM SHALL BE THOSE LINES AND DIMENSIONS AS SHOWN ON THE FRESNO COUNTY ASSESSORS MAPS FOR THOSE PARCELS LISTED.
THE FRESNO COUNTY ASSESSORS MAPS SHALL GOVERN FOR ALL DETAILS CONCERNING THE LINES AND DIMENSIONS OF SUCH LOTS OR PARCELS.



800' 400' 0'
SCALE: 1" = 800'

LEGEND
— OFD BOUNDARY
① MAP REFERENCE NUMBER

MAP NO.	ASSESSOR'S PARCEL NO.
1	012-1190-40
2	012-1190-41

KOPPEL & GRUBER
PUBLIC ENGINEERS

2014 Via Vera Cruz
Suite 206
San Marcos, California 92078
Phone (760) 510-0890 Fax (760) 510-0288

(06-036) OCTOBER 2006

ATTACHMENT 2
RATE & METHOD OF APPORTIONMENT
FOR CFD No. 2006-1 (POLICE AND FIRE SERVICES)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

CITY OF MENDOTA COMMUNITY FACILITIES DISTRICT NO. 2006-1 (POLICE AND FIRE SERVICES)

A special tax as hereinafter defined shall be levied on and collected for City of Mendota Community Facilities District No. 2006-1 (Police and Fire Services) (“CFD No. 2006-1”) each Fiscal Year, commencing in Fiscal Year 2006-2007, in an amount determined by the City Council of the City of Mendota through the application of the appropriate Special Tax for “Developed Residential Property” as described below. All of the real property in CFD No. 2006-1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

1. DEFINITIONS

The terms hereinafter set forth have the following meanings:

“**Act**” means the Mello-Roos Communities Facilities Act of 1982 as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

“**Administrative Expenses**” means any actual ordinary and necessary expense of the City of Mendota, or designee thereof or both, to carry out the administration of CFD No. 2006-1 related to the determination of the amount of the levy of the Special Tax, the collection of the Special Tax including the expenses of collecting delinquencies, the payment of a proportional share of salaries and benefits of any City employee whose duties are directly related to the administration of CFD No. 2006-1, fees and expenses for counsel, Special Tax consultant and other consultants hired by the City in relation to CFD No. 2006-1, costs associated with responding to public inquiries regarding CFD No. 2006-1, and costs otherwise incurred in order to carry out the authorized purposes of CFD No. 2006-1.

“**Annual Escalation Factor**” means for the Special Tax, the greater of (i) two percent (2.00%), or (ii) the percentage change in the Consumer Price Index for the Calendar Year ending in December of the prior Fiscal Year.

“**Assessor’s Parcel**” means a lot or parcel of land designated on an Assessor’s Parcel Map with an assigned Assessor’s Parcel number within the boundaries of CFD No. 2006-1.

“**Assessor’s Parcel Map**” means an official map of the Assessor of the County designating parcels by Assessor’s Parcel number.

“**Base Year**” means Fiscal Year ending June 30, 2007.

“**Building Permit**” means a permit for new construction for a residential dwelling Unit. For purposes of this definition, “Building Permit” shall not include permits for

construction or installation of retaining walls, utility improvements, or other such improvements not intended for human habitation.

“Calendar Year” means the period commencing January 1 of any year and ending the following December 31.

“CFD Administrator” means an official of the City, or designee thereof, responsible for determining the Special Tax Requirements and providing for the levy and collection of the Special Tax.

“CFD No. 2006-1” means Community Facilities District No. 2006-1 (Police and Fire Services) established by the City under the Act.

“City” means the City of Mendota.

“City Council” means the City Council of the City, acting as the Legislative Body of CFD No. 2006-1, or its designee.

“Consumer Price Index” means the index published by the U.S. Department of Labor, Bureau of Labor Statistics for all urban consumers in the Fresno County area.

“County” means the County of Fresno.

“Developed Residential Property” means all Assessor’s Parcels within CFD No. 2006-1 for which Building Permits were issued for purposes of constructing Single-Family Residential or Multi-Family Residential dwelling Units on or before June 1 preceding the Fiscal Year for which the Special Tax is being levied, and that each such Assessor's Parcel is associated with a Lot within a Final Map, as determined reasonably by the City and/or CFD administrator.

“Exempt Property” means all Assessor’s Parcels within CFD No. 2006-1 designated as being exempt from the Special Tax as determined in Section F.

“Final Map” means a subdivision of property evidenced by the recordation of a final map, parcel map, or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or the recordation of a condominium plan pursuant to California Civil Code 1352 that creates individual lots for which Building Permits may be issued without further subdivision.

“Fiscal Year” means the period commencing on July 1 of any year and ending the following June 30.

“Lot” means an individual legal lot created by a Final Map for which a Building Permit could or has been issued.

“Maximum Special Tax” means the Maximum Special Tax determined in accordance with Section C, which can be levied by CFD No. 2006-1 in any Fiscal Year on Developed Residential Property within CFD No. 2006-1.

“Multi-Family Residential” means all Assessor’s Parcels for which a Building Permit has been issued for purposes of constructing a residential structure consisting of two or more residential Units that share common walls, including, but not limited to, duplexes, triplexes, town homes, condominiums, and apartment Units.

“Non-Residential Property” means all Assessor’s Parcels for which a Building Permit was issued for any type of non-residential use.

“Public Property” means any property within the boundaries of CFD No. 2006-1 that is owned by or irrecoverable dedicated to the City, the federal government, the State of California, the County, CFD No. 2006-1, or other public agency.

“Public Services” means new police and fire services, including but not limited to (i) the costs of contracting services, (ii) related facilities, equipment, vehicles, ambulances, fire apparatus and supplies, (iii) the salaries and benefits of City and non-City staff that directly provide police and fire services, and (iv) City and non-City overhead costs associated with providing such services within CFD No. 2006-1. The Special Tax provides only partial funding for police and fire services.

“Special Tax” means any special tax authorized to be levied by CFD No. 2006-1 pursuant to the Act to fund Public Services and Administrative Expenses.

“Single-Family Residential” means all Assessor’s Parcels for which a Building Permit has been issued for purposes of constructing one single-family residential dwelling Unit.

“Tax-Exempt Property” means an Assessor's Parcel not subject to the Special Tax as defined under Section F.

“Undeveloped Property” means all Assessor’s Parcels within CFD No. 2006-1 for which Building Permits have not been issued and are not classified as Public Property.

“Unit” means any separate residential dwelling unit in which a person or persons may live, which comprises an independent facility capable of conveyance separate from adjacent residential dwelling units and is not considered to be for commercial or industrial use.

2. LAND USE CLASSIFICATION

Each Fiscal Year, beginning with Fiscal Year 2006-2007, each Assessor’s Parcel within CFD No. 2006-1 shall be classified as Developed Residential Property or Exempt Property.

3. MAXIMUM SPECIAL TAX RATES

The Maximum Special Tax for each Assessor’s Parcel classified as Developed Residential Property in Fiscal Year 2006-2007 shall be equal to \$660.00 per Unit. For each subsequent Fiscal Year following the Base Year, the Maximum Special Tax shall be adjusted by the Annual Escalation Factor.

4. METHOD OF APPORTIONMENT

Commencing with Fiscal Year 2006-2007, and for each subsequent Fiscal Year, the CFD Administrator shall calculate the Maximum Special Tax applicable for such Fiscal Year and levy the Maximum Special Tax on all Developed Residential Property.

5. TERM OF SPECIAL TAX

The Special Tax shall be levied in perpetuity to fund Public Services provided to CFD No. 2006-1.

6. EXEMPTIONS

The City shall classify as Exempt Property: (i) Public Property, (ii) Non-Residential Property, (iii) Undeveloped Property, (iv) Assessor's Parcels which are used as places of worship and are exempt from ad valorem property taxes because they are owned by a religious organization, (v) Assessor's Parcels used exclusively by a homeowners' association, or (vi) Assessor's Parcels with public or utility easements making impractical their utilization for other purposes than those set forth in the easement.

7. APPEALS

Any property owner claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the City Council not later than twelve months after having paid the first installment of the Special Tax that is disputed. A representative(s) of CFD No. 2006-1 shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and rule on the appeal. If the representative's decision requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the property owner, a cash refund shall not be made, but an adjustment shall be made to the Special Tax on that Assessor's Parcel in the subsequent Fiscal Year(s).

8. COLLECTION OF SPECIAL TAXES

Collection of the Annual Special Tax shall be made by the County in the same manner as ordinary ad valorem property taxes are collected and the Annual Special Tax shall be subject to the same penalties and the same lien priority in the case of delinquency as ad valorem taxes; provided, however, that the Council may provide for other means of collecting the Special Tax, including direct billings thereof to the property owners.

ATTACHMENT 3
FISCAL YEAR 2015/2016
SPECIAL TAX ROLL FOR CFD No. 2006-1

ASSESSOR'S PARCEL NUMBER	APPLIED TAX RATE
012-281-01	\$838.66
012-281-02	\$838.66
012-281-03	\$838.66
012-281-04	\$838.66
012-281-05	\$838.66
012-281-06	\$838.66
012-281-07	\$838.66
012-281-08	\$838.66
012-281-09	\$838.66
012-281-10	\$838.66
012-281-11	\$838.66
012-281-12	\$838.66
012-281-13	\$838.66
012-281-14	\$838.66
012-281-15	\$838.66
012-281-16	\$838.66
012-282-01	\$838.66
012-282-02	\$838.66
012-282-03	\$838.66
012-282-04	\$838.66
012-282-05	\$838.66
012-282-06	\$838.66
012-282-07	\$838.66
012-282-08	\$838.66
012-282-09	\$838.66
012-282-10	\$838.66
012-282-11	\$838.66
012-282-12	\$838.66
012-282-13	\$838.66
012-282-14	\$838.66
012-282-15	\$838.66
012-282-16	\$838.66
012-283-01	\$838.66
012-283-02	\$838.66

ASSESSOR'S PARCEL NUMBER	APPLIED TAX RATE
012-283-03	\$838.66
012-283-04	\$838.66
012-283-05	\$838.66
012-283-06	\$838.66
012-283-07	\$838.66
012-283-08	\$838.66
012-283-09	\$838.66
012-283-10	\$838.66
012-283-11	\$838.66
012-283-12	\$838.66
012-283-13	\$838.66
012-283-14	\$838.66
012-283-15	\$838.66
012-283-16	\$838.66
012-283-17	\$838.66
012-283-18	\$838.66
012-283-19	\$838.66
012-283-20	\$838.66
012-283-21	\$838.66
012-283-22	\$838.66
012-283-23	\$838.66
012-283-24	\$838.66
012-283-25	\$838.66
012-283-26	\$838.66
012-283-27	\$838.66
012-283-28	\$838.66
012-283-29	\$838.66
012-284-01	\$838.66
012-284-02	\$838.66
012-284-03	\$838.66
012-284-04	\$838.66
012-284-05	\$838.66
012-284-06	\$838.66
012-284-07	\$838.66
012-284-08	\$838.66
012-284-09	\$838.66
012-284-10	\$838.66
012-284-11	\$838.66

ASSESSOR'S PARCEL NUMBER	APPLIED TAX RATE
012-284-12	\$838.66
012-284-13	\$838.66
012-284-14	\$838.66
012-284-15	\$838.66
012-284-16	\$838.66
012-285-01	\$838.66
012-285-02	\$838.66
012-285-03	\$838.66
012-285-04	\$838.66
012-285-05	\$838.66
012-285-06	\$838.66
012-285-07	\$838.66
012-285-08	\$838.66
012-285-09	\$838.66
012-285-10	\$838.66
012-285-11	\$838.66
012-285-12	\$838.66
012-285-13	\$838.66
012-285-14	\$838.66
012-285-15	\$838.66
012-285-16	\$838.66
012-286-01	\$838.66
012-286-02	\$838.66
012-286-03	\$838.66
012-286-04	\$838.66
012-286-05	\$838.66
012-286-06	\$838.66
012-286-07	\$838.66
012-286-08	\$838.66
012-291-01	\$838.66
012-291-02	\$838.66
012-291-03	\$838.66
012-291-04	\$838.66
012-291-05	\$838.66
012-291-06	\$838.66
012-291-07	\$838.66
012-291-08	\$838.66
012-291-09	\$838.66

ASSESSOR'S PARCEL NUMBER	APPLIED TAX RATE
012-291-10	\$838.66
012-291-11	\$838.66
012-291-12	\$838.66
012-291-13	\$838.66
012-291-14	\$838.66
012-291-15	\$838.66
012-292-01	\$838.66
012-292-02	\$838.66
012-292-03	\$838.66
012-292-04	\$838.66
012-292-05	\$838.66
012-292-06	\$838.66
012-292-07	\$838.66
012-292-08	\$838.66
012-292-09	\$838.66
012-292-10	\$838.66
012-293-01	\$838.66
012-293-02	\$838.66
012-293-03	\$838.66
012-293-04	\$838.66
012-293-05	\$838.66
012-293-06	\$838.66
012-293-07	\$838.66
012-293-08	\$838.66
012-293-09	\$838.66
012-293-10	\$838.66
012-294-01	\$838.66
012-294-02	\$838.66
012-294-03	\$838.66
012-294-04	\$838.66
012-294-05	\$838.66
012-295-01	\$838.66
012-295-02	\$838.66
012-295-03	\$838.66
012-295-04	\$838.66
012-295-05	\$838.66
012-295-06	\$838.66
012-295-07	\$838.66

ASSESSOR'S PARCEL NUMBER	APPLIED TAX RATE
012-295-08	\$838.66
012-295-09	\$838.66
012-295-10	\$838.66
012-296-01	\$838.66
012-296-02	\$838.66
012-296-03	\$838.66
012-296-04	\$838.66
012-296-05	\$838.66
012-296-06	\$838.66
012-296-07	\$838.66
012-296-08	\$838.66
012-296-09	\$838.66
012-296-10	\$838.66
012-297-01	\$838.66
012-297-02	\$838.66
012-297-03	\$838.66
012-297-04	\$838.66
012-297-05	\$838.66
012-297-06	\$838.66
012-297-07	\$838.66
012-297-08	\$838.66
012-297-09	\$838.66
012-297-10	\$838.66
012-297-11	\$838.66
012-297-12	\$838.66
012-297-13	\$838.66
012-301-01	\$838.66
012-301-02	\$838.66
012-301-03	\$838.66
012-301-04	\$838.66
012-301-05	\$838.66
012-301-06	\$838.66
012-301-07	\$838.66
012-301-08	\$838.66
012-301-09	\$838.66
012-301-10	\$838.66
012-310-01	\$838.66
012-310-02	\$838.66

ASSESSOR'S PARCEL NUMBER	APPLIED TAX RATE
012-320-04	\$838.66
012-320-06	\$838.66
012-320-07	\$838.66
012-320-08	\$838.66

Total Levy Amount: \$162,700.04
Total Parcel Levied: 194

AGENDA ITEM – STAFF REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS
FROM: VINCE DIMAGGIO, CITY MANAGER
SUBJECT: AUTHORIZE STAFF TO SOLICIT PROPOSALS FOR LEGAL SERVICES
DATE: OCTOBER 13, 2015

ISSUE

Shall the City Council direct staff to solicit proposals from qualified legal professionals for legal services?

BACKGROUND

Over the course of the last several months a majority of Councilmembers have expressed interest in initiating a Request for Proposal process to receive proposals from legal professionals to provide legal services for the City of Mendota.

No resolution is required. This is a consent item that if approved, will be interpreted by staff to prepare an RFP for Council's review and approval at the meeting of October 27, 2015.

AGENDA ITEM – STAFF REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS
FROM: VINCE DIMAGGIO, CITY MANAGER
SUBJECT: REPORT ON COSTS OF JULY FLASH FLOOD
DATE: OCTOBER 13, 2015

ISSUE

How does the City Council wish to deal with the costs associated with the July flash flood?

BACKGROUND

In mid-July, a rare thunderstorm occurred over the coastal range mountains west of Mendota dropping a considerable amount of rain in a relatively short time. The rain followed its natural runoff course in the mountains and was carried to the east side of the coast range by the Panoche Creek.

The Creek terminates at Fairfax Road and Belmont Avenue in Fresno County several miles west of Mendota. Due to the volume of water, the Creek over flooded its banks and water moved easterly toward Mendota. The flood waters were channeled along Belmont towards Mendota by high earthen banks/berms maintained along the side of the road on agricultural property in contravention of a permanent injunction issued in 1978. The flood waters entered Mendota at approximately 8:45am, July 20. The City's basic storm water system was quickly overloaded and significant amounts of water and debris were carried down 7th Street. Approximately ten days of clean-up followed that included rental of equipment, equipment breakdown and repair, and staff overtime.

ANALYSIS

Staff's investigation of the incident concluded that both the County Sheriff and County Public Works Department became aware of flood waters moving east in the County at approximately 4:30am. They began their street closure protocol in the area of Fairfax at that time. However, neither the County Sheriff nor the County Public Works Department notified Mendota personnel or CalTrans personnel. This negligent lack of communication clearly contributed to the severity of the flood that City staff confronted.

The City has incurred significant, unbudgeted costs associated with the flood and the aftermath. To date, staff has determined that the City has incurred \$25,904.15 in flood clean-up. This includes staff overtime, equipment rental, water truck service, vactor truck operation, and broom truck sweeping. Absorbing these costs into the budget will undoubtedly cause budget line item overages as we continue to move through the fiscal year. This will cause monetary stress in the budget, which was designed specifically to address the costs of normal city operations.

ALTERNATIVES

Council has the following alternatives:

1. Absorb the additional costs associated with the flood clean-up into the City's budget and make line item changes as necessary to minimize budgetary impact. This alternative will likely result in a budget deficit in some line items either before or at the end of the fiscal year.
2. Submit a bill for the additional costs to the County of Fresno on the basis that their failure to provide notification of the flood, which they were aware of hours prior to it reaching Mendota, resulted in the inability of the City to prepare and possibly prevent the flood's impact.
3. Initiate legal action against owners of the agricultural property along Belmont who maintained earthen berms in violation of the permanent injunction. The primary weakness of this alternative is that staff has no photographic evidence of the existence of the berms immediately preceding the rain and flood. Staff is aware that such berms exist now and has notified each property owner of the illegality of the berms. However, with only anecdotal evidence that the berms were present, and lacking documentary evidence of the berms existence prior to the flood, legal action may be futile.

FISCAL IMPACT

Presently the fiscal impact to the City is to both the General Fund and the Enterprise Fund in the amount of \$25,904.15.

RECOMMENDATION

Staff recommends that the City Council direct staff to submit a bill to the County for their negligence in failing to notify Mendota and provide warning of the flood which they were clearly aware of hours before the event occurred.

	Hrly Rate:		7/20/15	7/21/15	7/22/15	7/23/15
ALARCON TONY	13.75	\$	192.50	7	7	
ALMANZA JOSE	20.32	\$	81.28			
ANGEL JERONIMO	33.93	\$	407.12		4	4
BANUELOS MACARIO	28.83	\$	576.50		5	7
BAUTISTA TEOFILO	33.93	\$	814.20		8	8
IBARRA EDGAR	15.00	\$	75.00			5
LEWIS MATTHEW	47.84	\$	574.05		4	4
LLANOS GABRIEL	19.27	\$	539.53		8	8
MILLER DAVID	20.24	\$	344.04		5	7
SALOMON JOSE	15.00	\$	315.00		7	7
SANCHEZ HENRY	23.40	\$	561.60		8	8
SANDOVAL ARMANDO	15.85	\$	301.15		5	7
VARELA RAUL	22.40	\$	380.80			5

	Hrly Rate:		7/27/15	7/28/15	7/29/15	7/30/15	
ALARCON TONY	13.75	\$	646.25	4	7	7	8
ANGEL JERONIMO	33.93	\$	814.25	4	4	4	4
BAEZA ROBERT	24.46	\$	538.22	7	3	4	4
BAUTISTA TEOFILO	33.93	\$	2,035.50	6	6	6	6
ESTRADA JUAN	15.00	\$	285.00	4			
GONZALEZ CRISTIAN	52.78	\$	2,375.10	5	5	5	5
IBARRA EDGAR	15.00	\$	240.00		8	5	3
LLANOS GABRIEL	19.27	\$	905.63	8	8	8	
MILLER DAVID	20.24	\$	20.24	1			
SALOMON JOSE	15.00	\$	105.00	7			
SANCHEZ HENRY	23.40	\$	748.80		8	8	8

		Date	Invoice	Disc
Central Valley Sweeping	\$ 5,000.00	7/23/15	9075	Broom & Vacuum Swi
Central Valley Sweeping	\$ 3,200.00	7/24/15	9087	(2) Brooms
Gonzalez Transport	\$ 375.00	7/28/15	8556	2.5 hrs water trk servi
Gonzalez Transport	\$ 450.00	7/29/15	8555	3 hrs water trk service
Gonzalez Transport	\$ 450.00	7/31/15	8046	3 hrs water trk service
United Rentals Northwest	\$ 2,129.05	7/30/15	130326945	Vacuum Trailer
United Rentals Northwest	\$ 423.34	8/6/15	130506937	Aux Boom Controller

Total: \$ 25,904.15

AGENDA ITEM – STAFF REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS
FROM: MATT FLOOD, PLANNING AND ECONOMIC DEVELOPMENT MANAGER
VIA: VINCE DIMAGGIO, CITY MANAGER
SUBJECT: SETTING A PERMIT FEE FOR PUBLIC DANCES AND DANCE HALLS
DATE: OCTOBER 13, 2015

ISSUE

Should the City Council adopt an application fee of \$50 for public dances and dance halls?

BACKGROUND

The Mendota Municipal Code (MMC) provides for the holding of public dances and the operation of dance halls, with most of the related provisions contained in Chapter 5.44.

One of these provisions mandates that the operator of the dance submit an application to the Police Department on a quarterly basis in order to receive approval. The quarterly periods are uniform for all prospective applicants and based on the calendar year: January through March is one quarter, April through June another, etc.

City Staff attempted to find a resolution that set the fee for a permit pursuant to the applicable section, but could not find anything set in the past 20 years. Staff could not find record of any fee that was actually charged or paid to the City (including its Police Department) related to such a permit, and therefore staff assumes that the City has not previously charged any fee for a permit to operate a public dance or dance hall. However, because MMC 5.44.050(D) states that a fee is to be set by resolution and it is fiscally responsible to recuperate administrative costs related to the review of a permit of this nature, staff commenced the process of establishing a permit fee via resolution.

ANALYSIS

Staff reviewed the fees charged by other cities of like size with similar provisions related to public dances and halls. Some charged per dance while others charged annual fees, with the commensurate fee (quarterly) ranging from \$50 to \$375. Staff, in an effort to remain business friendly while still meeting City financial obligations, desires to keep the fee at the low end of the scale, and proposes a fee of \$50 quarterly.

Staff contacted the two businesses that have conducted such activities recently and one stated that they are fine with the fee, and the other stated that they have not been conducting public dances, but if they decide to do so again in the future, they will comply with the permit requirement and pay the fee established.

FISCAL IMPACT

As with many fees charged for application review, the intent is to “break even”. However, as with all flat fees, the general fund could experience a minor gain or loss depending on how much staff time is required to review each application.

RECOMMENDATION

Staff recommends that the City Council adopt Resolution No. 15-65, setting the application fee for public dances and dance halls.

**BEFORE THE CITY COUNCIL
OF THE
CITY OF MENDOTA, COUNTY OF FRESNO**

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MENDOTA IN THE
MATTER OF SETTING THE PERMIT FEE
FOR THE OPERATION OF PUBLIC
DANCES AND DANCE HALLS**

RESOLUTION NO. 15-65

WHEREAS, the City Council of the City of Mendota desires to ensure enriching recreational opportunities are promoted and provided to the community; and

WHEREAS, the regulation and security of such activities is necessary in order to protect the health and safety of participants, as well as the community at large; and

WHEREAS, it is necessary that the costs associated with the regulation of commercial activities related to Public Dances and Dance Halls as provided in MMC 5.44.050(D) be recuperated; and

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Mendota, hereby establishes the Permit Fee for the operation of Public Dances and Dance Halls, attached as "Exhibit A".

Robert Silva, Mayor

ATTEST:

I, Matt Flood, City Clerk of the City of Mendota, do hereby certify that the foregoing resolution was duly adopted and passed by the City Council at a regular meeting of said Council, held at the Mendota City Hall on the 22nd day of September, 2015, by the following vote:

**AYES:
NOES:
ABSENT:
ABSTAIN:**

Matt Flood, City Clerk

Exhibit A

Public Dance and Dance Halls (MMC 5.44.050[D]) - \$50.00 Quarterly

AGENDA ITEM – STAFF REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS
FROM: VINCE DIMAGGIO, CITY MANAGER
SUBJECT: CONSIDER ENTERING INTO A SOLAR POWER AGREEMENT AND ALLOWING THE DEVELOPMENT OF A SOLAR ARRAY AT THE WASTEWATER TREATMENT PLANT.
DATE: OCTOBER 13, 2015

ISSUE

Should the City Council approve a resolution for the City to enter into a Solar Power Services Agreement with Borrego Solar Systems., Inc.?

BACKGROUND

The City Manager and Public Works Director have been researching ways to save money on electricity costs with solar. Initially the plan involved building multiple solar projects to offset the usage of City-owned facilities, taking advantage of the existing net-energy metering rules that PG&E customers can use when installing solar projects on-site. Representatives from Borrego Solar Systems Inc., an Oakland-based national solar energy services provider, approached the City to consider an alternate scenario that would result in a cost-efficient method of installing solar while saving the City of Mendota money on electricity expenses.

Borrego Solar's feasibility study recommended the installation of a 1 megawatt (MW) solar project and enrollment into PG&E's Renewable Energy Self-Generation Bill Credit Transfer (RES-BCT) rate schedule. This program is only available to California public agencies, including municipalities, and allows those entities to construct up to a single 5 MW renewable energy facility that can offset the utility generation value of up to 50 City-owned meters.

ANALYSIS

Borrego Solar conducted an extensive review of the City's PG&E utility data for City-owned meters and calculated that approximately \$292,207 of annual bill credits can be offset by the solar project. Borrego Solar then calculated the exact amount of solar energy (in kilowatt-hours, or kWh) that would be needed to generate this amount of bill offset

before arriving at an optimal system size of 1 MW which will cover approximately 8 acres of land available at the City's waste water treatment plant.

FISCAL IMPACT

This project does not require any upfront or ongoing capital outlay from the City. The City will purchase power from the solar installation at a contracted rate of \$0.093/kWh in Year 1 with a 3% annual escalator, while receiving bill credits through the RES-BCT program that are valued at \$0.141/kWh. The expected fiscal savings to the City in Year 1 is estimated at \$99,823, with total savings over the 20-year term of the Power Purchase Agreement estimated at over \$3.3 million.

RECOMMENDATION

Staff recommends that the City Council adopt the attached Resolution approving a Solar Power Services Agreement with Mendota Solar 1, LLC, an Entity Established by Borrego Solar Systems Inc. for this Project.



BORREGO SOLAR
ANNUAL CASHFLOW FROM PV INVESTMENT
PRELIMINARY POWER PURCHASE AGREEMENT (PPA) SCENARIO

System Assumptions

Total System Size (DC):	994.3 kW
Year 1 Production (kWh)	2,068,649
Annual System Degradation Factor	0.50%

Utility Assumptions

Annual Utility Escalation Rate	4.00%
Solar Generation Rate	A-6-N Generation

PPA Terms

PPA Starting Rate	\$0.093
PPA Annual Escalation Rate	3.00%
PPA Term Length	20 years

Financial Return

20 Year Net Present Value	\$2,245,375
20 Year Cumulative Cash Flow	\$3,339,580
Assumed Discount Rate	3.5%

Avg Net 1st Year Savings per kWh \$0.048

Year	PV Production (kWh)	PPA rate (\$/kWh)	Production Value/ kWh	System		PPA Electricity		Avoided Utility Bills	Annual Cash Flow	Cumulative Cash Flow
				Cost	O&M Costs	Payments				
0						\$0	\$0	\$0	\$0	
1	2,068,649	\$0.093	\$0.141	\$0	\$0	(\$192,384)	\$292,207	\$99,823	\$99,823	
2	2,058,306	\$0.096	\$0.147	\$0	\$0	(\$197,165)	\$302,376	\$105,211	\$205,033	
3	2,048,014	\$0.099	\$0.153	\$0	\$0	(\$202,065)	\$312,898	\$110,834	\$315,867	
4	2,037,774	\$0.102	\$0.159	\$0	\$0	(\$207,086)	\$323,787	\$116,701	\$432,568	
5	2,027,585	\$0.105	\$0.165	\$0	\$0	(\$212,232)	\$335,055	\$122,823	\$555,392	
6	2,017,447	\$0.108	\$0.172	\$0	\$0	(\$217,506)	\$346,715	\$129,209	\$684,601	
7	2,007,360	\$0.111	\$0.179	\$0	\$0	(\$222,911)	\$358,781	\$135,870	\$820,470	
8	1,997,323	\$0.114	\$0.186	\$0	\$0	(\$228,450)	\$371,266	\$142,816	\$963,286	
9	1,987,337	\$0.118	\$0.193	\$0	\$0	(\$234,127)	\$384,186	\$150,059	\$1,113,345	
10	1,977,400	\$0.121	\$0.201	\$0	\$0	(\$239,945)	\$397,556	\$157,611	\$1,270,956	
11	1,967,513	\$0.125	\$0.209	\$0	\$0	(\$245,908)	\$411,391	\$165,483	\$1,436,439	
12	1,957,675	\$0.129	\$0.217	\$0	\$0	(\$252,019)	\$425,707	\$173,689	\$1,610,127	
13	1,947,887	\$0.133	\$0.226	\$0	\$0	(\$258,282)	\$440,522	\$182,240	\$1,792,368	
14	1,938,147	\$0.137	\$0.235	\$0	\$0	(\$264,700)	\$455,852	\$191,152	\$1,983,520	
15	1,928,457	\$0.141	\$0.245	\$0	\$0	(\$271,278)	\$471,716	\$200,438	\$2,183,958	
16	1,918,814	\$0.145	\$0.254	\$0	\$0	(\$278,019)	\$488,132	\$210,113	\$2,394,071	
17	1,909,220	\$0.149	\$0.265	\$0	\$0	(\$284,928)	\$505,119	\$220,191	\$2,614,262	
18	1,899,674	\$0.154	\$0.275	\$0	\$0	(\$292,008)	\$522,697	\$230,689	\$2,844,950	
19	1,890,176	\$0.158	\$0.286	\$0	\$0	(\$299,265)	\$540,886	\$241,622	\$3,086,572	
20	1,880,725	\$0.163	\$0.298	\$0	\$0	(\$306,701)	\$559,709	\$253,008	\$3,339,580	
Totals				\$0	\$0	(\$4,906,979)	\$8,246,559	\$3,339,580		

City of Mendota RES-BCT - PV PROJECT



PROJECT INFORMATION



THIS DOCUMENT IS PROVIDED BY BORREGO SOLAR SYSTEMS INC. TO FACILITATE THE SALE AND INSTALLATION OF A SOLAR POWER SYSTEM FROM BORREGO SOLAR SYSTEMS. THIS IS A PRELIMINARY LAYOUT BASED ON AERIAL IMAGERY. THE ACTUAL PARAMETERS OF THE SYSTEM MAY VARY BASED ON A SITE SPECIFIC SURVEY AND THE COMPLETION OF DUE DILIGENCE EFFORTS. THESE DRAWINGS ARE NOT FOR CONSTRUCTION, REPRODUCTION, RELEASE OR UTILIZATION FOR ANY OTHER PURPOSE. WITHOUT PRIOR WRITTEN CONSENT IS STRICTLY PROHIBITED.



BORREGO SOLAR

5005 TEXAS STREET, SUITE 400
SAN DIEGO, CA 92108
PHONE: (888) 898-6273
FAX: (888) 843-6778
WWW.BORREGOSOLAR.COM

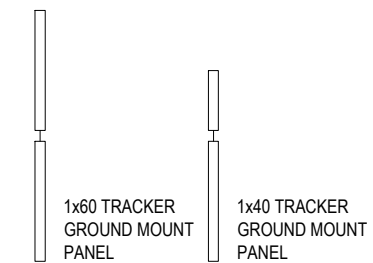
City of Mendota RES-BCT
3699 BASS AVE.
MENDOTA, CA 93640

PROPOSAL SPECIFICATION

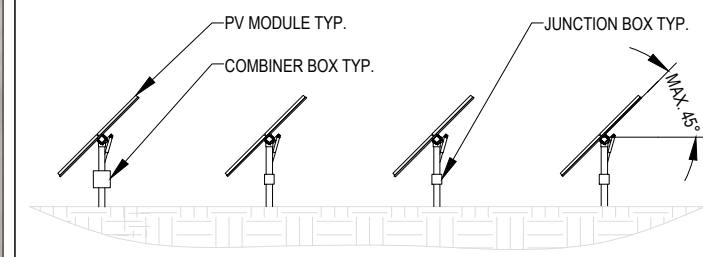
SYSTEM SIZE DC (kW)	994.300		
SYSTEM SIZE AC-CEC (kW)	879.848		
DC TO AC RATIO	1.27		
MODULE INFORMATION	(3,260) YL 305		
STRING INFORMATION	(163) PARALLELED STRINGS OF (20)		
INVERTER INFORMATION	(32) SMA 24TL, (1) SMA 12TL		
TRANSFORMER INFORMATION	TBD		
INTERCONNECTION VOLTAGE	TBD		
RACKING DETAILS	GROUND MOUNTED TRACKER		
GROUND COVER RATIO	33%	SITE LATITUDE	36.46 N
ASCE7-05 WIND SPEED (MPH)	85	GROUND SNOW LOAD (PSF)	0

PROJECT NUMBER:
P-SD-007470

LEGEND



REV	DATE	DRAWN	CHECKED	RELEASE LEVEL
1	06/03/15	JH	JH	PROPOSAL LAYOUT
2	06/03/15	EH	JH	PROPOSAL REVISION 1



TRACKER ELEVATION

SCALE: 1"=400'
VALID ONLY WHEN PLOTTED
ANSI FULL BLEED B 11" X 17"

PV-1

L1 PROPOSAL LAYOUT

Resolution No. ___/2015

RESOLUTION OF THE CITY OF MENDOTA APPROVING SOLAR POWER SERVICES AGREEMENT WITH MENDOTA SOLAR 1, LLC., PURSUANT TO GOVERNMENT CODE SECTION 4217.10-18, MAKING CERTAIN FINDINGS REQUIRED THEREFORE, AND AUTHORIZING RELATED ACTIONS

WHEREAS, the City of Mendota ("City") finds it to be in the best interests of the City to implement projects to promote energy efficiency to achieve energy cost reductions;

WHEREAS, Government Code sections 4217.10 through 4217.18 authorize the City Council, without advertising for bids, to enter into one or more energy service contracts with any person or entity, pursuant to which that person or entity will provide electrical or thermal energy or conservation services to the City, which may comprise or include an energy conservation facility, if the anticipated cost to the City for thermal or electrical energy or conservation services provided under the contract(s) is less than the anticipated marginal cost to the City of thermal, electrical, or other energy that would have been consumed by the City in the absence of those energy service contracts;

WHEREAS, City staff reviewed the qualifications presented by Mendota Solar 1, LLC., a limited liability company ("Provider") to conduct and provide assessment of City energy usage, energy needs and opportunities to reduce energy expenses, found Provider's qualifications to appear bona fide and adequate;

WHEREAS, Provider assessed the feasibility of solar photovoltaic energy as an energy conservation measure, based on certain baseline assumptions such as anticipated future increases in public utility energy rates, which assumptions have been duly considered by Provider to reduce the City's electrical utility energy consumption and expenditures thereon and recommended specific energy conservation measures based thereon ("Analysis," on file with the Clerk of the Board), upon which the City administration and staff have relied;

WHEREAS, Provider has offered to enter into a Solar Power Services Agreement ("Contract," on file with the Clerk of the Board) to provide energy conservation services to implement the recommended energy conservation facilities comprising a detached, ground mounted, fully fence-enclosed solar photovoltaic energy plant ("Facility") for the power price stated therein;

WHEREAS, the Analysis demonstrates that the cost of the Contract to the City for the thermal or electrical energy or conservation services provided thereunder is less than the anticipated marginal cost to the City of thermal, electrical, or other energy that would have been consumed by the City in the absence of the Contract ("Savings")

WHEREAS, the City intends that the Facility shall not be used for City purposes, and no individuals will be permitted to use or enter the Facility for any purpose or be subjected to a hazard resulting from its collapse.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MENDOTA DOES HEREBY FIND, RESOLVE, DETERMINE, AND ORDER AS FOLLOWS:

Section 1. Recitals. All of the recitals herein contained are true and correct.

Section 2. Solar Power Services Agreement Contract Findings. The City Council of the City of Mendota finds that the cost of the Contract to the City for the thermal or electrical energy or conservation services provided thereunder is less than the anticipated marginal cost to the City of thermal, electrical, or other energy that would have been consumed by the City in the absence of the Contract and that the difference, if any, between the fair rental value for the real property subject to the facility ground lease and the agreed rent, is anticipated to be offset by below-market energy purchases or other benefits provided under the energy service contract that it is in the best interest of the City to approve and enter into the Contract.

Section 3. Solar Power Services Agreement Contract Approval. The form of the Contract by and between the City and Mendota Solar 1, LLC (“Provider”) presented herewith is hereby approved. The City Manager is hereby authorized and directed, for and in the name of and on behalf of the City, to execute and deliver to Provider the Contract and related documents as necessary to carry out the Contract, subject to such minor changes thereto as such officer or person may require, with the approval of City Attorney as to legal form.

PASSED AND ADOPTED as of _____, 2015 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

The City Manager of the City of Mendota does hereby certify that the foregoing is a full, true, and correct copy of the Resolution passed and adopted by the City Council at a regularly scheduled and conducted meeting held on this date, which Resolution shall be kept on file in the office of the City Council.

Vince DiMaggio, City Manager
City of Mendota

The Clerk of the City of Mendota City Council does hereby certify that the foregoing Resolution was introduced and adopted by the City Council at a regularly scheduled meeting thereof held on this date, by the forgoing vote.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Mendota on this date.

City Clerk
City of Mendota

SOLAR POWER SERVICES AGREEMENT

between

Mendota Solar 1, LLC
A Delaware limited liability company
("Provider"),

And

City of Mendota
a California municipality ("Customer")

[*MONTH DAY*], 2015
(the "Effective Date")

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SCHEDULES AND EXHIBITS

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- Schedule 2 – Site Plan and System
- Schedule 3 – kWh Rate
- Schedule 4 – Early Termination Fee Component
- Schedule 5 – Memorandum of Solar Power Services Agreement
- Schedule 6 – Reserved
- Schedule 7 – Estimated Annual Production and Guaranteed Production

SOLAR POWER SERVICES AGREEMENT

THIS SOLAR POWER SERVICES AGREEMENT (this "Agreement") is made effective as of [month day], 20__ (the "Effective Date"), between/among Mendota Solar 1, LLC, a Delaware limited liability company ("Provider"), and City of Mendota, a California municipality ("Customer"). Provider and Customer are sometimes referred to individually as a Party and collectively as the Parties.

BACKGROUND

WHEREAS, Customer owns, directly or indirectly, the Property (as hereafter defined);

WHEREAS, Provider has an easement at the Property;

WHEREAS, the governing body of Customer has made findings that: (1) The anticipated cost to Customer for electrical energy services provided by the solar panel system under this Agreement will be less than the anticipated marginal cost to Customer of electrical energy that would have been consumed by Customer in the absence of those purchases and (2) The difference, if any, between the fair market value to access and occupy the real property subject to this Agreement and related payments under this Agreement, if any, is anticipated to be offset by below-market energy purchases or other benefits provided under this Agreement;

WHEREAS, Customer desires that Provider install, maintain, own and operate at the Property a solar photovoltaic system (the "System") for the purpose of providing Solar Services (as hereafter defined) to Customer, and Provider is willing to undertake and to provide the same;

NOW, THEREFORE, in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Article I DEFINITIONS

1.1 Definitions

In addition to other terms specifically defined elsewhere in this Agreement, where capitalized, the following words and phrases shall be defined as follows:

“Actual Annual Production” means the Actual Production recorded by the Meter during a given Contract Year.

"Actual Production" means for any period, the actual net electrical production, in kWh, of the System.

“Adjusted Annual Production” has the meaning set forth in Section 2.2(b).

"Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with such first Person.

"Agreement" means this Solar Power Services Agreement, including the Schedules and Exhibits attached hereto.

"Applicable Law" means, with respect to any Person, any constitutional provision, law, statute, rule, regulation, ordinance, treaty, order, decree, judgment, decision, certificate, holding, injunction, registration, license, franchise, permit, authorization, guideline, Governmental Approval, consent or requirement of any Governmental Authority having jurisdiction over such Person or its property, enforceable at law or in equity, including the interpretation and administration thereof by such Governmental Authority.

"Assignment" has the meaning set forth in Section 12.3.

"Business Day" means any day other than Saturday, Sunday or any other day on which banking institutions in San Francisco, California are required or authorized by Applicable Law to be closed for business.

"Claim Notice" has the meaning set forth in Section 13.3.

"Commercial Operation Date" means the date on which the System is ready for commercial operation after required testing.

"Confidential Information" has the meaning set forth in Section 14.2.

"Contract Year" means each calendar twelve (12) month period during the term following the Commercial Operation Date.

"Customer" has the meaning set forth in the preamble hereof.

"Customer Default" has the meaning set forth in Section 9.2(a).

"Customer Hazardous Materials" has the meaning set forth in Section 5.7(a).

"Delivery Point" means the point of delivery of the Solar Services, which shall be at the Meter.

"Dispute" has the meaning set forth in Section 10.1.

"Early Termination Date" has the meaning set forth in Section 7.1.

"Early Termination Fee" shall mean the sum of (i) the amount specified for the applicable year of commercial operation on Schedule 4, (ii) the value, if any, of any tax benefits subject to

loss or recapture because of the early termination prior to the end of the sixth year of commercial operation, (iii) all reasonably incurred costs, if any, (including liquidated damages, termination fees or penalties, to the extent such liquidated damages, termination fees or penalties are commercially reasonable under the circumstances) associated with the termination of any other agreements associated with the System (such as third-party contractor agreements, arrangements with the Local Electric Utility or Environmental Attribute sale agreements), and (iv) the costs, if any, of dismantling, packing, removing and transporting the System and restoring the Site to its original condition, ordinary wear and tear excepted.

"Easement" has the meaning set forth in Section 4.1 (a).

"Effective Date" has the meaning set forth in the preamble hereof.

"Environmental Attributes" means all products of the System other than electricity, including but not limited to carbon trading credits, renewable energy credits or certificates, emissions reduction credits, investment credits, tax credits, emissions allowances, green tags, tradable renewable credits and Green-e® products.

"Environmental Law" means all laws of any Governmental Authority having jurisdiction over any Property addressing pollution or protection of the environment and all amendments to such laws and all regulations implementing any of the foregoing.

"Expiration Date" has the meaning set forth in Section 7.1.

"Fair Market Value" means the price that would be paid in an arm's length, free market transaction, in cash, between an informed, willing seller and an informed, willing buyer (who is neither a lessee in possession nor a used equipment or scrap dealer), neither of whom is under compulsion to complete the transaction, taking into account, among other things, the age and performance of the System and advances in solar technology and the commercial benefits that Provider may be able to derive from the System, provided that installed equipment shall be valued on an installed basis and costs of removal from a current location shall not be a deduction from the valuation.

"Financing Party" means any third-party entity providing debt or equity financing to Provider with respect to a System, including any investor pursuant to a sale/leaseback transaction.

"Force Majeure Event" has the meaning set forth in Section 9.3.

"Governmental Approval" means any approval, consent, franchise, permit, certificate, resolution, concession, license or authorization issued by or on behalf of any applicable Governmental Authority.

"Governmental Authority" means any federal, state, regional, county, town, city or municipal government, whether domestic or foreign, or any department, agency, bureau, or other administrative, regulatory or judicial body of any such government including, without limitation,

any governmental or quasi-governmental entity

“Guaranteed Production” has the meaning set forth in Section 2.2(a).

“Guaranteed Production Adjustment Causes” means an adjustment to the Actual Annual Production of the System resulting from any of the following: (a) System failure, damage or downtime attributable to third parties, (b) inverter failure or delayed repair of an inverter due to manufacturing defects, (c) general utility outage or any failure of any electrical grid, (d) unauthorized or unexpected usage of the Property, or buildings at or near the Property, which may affect building permits, site permits and related requirements for the operation of the System, or that impact insolation striking the System; (e) a Force Majeure Event; (f) acts or omissions of Buyer or the Local Electric Utility; (g) manufacturing failure of any component of the System or failure by any manufacturer of any component of the System to timely honor its warranty obligations; (h) soiling conditions exceeding standard soiling conditions; or (i) variations between Standard Insolation Conditions and the actual Solar Insulation at the Property in any applicable Contract Year.

“Guaranteed Production Period” has the meaning set forth in Section 2.2(a).

"Hazardous Materials" means any pollutant, contaminant, hazardous substance, hazardous waste, medical waste, special waste, toxic substance, petroleum or petroleum-derived substance, waste or additive, asbestos, polychlorinated biphenyl (PCB), radioactive material, or other compound, element or substance in any form (including products) regulated, restricted or addressed by or under any Applicable Law.

"Indemnified Party" has the meaning set forth in Section 13.3.

"Indemnifying Party" has the meaning set forth in Section 13.3.

"Initial Term" has the meaning set forth in Section 7.1.

"Insolation" means the amount of kWhs per square meter falling on a particular location, as published by the National Renewable Energy Laboratory.

"Interconnection Point" has the meaning set forth in Section 6.5.

"kWh Rate" has the meaning set forth in Section 3.1.

"Liens" has the meaning set forth in Section 6.6.

"Local Electric Utility" means the local electric distribution system providing interconnection services for a System or electric service to Customer at a specific Property.

"Lost Provider Revenues" means, for any period during which the System is not in operation or prevented from delivering energy to the Delivery Point, an amount equal to the sum of: (i) payments that Customer would have made to Provider hereunder for electric energy that

would have been produced by the System during such period (based upon historical production data or as otherwise reasonably calculated by Provider); and (ii) revenues from Environmental Attributes, Tax Attributes and/or under the Rebate program that Provider would have received with respect to electric energy that would have been produced by the System during such period.

"Meter" has the meaning set forth in Section 5.5.

"Option Price" has the meaning set forth in Section 7.4.

"Party" or "Parties" means Provider or Customer.

"Person" means an individual, partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture, firm or other entity, or a Governmental Authority.

"Property" means the premises described in Schedule 1.

"Provider" has the meaning set forth in the preamble hereof.

"Provider Default" has the meaning set forth in Section 9.1(a).

"Provider Hazardous Materials" has the meaning set forth in Section 5.7(c).

"Purchase Option Date" shall mean each of the seventh (7th), tenth (10th), and fifteenth (15th) anniversary of the "Commercial Operation Date".

"Quarterly Period" means the period beginning on the first day of each of January, April, July and October of each year during the Term.

"Rebates" shall mean any and all rebates, incentives, payments, credits or other funding offered for the development of photovoltaic systems by utility, Governmental Authority or other Person.

"Renewal Term" has the meaning set forth in Section 7.1.

"Site" has the meaning set forth in Section 4.1(a).

"Site Plan" means, for each System, a plan depicting the locations within and upon the Property of System components, including interconnection arrangements and access points, as revised by final as-built drawing(s) and subsequent revisions depicting any System alterations, and incorporated in Schedule 2 hereto.

"Solar Insolation" means the amount of solar energy, measured in kWh per square meter, falling on a particular geographic location, as published by the National Renewable Energy Laboratory.

"Solar Services" means the supply of on-site net electrical output in kWh (AC) from the System to Customer.

"Solar Services Payment" has the meaning set forth in Section 3.1.

"Standard Insolation Conditions" means the aggregate solar irradiation for the Site set forth in the National Renewable Energy Laboratory's TMY3 dataset in any applicable Contract Year.

"Stated Rate" means a rate per annum equal to the lesser of (a) ten percent (10%) or (b) the maximum rate allowed by Applicable Law.

"System" means an integrated ground-mount assembly of photovoltaic panels, mounting assemblies, inverters, converters, metering, lighting fixtures, transformers, ballasts, disconnects, combiners, switches, wiring devices and wiring and interconnections with the Local Electric Utility, as more specifically described in Schedule 2.

"Tax Attributes" means the investment tax credits (including any grants or payments in lieu thereof) and any other tax deductions or benefits under the Internal Revenue Code or Applicable Law available as a result of the ownership and operation of the System or the output generated by the System (including, without limitation, tax credits, any grants or payments in lieu thereof and accelerated and/or bonus depreciation.)

"Term" has the meaning set forth in Section 7.1.

"True-Up Period" means the expiration of Contract Years 3, 6 and 10 during the Term.

Article II DELIVERY OF SOLAR SERVICES

2.1 Purchase Requirement

Customer agrees to purchase one hundred percent (100%) of the Solar Services of the System during the Term at the kWh Rate whether or not Customer is able to use all such Solar Services. The purchase of Solar Services hereunder does not include Environmental Attributes, Rebates or any other attributes of ownership of the System, title to which shall rest solely with Provider.

2.2 Performance Guaranty

- (a) During the first ten (10) Contract Years of the Initial Term (the "Guaranteed Production Period"), Provider shall guarantee minimum Actual Annual Production from the System, as adjusted for Guaranteed Production Adjustment Causes, equal to eighty percent (95%) of the estimated annual production set forth in Schedule 7, for the Contract Year in question ("Guaranteed Production"). The Guaranteed

Production for each Contract Year during the Guaranteed Production Period is set forth in Schedule 7.

- (b) During the Guaranteed Production Period, within ninety (90) days following each True-Up Period, the Parties shall compare the total Actual Annual Production from the System for such immediately preceding True-Up Period, as adjusted for Guaranteed Production Adjustment Causes (the "Adjusted Annual Production") with the total Guaranteed Production for that same True-Up Period, as specified in Schedule 7. To the extent that total Adjusted Annual Production for the applicable True-Up Period is less than the total Guaranteed Production for that same True-Up Period during the Guaranteed Production Period, then Provider shall credit Customer with a dollar amount equal to the product of (i) the Performance Guarantee Rate multiplied by (ii) the difference in kWh between the total Guaranteed Production for such True-Up Period minus the total Adjusted Annual Production for such True-Up Period. If the total Adjusted Annual Production in any True-Up Period exceeds the total Guaranteed Production for such True-Up Period, any excess may be applied by Provider prospectively to other True-Up Periods; provided, that any excess remaining at the end of the Guaranteed Production Period may be applied retroactively by Provider to any shortfall in Guaranteed Production previously credited by Provider during the Guaranteed Production Period. In the event Provider applies such excess retroactively, Customer shall reimburse Provider for any credits given by Provider in previous True-Up Periods. Any excess in Adjusted Annual Production which remains unused at the end of the Guaranteed Production Period shall inure to the benefit of Customer and no payment shall be due from Customer to Provider in connection therewith.

Article III PRICE AND PAYMENT

3.1 Consideration

Customer shall pay to Provider a quarterly payment (the "Solar Services Payment") for the Solar Services delivered to Customer from each System during each "Quarterly Period". For any such Quarterly Period, the Solar Services Payment shall be equal to the sum of (a) and (b), where (a) is the product of the Actual Production and relevant kWh Rate, as specified in Schedule 3, and (b) is any Lost Provider Revenues due pursuant to the terms of this Agreement, together with all reimbursements due pursuant to Section 6.2 and Section 6.4 hereof. Provider shall invoice Customer on a calendar quarter basis following each Quarterly Period. The first invoice shall include any production that occurred prior to the initial invoice date, including any test energy as provided in Section 5.3 below. The last invoice shall include production only through the Expiration Date. Customer shall pay any Solar Services Payment invoice within thirty (30) days of receipt thereof.

3.2 Method of Payment

Customer shall make all payments under this Agreement by electronic funds transfer to the

account designated by Provider. All payments that are not paid when due shall bear interest accruing from the date becoming past due until paid in full at a rate equal to the Stated Rate.

3.3 Payment Disputes

If Customer objects to all or a portion of an invoice, it shall, on or before the date payment is due, provide an itemized statement of its objections setting forth in reasonable detail the basis for its objections. If Customer does not object prior to the date a payment is due, it shall be obligated to pay the full payment amount without prejudice to its right to subsequently dispute such amount; provided, however, that Customer may not object to any invoice more than twelve (12) months after the date on which such invoice was provided to Customer.

3.4 Change in Law

If there is any change in Applicable Law subsequent to the Effective Date but prior to the Commercial Operation Date that results in a direct and material change in Provider's costs to provide the Solar Services, Provider shall promptly submit to Customer a written notice setting forth (i) the citation of the change in Applicable Law and (ii) the manner in which such change materially increases Provider's costs to provide the Solar Services. Within thirty (30) days of receipt by Customer of such written notice, the Parties shall meet and attempt in good faith to negotiate amendments to this Agreement as are reasonably necessary to preserve the economic value of this Agreement to both Parties. If the Parties are unable to agree upon such amendments within such thirty (30) day period, then Provider shall have the right to either continue performing under this Agreement in accordance with the terms and conditions hereof or to terminate this Agreement without further liability by either Party to the other Party under this Agreement (including any liability of Customer for payment of the Early Termination Fee).

Article IV EASEMENT AND ACCESS RIGHTS

Article IV applicable to Systems located on property controlled by the Customer. For Systems located on property owned by an entity other than the Customer or the Provider, a separate lease agreement will be entered into.

4.1 Easement and Related Rights

- (a) Easement. Customer hereby grants to Provider, and Provider hereby accepts from Customer in accordance with the terms hereof an exclusive easement (the "Easement") over those portions of the Property useful for locating solar electric generation facilities, including interconnection and metering facilities (each, a "Site") for the sole purposes of installing, operating and maintaining the System and uses ancillary thereto. The initial Site Plan for each System is attached hereto within Schedule 2, and such initial Site Plan for each System will be replaced with an updated Site Plan that reflects final as-built arrangements, to be provided by Provider after completion of each System. At such time, Schedule 2 will also be updated to include a legal description, including metes and bounds, of the Easement. The grant of the Easement shall be effective upon Provider's acceptance of the Easement by written notice to Customer after having conducted

the Phase I or other environmental studies referenced in the first sentence of subsection (viii) below, which studies Customer permits Provider to conduct at any reasonable time upon reasonable notice after the Effective Date. The Easement granted herein (i) includes an easement to receive unobstructed sunlight and (ii) shall survive for a period of one hundred eighty (180) days following the expiration or termination of this Agreement. Without limiting the generality of the foregoing, and subject to the Provider covenants set forth herein, Provider shall have, subject to the limitations contained in this Agreement, the exclusive right to access and utilize each Site, and otherwise shall hold the following exclusive rights and privileges:

- (i) The right to develop, erect, construct, install, replace, repair, relocate, remove, maintain, operate, and use, from time to time, the System, underground and above-ground electrical transmission and communication s lines related to the operation of the System, electric transformers , telecommunications equipment, meteorological towers and weather/solar measurement equipment and related and reasonably necessary facilities and equipment;
- (ii) The right to capture and to convert any or all of the solar resources of each Site;
- (iii) The right to investigate the potential of solar energy conversion including, but not limited to, conducting environmental and paleontological studies, soil tests, and studies of solar intensity and other meteorological data and geological studies, and other studies as may be required in connection with permitting the System;
- (iv) The right to develop, erect, construct, install, replace, repair, relocate, remove, maintain, operate, and use the following from time to time in connection with the System, as is reasonably necessary for the operation and maintenance of improvements on the Site and other properties used in connection with improvements: a line or lines of poles or towers, together with such wires and cables as from time to time are suspended from, and/or underground wires and cables, for the transmission of electrical energy and/or for communication purposes, and all necessary and proper anchors, support structures, foundations, footings, crossarms and other appliances and fixtures for use in connection with said towers, wires and cables;
- (v) The right of pedestrian and vehicular ingress, egress, and access over and across of the Site by means of roads and lanes thereon if existing, or otherwise by such roads, structure, route or routes as Provider may construct or improve from time to time, said construction or improvement to be subject to the written consent of Customer, which consent shall not be unreasonably withheld, conditioned or delayed;
- (vi) The right of subjacent and lateral support to whatever is reasonably necessary for the operation and maintenance of improvements on the Site and other properties used in connection with improvements, including,

without limitation, guy wires and supports;

- (vii) The right to grade, level, fill, clear and replant ground; and to use on-site sand, gravel, caliche or other materials suitable for road cover solely to construct the System and related facilities on the Site, all to the extent permitted by law;
 - (viii) The right to enter upon the Site and to conduct Phase I and other environmental studies or audits of the Site, including the air, soil, and water in and about the Site, at reasonable times and upon reasonable notice; and
 - (ix) The right to undertake any other activities, whether accomplished by Provider or a third party authorized by Provider, that are reasonably necessary to accomplish any of the purposes or uses of the Agreement set forth above.
- (b) Access to Site. Customer hereby grants to Provider, together with its agents, employees and contractors, a non-exclusive easement and right of way (appurtenant to the exclusive Site access rights) to access each Site across or through the Property and any surrounding or nearby lands or buildings owned or leased by Customer, as may be reasonably required from time to time for (i) Site preparation and System construction, installation, operation, maintenance, repair, replacement and removal of the System; and (ii) compliance by Provider of its obligations hereunder. Customer shall provide sufficient space on each Property from time to time (and to the extent available) for the temporary storage, laydown and staging of tools, materials and equipment, the parking of construction crew vehicles and temporary construction trailers and facilities, and rigging. Customer shall compensate Provider for any Lost Provider Revenues associated with any period *in* which Provider *is* denied access in accordance with the provisions of this Article 4.
- (c) Use of Rights. Provider shall utilize the rights granted hereunder in a manner that minimizes inconvenience to and interference with Customer and use of the Property by Customer's guests and invitees, tenants, licensees or other visitors to the extent commercially practical.

4.2 Rent

Apart from the provision of Solar Services and the sum of One Dollar (\$1.00) declared in hand, no other rent shall be due from Provider hereunder.

4.3 Removal of System

Except as otherwise provided in Section 7.3, Section 7.4, and Section 9.2, upon the Expiration Date or an Early Termination Date under Section 7.2, Provider shall, at Provider's expense, remove all of its tangible property comprising the System from the Property on mutually convenient dates. Each Site shall be returned to its condition immediately prior to the installation of the System, except for System mounting pads or other support structures (which

may be left in place with the written consent of Customer) and ordinary wear and tear and without any obligation to replant trees or shrubs. If Provider fails to remove or commence substantial efforts to remove the System by the agreed upon date, Customer shall have the right, at its option, to remove the System to a public warehouse and restore the Property to its original condition (other than ordinary wear and tear), all at Provider's cost.

4.4 Third Party Consents/Recording

At Provider's request from time to time, Customer will deliver, and cause any Property owner, tenant, mortgagee or other Property interest holder to deliver, such acknowledgments, consents, estoppels, fixtures, non-disturbance agreements and other agreements as Provider or its Financing Party may reasonably require to confirm and insure satisfactory title and priority of security in and to the System and the rights granted hereunder. Customer covenants that it will notify Provider in writing if any third party obtains an interest in the Property or the Site including, without limitation, any lenders to Customer or holders of any liens or encumbrances on the Property. Either Party may record a memorandum of this Agreement, substantially in the form attached hereto as Schedule 5 and using the legal description of the Easement to be set forth in the amended Schedule 2, in the registry or title records of the county or counties where the Property is located or other applicable government office. Provider may file one or more precautionary financing statements or fixture filings in such jurisdictions as it deems appropriate in order to protect its rights in each System or in connection with the grant of security interest in the System.

Article V CONSTRUCTION AND OPERATION

5.1 Development

Customer consents to the construction, installation, maintenance and periodic alteration and replacement of System by Provider on the Property, including without limitation solar panels, mounting substrates or supports, wiring and connections, power inverters, service equipment, metering equipment and utility interconnections. Customer shall provide Provider with available electric and structural plans of the Property, and otherwise assist and cooperate with Provider on a timely basis to obtain all permits, approvals (including Local Electric Utility approvals and interconnection and metering arrangements) and authorizations required to install, interconnect, operate and maintain the System. Local Electric Utility approval and interconnection costs are the responsibility of Provider.

5.2 Installation

Provider shall cause each System to be designed, engineered, installed and constructed substantially in accordance with the terms of this Agreement and Applicable Law. Prior to a System installation, Customer shall have the right to review and approve the Site Plan for such System. Such Customer review and approval shall not be unreasonably withheld, denied, conditioned or delayed. Customer shall approve or disapprove such Site Plan within ten (10) business days of receipt from Provider. Provider will provide at least ten (10) days prior written

notice to Customer of the commencement of any Site preparation work.

5.3 Testing

Provider shall conduct such testing of each System as may be required by the Local Electric Utility and Applicable Law. Provider shall notify Customer of the results of any such testing, and the date that each System achieves its Commercial Operation Date. Customer will purchase under the terms of this Agreement all test energy that is produced after the Commercial Operation Date. If the System produces test energy prior to the Commercial Operation Date, Provider will purchase test energy under the terms of this Agreement for only the first seven (7) days and will not be obligated to purchase any test energy thereafter until achievement of the Commercial Operation Date.

5.4 Operations

Each System shall be owned, operated, maintained and repaired by or for Provider at its sole cost and expense, and in a manner consistent with Applicable Law and good industry practices. Customer shall properly maintain, pay for and provide access to the necessary phone, computer, or other communication lines necessary to permit Provider to record the electrical output of the System for the entire Term. Provider and Customer shall each designate personnel and establish procedures such that each Party may provide timely notice of any emergency conditions that might reasonably be expected to affect the other Party's property. For routine and emergency repairs, the Parties shall contact the persons set forth below:

For Customer:
Vince DiMaggio, City Manager
643 Quince Street
Mendota, CA 93640
(559) 655-4298
vincedimaggio@cityofmendota.com

With copy to:
Cristian Gonzalez, Public Works Director
643 Quince Street
Mendota, CA 93640
(559) 655-4298
Cristian@cityofmendota.com

For Provider:
Mendota Solar 1, LLC
c/o
William Bush
360 22nd Street, Suite 600
Oakland, CA 94612
(888) 898-6273
wbush@borregosolar.com

5.5 Metering

Provider shall install, own and maintain a revenue-grade kilowatt-hour meter ("Meter") on the Property for the measurement of Actual Production provided to Customer from the System on a continuous basis. Provider shall test the Meter in compliance with the manufacturer's recommendations. Once per calendar year, Customer shall have the right to audit all such Meter data upon reasonable notice, and any such audit shall be at Customer's sole cost. Customer shall have a right of access to the Meter at reasonable times and with reasonable prior notice for the purpose of verifying readings and calibrations. If testing of the Meter pursuant to the foregoing indicates that the Meter is in error by more than two percent (2%), then Provider shall promptly repair or replace the Meter. Provider shall make a corresponding adjustment to the records of the amount of Actual Production based on such test results for (a) the actual period of time when such error caused inaccurate meter recordings, if such period can be determined to the mutual satisfaction of the Parties, or (b) if the actual period cannot be so determine, then an estimated period equal to one-half (1/2) of the period from the later of (i) the date of the last previous test confirming accurate metering or (ii) the date the Meter was placed into service.

5.6 Outages

Provider shall be entitled to suspend delivery of Actual Production to the Property for the purpose of testing, maintaining, replacing and repairing the System and such suspension of service shall not constitute a breach of this Agreement ; provided that Provider shall use commercially reasonable efforts to minimize any interruption in service to Customer. Provider shall not have any obligation to reimburse Customer for costs of purchasing energy that would have been produced by the System but for such suspension

5.7 Hazardous Materials

- (a) Customer Hazardous Materials. Provider shall not be responsible for any Hazardous Materials encountered at the Site, which were not introduced to the Site by Provider ("Customer Hazardous Materials"). Customer shall indemnify and hold harmless Provider from any costs or expenses (including reasonable attorneys' fees) incurred by Provider due to the presence of Customer Hazardous Materials on the Site. Upon encountering any materials that Provider suspects may constitute Customer Hazardous Materials, Provider may suspend work in the affected area until such materials are properly remediated by Customer as provided below, and any such suspension shall act to toll day for day any deadline applicable to Provider hereunder.
- (b) Customer Remediation. Customer may opt to remediate the Customer Hazardous Materials that violate Applicable Law so that the System may be installed on the Site, or determine that it is not economically justifiable or is otherwise impractical to remediate the Customer Hazardous Materials, in which case (a) this Agreement shall terminate effective as of the delivery of such notice without any further liability of the Parties to each other with respect to the System except as provided in this Section, and (b) Customer shall reimburse Provider for all expenses reasonably incurred by Provider in the design and installation of the System prior to the discovery of the Customer Hazardous Materials and in demobilizing and

decommissioning the System after the discovery of the Customer Hazardous Materials.

- (c) Provider Hazardous Materials. Notwithstanding anything herein to the contrary, Customer is not responsible for any Hazardous Materials introduced to the Site by Provider ("Provider Hazardous Materials"). Provider shall indemnify and hold harmless Customer from any costs or expenses (including but not limited to costs and expenses of remediation and reasonable attorneys' fees) incurred by Customer due to the presence of Provider Hazardous Materials on the Site. Upon encountering any materials that Customer suspects may constitute Provider Hazardous Materials, Customer may suspend any and all payments to Provider until such materials are properly remediated by Provider, and any such suspension shall act to toll day for day any deadline applicable to Customer hereunder.

5.8 Customer Electricity

During the Term, Customer shall make available to Provider at no charge electricity from the Local Electric Utility service at the Property for the purposes of constructing, installing, repairing, maintaining and removing the System, and otherwise to meet parasitic load during System non-generation periods.

5.9 Site Security

Customer will provide security for the System to the extent of its normal security procedures, practices, and policies that apply to the Property. Customer will advise Provider immediately upon observing any damage to the System. Upon request by Provider, such as Provider receiving data indicating irregularities or interruptions in the operation of the System, Customer shall, as quickly as reasonably practicable, send a person to observe the condition of the System and report back to Provider on such observations.

5.10 Limits on Obligation to Deliver

Except as expressly provided in Section 2.2 of this Agreement, Provider does not warrant or guarantee the amount of electric energy to be produced by the System for any hourly, daily, monthly, annual or other period. Provider is not an electric utility or public service company and does not assume any obligations of an electric utility or public service company to supply Customers' electric requirements. Provider is not subject to rate review by any Governmental Authority.

5.11 Back-up and Supplemental Electricity

Customer shall be responsible for obtaining and paying for all of its requirements for back-up energy or supplemental energy in excess of the amounts produced by the System. Provider shall have no obligation to obtain or pay for such back-up or supplemental energy.

5.12 Net Metering & Utility Credits

At any time that electric production from the System is greater than Customer's requirements at such time, Customer shall nevertheless pay Provider for all of the electricity produced by the System at the rates and in the manner provided in this Agreement. Customer may make arrangements so that electricity in excess of Customer's requirements may be delivered to the Local Electric Utility at the Interconnection Point and Customer shall be permitted to retain any credits or payments from the Local Electric Utility that may be available under net metering or similar programs excluding any such credits or payments to which Provider is entitled pursuant to this Agreement. Provider shall reasonably cooperate with Customer to facilitate Customer's receipt of payments or benefits under such net metering or similar programs and if Provider is deemed to be the owner of any such credits or payments under net metering or similar programs, Provider shall assign the same (or the proceeds thereof) to Customer. If Provider receives any payments in respect of such net metering or similar programs, it shall promptly pay them over to Customer to the extent such payment is permitted under Applicable Law.

5.13 No Resale of Electricity

The energy purchased by Customer from Provider under this Agreement shall not be resold, assigned or otherwise transferred to any other person without prior approval of the Provider, which approval shall not be unreasonably withheld, and Customer shall not take any action which would cause Customer or Provider to become an electric utility or public service company.

Article VI TITLE TO SYSTEMS

6.1 Title to Systems

Provider shall retain title to and be the legal and beneficial owner of each System at all times. Absent further written election by Provider, each System shall (i) remain the personal property of Provider and shall not attach to or be deemed a part of, or fixture to, the Property, and (ii) at all times retain the legal status of personal property as defined under Article 9 of the applicable Uniform Commercial Code. Customer warrants and represents that it shall keep the System free from all Liens (other than those created by Provider or its creditors). Provider shall be entitled to, and is hereby authorized to, file one or more precautionary UCC Financing Statements or fixture filings, as applicable, in such jurisdictions as it deems appropriate with respect to the System in order to protect its title to and rights in the System. The Parties intend that neither Customer nor any party related to Customer shall acquire the right to operate the System or be deemed to operate the System for purposes of Section 7701 (e)(4)(A)(i) of the Internal Revenue Code, as amended, and the terms of this Agreement shall be construed consistently with the intention of the Parties. Customer shall provide timely notice of Provider's title and sole ownership of each System to all Persons that have, or may come to have, an interest in or lien upon the real property comprising the Property. If Provider determines to treat any component of the System as real property, it will seek Customer's consent in writing along with

the reasons therefore, and any required third party consents arising by reason of such characterization. Customer shall not unreasonably withhold its consent. Notwithstanding the foregoing, Financing Party may hold title to the System pursuant to a sale/leaseback transaction.

6.2 Ownership of Attributes

As between the Parties, Provider shall retain the exclusive right to take or sell all System products, including electricity, capacity and all Environmental Attributes and Tax Attributes. Customer shall provide reasonable assistance to Provider in preparing all documents necessary for Provider to receive such Environmental Attributes and Tax Attributes, and if is deemed to be the owner of any such Environmental Attributes or Tax Attributes, Customer shall assign the same (or the proceeds thereof) to Provider. Provider shall reimburse Customer for any actual out-of-pocket costs or expenses reasonably incurred in connection with such actions. If Customer receives any payments in respect of such Environmental Attributes or Tax Attributes, it shall promptly pay them over to Provider.

6.3 Ownership of Rebates; Customer Rebate Assistance

All Rebates available in connection with the System are owned by Provider. Customer shall provide reasonable assistance to Provider in preparing all documents necessary for Provider to receive such Rebates, and if Customer is deemed to be the owner of such Rebates, Customer shall assign the same to Provider. Provider shall reimburse Customer for any actual out-of-pocket costs or expenses reasonably incurred in connection with such actions. If Customer receives any payments in respect of Rebates it shall promptly pay them over to Provider.

6.4 Capacity & Ancillary Services

Provider shall be entitled to receive any payments for electric capacity or ancillary services that may become available as a result of the construction or operation of the System. Customer shall provide reasonable assistance to Provider in preparing all documents necessary for Provider to receive such payments, and if Customer is deemed to be the owner or provider of such capacity or services, Customer shall assign the same to Provider. Provider shall reimburse Customer for any actual out-of-pocket costs or expenses reasonably incurred in connection with such actions. If Customer receives any payments in respect of capacity or such services it shall promptly pay them over to Provider.

6.5 Risk of Loss; Exclusive Control

As between the Parties, Provider will be deemed to be in exclusive control (and responsible for any property damage or injuries to persons caused thereby) of the Actual Production up to but excluding the point where each System is interconnected to Customer's electrical system (the "Interconnection Point") and Customer will be deemed to be in exclusive control (and responsible for any property damage or injuries to persons caused thereby) of the Actual Production at and from the Interconnection Point. Risk of loss related to Actual Production will transfer from Provider to Customer at the Interconnection Point.

6.6 Provider Liens

Provider shall not cause, create, incur, assume or suffer to exist any mortgage, pledge, lien (including mechanics', labor or materialman's lien), charge, security interest, encumbrance or claim of any nature ("Liens") on or with respect to Customer's interests in the Property or any interest therein other than the rights granted Provider hereunder. Provider will indemnify Customer for all claims, losses, damages, liabilities and expenses resulting from any liens filed against the Property. Provider also shall pay promptly any taxes, charges or fees for which Provider is responsible pursuant to Section 6.07 before a fine or penalty may attach to the Property.

6.7 Taxes and Assessments

Provider will pay and be responsible for any sales or use tax imposed with respect to Provider's acquisition and installation of the System. Provider shall not be obligated for any taxes payable by or assessed against Customer based on or related to Customer's income or revenues. Provider shall pay and be responsible for any sales, use, excise, transfer and other similar taxes or assessments levied on the sale or deliveries of the Solar Services hereunder (regardless of whether such taxes or assessments are imposed on Provider or Customer), together with any interest, penalties or additions to tax payable with respect to such taxes or assessments. Customer shall provide Provider with applicable tax exemption documents and shall cooperate with Provider to minimize the impact of any such taxes and assessments. Provider shall be liable for any real property taxes or assessments associated with the Property caused solely as a result of the presence of the System on the Property.

6.8 Quiet Enjoyment

Customer covenants that Provider shall enjoy quiet and peaceful use, enjoyment and possession of the rights granted hereunder for the Term. Customer agrees that this Agreement and any leaseholds, easements and rights of way granted hereunder run with the Property and survive any transfer of any portion of the Property. In furtherance of the foregoing, Customer shall cause any owner, tenant, purchaser, lessee, assignee, mortgagee, pledgee or other Person to whom a lien on the Property has been granted to execute and deliver to Provider an acknowledgment and consent of and to the Provider's rights hereunder in a form reasonably satisfactory to Provider, including, without limitation, an acknowledgment of no interest in the System. Customer shall compensate Provider for any Lost Provider Revenues associated with any period in which Provider is denied quiet enjoyment or access in accordance with the provisions hereof or Article 4.

6.9 Insolation

Customer acknowledges that access to sunlight is essential to the value of the rights granted hereunder. Accordingly, Customer shall not voluntarily permit any interference with Insolation on and at the Property. Customer will not construct or permit to be constructed any structure on the Property that would adversely affect Insolation levels, or permit the growth of foliage that could adversely affect Insolation levels. Customer shall compensate Provider for any Lost Provider Revenues associated with any interference with Insolation attributable to Customer

hereunder, provided Provider is able to measure and verify said adverse effects pursuant to acceptable industry standards.

6.10 Other Customer Activities

Customer shall not initiate, conduct or permit activities on, in or about the Site that have a reasonable likelihood of causing damage, impairment or otherwise adversely affecting a System. Customer shall implement and maintain reasonable and appropriate security measures on the Property to prevent Customer's employees, invitees, agents and representatives and other unrelated third parties from having access to the System. If Customer determines to undertake activities on the Property that require temporary displacement of any portion of the Site, then it shall provide reasonable prior notice (not less than six months) to Provider, and at Customer's expense, Provider shall disassemble, store and re-assemble the affected portions of the System at a time and in a manner reasonably calculated to accommodate such work. Storage of the System in accordance with the previous sentence shall be on the Property in a location to be designated by Customer, but in the estimation of Provider reasonably suitable for storage of the component pieces of the System. Customer will pay Provider all Lost Provider Revenues with respect to the period of such shutdown.

6.11 Customer Requested Shutdown

Customer from time to time may request Provider to temporarily stop operation of the System, such request to be reasonably related to Customer's activities in maintaining and improving the Site; provided, however, that such requested shutdown does not result in Provider's failure to comply with the Applicable Laws. During any such shutdown period (but not including periods of Force Majeure), Customer will pay Provider all Lost Provider Revenues with respect to the period of such shutdown.

6.12 Provider Safety Shutdown

In addition to the right of Provider to shut down the System for maintenance or emergency repairs as provided in Section 5.6, Provider may shutdown the System if in the exercise of its reasonable judgment, Provider believes Site conditions or activities of persons on the Site which are not under the control of Provider, whether or not under the control of Customer, may interfere with the safe operation of the System. Provider shall give Customer notice of a shutdown immediately upon becoming aware of the potential for such conditions or activities. Provider and Customer shall cooperate and coordinate their respective efforts to restore Site conditions so as to not interfere with the safe operation of the System and to reduce the duration of any shutdown. In the event of such a shutdown, and if said shutdown is caused by the negligence, willful misconduct or breach of this agreement by Customer, Customer shall be deemed to have shut down the System, and shall pay Provider all Lost Provider Revenues with respect to the period of the shutdown. If a shutdown pursuant to this Section 6.12 continues for one hundred and eighty (180) days or longer, and if said shutdown is caused by the negligence, willful misconduct or breach of this agreement by Customer, Provider may terminate this Agreement and require Customer to pay the Early Termination Fee.

6.13 System Relocation

Customer may request to move the System to another location on the Site or to another site owned by Customer, but any such relocation shall be subject to the approval of Provider in its sole discretion. In connection with such relocation, Customer shall execute an amendment to this Agreement reflecting the new location of the System but otherwise continuing all the terms and conditions of this Agreement for the remaining term of this Agreement. Customer shall also provide any consents or releases required by Provider in connection with the new location. Customer shall pay all costs associated with the removal and relocation of the System, including installation and testing costs and interconnection costs. In addition, Customer will pay Provider all Lost Provider Revenues with respect to any relocation period.

6.14 Interconnection Deactivated

If an interconnection with the Local Electric Utility becomes deactivated such that the System is no longer able to produce energy or deliver energy to the Local Electric Utility for reasons that are both: (a) not: (i) a Force Majeure Event; or (ii) caused by or related to any unexcused action or inaction of Provider, and (b) if said deactivation is caused by the negligence, willful misconduct or breach of this agreement by Customer, Customer will pay Provider any Lost Provider Revenues associated with the period of such deactivation.

6.15 Sale of Site

In the event Customer transfers (by sale, lease or otherwise) all or a portion of its interest in the Site, Customer shall remain primarily liable to Provider for the performance of the obligations of Customer hereunder notwithstanding such transfer. However, if no Customer Default has occurred and is continuing and the transferee is acceptable to Provider in its sole discretion and executes agreements assuming this Agreement in form and substance satisfactory to Provider in its sole discretion, Customer may be released from further obligations under this Agreement.

Article VII TERM

7.1 Term

The initial term of this Agreement shall commence on the Effective Date and shall continue to apply for each Property for a period ending on the first December 31 following the twentieth (20th) anniversary of the Commercial Operation Date of the System located on such Property (the "Initial Term"), unless terminated earlier pursuant to this Agreement. After the Initial Term, this Agreement may be renewed for up to two (2) successive five (5)-year terms (each, a "Renewal Term"), if either Party provides written notice to the other Party at least one hundred and twenty (120) days prior to the expiration of the Initial Term or the then-applicable Renewal Term, and the other Party agrees to the renewal within thirty (30) days of receipt of the notice. The Initial Term and all subsequent Renewal Terms, if any, are referred to collectively as the "Term." The date on which this Agreement terminates by reason of expiration of the Initial Term or of a Renewal Term, if applicable, is hereafter referred to as the "Expiration Date." Any

other date on which this Agreement terminates is hereafter referred to as the "Early Termination Date".

7.2 Early Termination by Provider

If a System has not begun to produce electricity within nine (9) months of receiving all Governmental Approvals required to build and operate the System, Provider may terminate this Agreement, immediately upon provision of written notice thereof to Customer. Provider will not have any liability for such termination, except that no such termination shall act to relieve Provider from any obligation hereunder regarding the removal of the System and the restoration of the Site.

7.3 Early Termination by Customer

Customer shall have the right to unilaterally terminate this Agreement with respect to the System and its related Site and Property only upon (i) Customer's purchase of such System as provided in Section 7.4, or (ii) at any time after the end of the sixth year of commercial operation of the System, not less than ninety (90) days prior written notice and, with respect to (ii), upon meeting the following conditions:

- (a) Customer pays Provider or its designee applicable Early Termination Fee as of the Early Termination Date, including all costs (including liquidated damages and penalties) required to terminate such System's arrangements with the Local Electric Utility, purchasers of Environmental Attributes and other related System contractors, and Customer obtains a full waiver of claims from such entities in form satisfactory to Provider and directed to Provider; and
- (b) Customer pays all costs to dismantle, decommission and remove such System and restore such Site to its original condition.

7.4 Customer Purchase Option

So long as a Customer Default shall not have occurred and be continuing, Provider grants to Customer an option to purchase the System (the "Purchase Option") as of the Expiration Date or any Purchase Option Date for a purchase price (the "Option Price") equal to the greater of (a) the Fair Market Value of such System, as determined pursuant to Section 7.5(b) the Early Termination Fee, or (c) the amount owed to any Financing Party upon termination pursuant to the applicable financing documents (including a sale/leaseback transaction). If Customer elects to exercise the Purchase Option, then, not less than one hundred eighty (180) days prior to the Expiration Date or Purchase Option Date, as applicable, Customer shall provide written notice to Provider of Customer's intent to exercise the Purchase Option, which election shall be irrevocable. Following its receipt of Customer's notice, Provider shall determine and notify Customer of the Fair Market Value. In the event Customer disagrees with any determination of Fair Market Value (to the extent in excess of the Early Termination Fee) it shall notify Provider in writing and the Parties shall determine the Fair Market Value in accordance with Section 7.5. Upon final determination of the Fair Market Value, but in any event on or before the Purchase Option Date, (i) the Parties shall promptly execute all documents necessary to (a) cause title to such System to pass to Customer, free and clear of any Liens, immediately subsequent to the Expiration Date or the Purchase Option Date (as applicable), and (b) assign any warranties for

such System to Customer, and (ii) Customer shall pay the Option Price to Provider in immediately available funds. Customer shall also execute such documents reasonably necessary for Customer to accept, assume and perform all then-existing agreements relating to such System or the Solar Services, including but not limited to operations and maintenance agreements, and agreements for the sale of Environmental Attributes.

7.5 Determination of Fair Market Value

If the Customer does not agree with Provider's determination of Fair Market Value pursuant to Section 7.4, then the Parties shall select a nationally recognized independent appraiser with experience and expertise in the solar photovoltaic industry. Such appraiser shall act reasonably and in good faith to determine Fair Market Value and shall set forth such determination in a written opinion delivered to the Parties within twenty (20) days of the initial request for appraisal. The valuation made by the appraiser shall be binding upon the Parties in the absence of fraud or manifest error. The costs of the appraisal shall be borne by the Parties equally.

Article VIII REPRESENTATIONS AND WARRANTIES

Each Party represents and warrants to the other as of the Effective Date:

8.1 Organization; Existence; Good Standing

Such Party is duly organized, validly existing and in good standing in the jurisdiction of its organization. Such Party has the full right and authority to enter into, execute, deliver and perform its obligations under this Agreement, and such Party has taken all requisite corporate, body politic or other action to approve the execution, delivery and performance of this Agreement.

8.2 Binding Obligation

This Agreement constitutes its legal, valid and binding obligation enforceable against such Party in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, and other similar laws relating to creditors' rights generally.

8.3 No Litigation

There is no litigation, action, proceeding or investigation pending or, to such Party's knowledge, threatened before any court or other Governmental Authority by, against, affecting or involving any of its business or assets that would affect its ability to carry out the transactions contemplated herein.

8.4 Execution and Performance

Such Party's execution and performance of this Agreement and the transactions contemplated hereby do not constitute a breach of any term or provision of, or a default under, (i) any contract or agreement to which it or any of its Affiliates is a party or by which it or any of its

Affiliates or its or their property is bound, (ii) its organizational laws or documents, or (iii) any Applicable Laws. To the knowledge of each Party, there are no commitments to third parties that may impair or otherwise adversely affect the performance of such Party under this Agreement, or the construction, installation or function of a System on the Property.

8.5 Service Contract

This Agreement is a service contract pursuant to Section 7701(e)(3) of the Internal Revenue Code.

Additional Representation of Customer

- (a) Electric Usage. Customer has provided to Provider complete and correct records of its electric usage at the Site for the preceding three (3) years.
- (b) Condition of Property. Customer has provided to Provider complete and accurate records and information of the physical condition of the Property. If it is discovered that the actual site conditions on part of or on the entire Property upon which all or part of the System is to be installed, are materially different from the information presented by Customer, then Provider shall have the right to terminate this Agreement without penalty or other liability to Customer. If Customer had knowledge of such differing site conditions at the time of entry into this Agreement, then at Provider's option the rates payable by Customer hereunder shall be negotiated by the Parties to reasonably compensate Provider for the cost of design and construction changes and delays incurred to adapt the System to the unknown conditions.
- (c) Financial Information. The financial statements Customer has provided to Provider present fairly in all material respects the financial condition and results of operations of Customer.
- (d) Title. The title to the Site is not impaired by any outstanding contract, covenant, interest, lien, or mortgage in conflict with this Agreement. Customer has full authority to grant the Provider license to access the Property.
- (e) Customer as Governmental Entity. If Customer is a municipality or other governmental entity, (i) Customer covenants that, in the event any payment hereunder (including payment of the Early Termination Fee) is or becomes subject to any necessary appropriation, Customer shall use its best faith efforts to appropriate necessary fund to satisfy such obligations, and not to discriminate between such obligations and its other obligations with respect to payments for necessary services, (ii) any failure of Customer to make payment as a result of any non-appropriation shall constitute a Customer Default, and (iii) Customer waives, to the fullest extent permitted by Applicable Law, any claim for sovereign immunity associated with any liability hereunder.

8.6 Representation of Provider Regarding System Design

The System, as described in Schedule 2, meets the current guidelines for qualification for non-demand metered service under the Pacific Gas & Electric RES-BCT rate tariff, effective as of May 1st, 2014.

Article IX
DEFAULT AND FORCE MAJEURE

9.1 Provider Defaults

- (a) Provider Default Defined. If Provider breaches any material term of this Agreement and (i) if such breach can be cured within thirty (30) days after Customer's notice of such breach and Provider fails to so cure, or (ii) Provider otherwise fails to commence and diligently pursue and complete said cure within ninety (90) days, or (iii) Provider admits in writing its inability to pay its debts generally as they become due; (iv) Provider files a petition or answer seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law or statute of the United States of America or any state, district or territory thereof; (v) Provider makes an assignment for the benefit of creditors; (vi) Provider consents to the appointment of a receiver of the whole or any substantial part of its assets; (vii) Provider has a petition in bankruptcy filed against it, and such petition is not dismissed within ninety (90) days after the filing thereof; (viii) a court of competent jurisdiction enters an order, judgment, or decree appointing a receiver of the whole or any substantial part of Provider's assets, and such order, judgment or decree is not vacated or set aside or stayed within ninety (90) days from the date of entry thereof; or (ix) under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the whole or any substantial part of Provider's assets and such custody or control is not terminated or stayed within ninety (90) days from the date of assumption of such custody or control.
- (b) Customer's Remedies. If a Provider Default described in Section 9.1(a) has occurred and is continuing, Customer may terminate this Agreement immediately upon the expiration of the respective grace periods set forth in such provisions without the obligation to pay the Early Termination Fee, and otherwise exercise any other remedy it may have at law or equity or under this Agreement.
- (c) Actions to Prevent Injury. If any Provider Default creates an imminent risk of damage or injury to any Person or any Person's property, then, in addition to any other right or remedy that Customer may have, Customer may (but shall not be obligated to) take such action as Customer deems appropriate to prevent such damage or injury.

9.2 Customer Defaults

- (a) Customer Default Defined. The following events shall be defaults with respect to Customer (each, a "Customer Default"):
 - (i) Customer fails to pay Provider any undisputed amount due Provider under this Agreement within five (5) Business Days from receipt of notice from Provider of such past due amount;
 - (ii) Customer breaches any material term of this Agreement if (a) such breach can be cured within thirty (30) days after Provider's notice of such breach and Customer fails to so cure, or (b) Customer otherwise

- fails to commence and diligently pursue and complete said cure within ninety (90) days; or
- (iii) Customer admits in writing its inability to pay its debts generally as they become due;
 - (iv) Customer files a petition or answer seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law or statute of the United States of America or any state, district or territory thereof;
 - (v) Customer makes an assignment for the benefit of creditors;
 - (vi) Customer consents to the appointment of a receiver of the whole or any substantial part of its assets;
 - (vii) Customer has a petition in bankruptcy filed against it, and such petition is not dismissed within ninety (90) days after the filing thereof;
 - (viii) A court of competent jurisdiction enters an order, judgment, or decree appointing a receiver of the whole or any substantial part of Customer's assets, and such order, judgment or decree is not vacated or set aside or stayed within ninety (90) days from the date of entry thereof;
 - (ix) Or under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the whole or any substantial part of Customer's assets and such custody or control is not terminated or stayed within ninety (90) days from the date of assumption of such custody or control.
- (b) **Provider's Remedies.** If a Customer Default described in Section 9.02Ca) has occurred and is continuing, then in addition to (and not in lieu of) any other remedy it may have in law or equity, may do any or all of the following: (i) require Customer to pay to Provider the Early Termination Fee and/or (ii) remove any of the System from the Property at Customer's expense and terminate this Agreement immediately.
- (c) **Actions to Prevent Injury.** If any Customer Default creates an imminent risk of damage or injury to any Person or any Person's property, then in any such case, in addition to any other right or remedy that Provider may have, Provider may (but shall not be obligated to) take such action as Provider deems appropriate to prevent such damage or injury.

9.3 Force Majeure

A "Force Majeure Event" means any event which wholly or partly prevents or delays the performance of any obligation arising under this Agreement, but only if and to the extent (i) such event is not within the reasonable control, directly or indirectly, of the Party affected, (ii) such event, despite the exercise of reasonable diligence, cannot be prevented, avoided or overcome by such Party, (iii) the Party affected has taken all reasonable precautions and measures in order to avoid the effect of such event on such Party's ability to perform its obligations under this Agreement and to mitigate the consequences thereof: and (iv) such event is not the direct or indirect result of a Party's negligence or the failure of such Party to perform any of its obligations

under this Agreement or to comply with Applicable Law. Notwithstanding any other term hereof, no payment obligation of Customer under this Agreement may be excused or delayed as a result of a Force Majeure Event, unless such Force Majeure directly causes Customer to be unable to make payments due under this Agreement. A Party claiming a Force Majeure Event shall not be considered in breach of this Agreement or liable for any delay or failure to comply with the Agreement, if and to the extent that such delay or failure is attributable to the occurrence of such Force Majeure Event; provided that the Party claiming relief shall immediately notify the other Party in writing of the existence of the Force Majeure Event, exercise all reasonable efforts necessary to minimize delay caused by such Force Majeure Event, and resume performance of its obligations hereunder as soon as practicable thereafter.

9.4 Limitation on Liability

EXCEPT WITH RESPECT TO PAYMENT OF THE EARLY TERMINATION FEE OR IN CONNECTION WITH THIRD-PARTY INDEMNIFICATION CLAIMS, NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY SPECIAL, PUNITIVE, EXEMPLARY, INDIRECT OR CONSEQUENTIAL DAMAGES ARISING OUT OF, OR IN CONNECTION WITH, THIS AGREEMENT.

Article X DISPUTE RESOLUTION

10.1 Resolution by Parties

In the event of any dispute, controversy or claim between the Parties arising out of or relating to this Agreement (collectively, a “Dispute”), the Parties shall attempt in the first instance to resolve such Dispute through friendly consultations between the Parties. If such consultations do not result in a resolution of the Dispute within thirty (30) days after notice of the Dispute has been delivered to either party, then such Dispute shall be referred to the senior management of the Parties for resolution. If the Dispute has not been resolved within thirty (30) days after such referral to the senior management of the Parties, then either Party may pursue all of its remedies available hereunder. The Parties agree to attempt to resolve all Disputes promptly, equitably and in a good faith manner. In the event a dispute hereunder is resolved pursuant to arbitration or judicial proceedings, the Party, whose petition does not prevail in such proceedings, shall reimburse all of the other Party’s third party costs (including reasonable attorney’s fees) incurred to prosecute or defend (as the case may be) such proceedings.

Article XI INSURANCE, CASUALTY AND CONDEMNATION

11.1 Provider’s Insurance

Provider shall maintain the following insurance coverages in full force and effect from the date that any preparatory installation activities begin at the Property throughout the Term: (a) Workers' Compensation Insurance as may be from time to time required under Applicable Laws, and (b) Commercial General Liability Insurance with limits of not less than \$2,000,000 general aggregate, \$1,000,000 per occurrence, which insurance shall cover the following: (i) premises and operations liability; (ii) contractual liability; (iii) products/completed operations; (iv) personal and advertising liability; (v) independent contractor liability and (vi) xcu (explosion,

collapse and underground); and (c) Automobile Liability insurance covering owned, hired and non-owned vehicles, with a minimum liability of \$1,000,000; and (d) Umbrella or Excess liability insurance with a limit of \$2,000,000 per occurrence and a general aggregate of \$2,000,000. Additionally, Provider shall carry commercially adequate property loss insurance on each System. Provider's liability insurance policies shall be written on an occurrence basis and shall include Customer as an additional insured on a primary basis to said policies.

11.2 Customer's Insurance

Customer shall maintain the following insurance coverages in full force and effect from the date that any preparatory installation activities begin at the Property throughout the Term: (a) Workers' Compensation Insurance as may be from time to time required under Applicable Laws, and (b) Commercial General Liability Insurance with limits of not less than \$2,000,000 general aggregate, \$1,000,000 per occurrence. Additionally, Customer shall carry commercially adequate property loss insurance for the Site. Customer's liability insurance policies shall be written on an occurrence basis and shall include Provider as an additional insured on a primary basis to said policies.

11.3 Generally

Upon each Party's request annually, each Party shall deliver to the other Party certificates of insurance evidencing such respective coverage referenced above, which shall specify that the other Party shall be given at least thirty (30) days' prior written notice by the applicable insurer in the event of any material modification, cancellation or termination of coverage. Such insurance shall be on an occurrence basis and shall be primary coverage without right of contribution from any insurance of the other Party and shall permit waivers of subrogation against the other Party. All insurance maintained hereunder shall be maintained with companies either rated no less than A- as to Policy Holder's Rating in the current edition of Best's Insurance Guide (or with an association of companies each of the members of which are so rated) or having a parent company's debt to policyholder surplus ratio of 1:1. Provider's insurer may be an Affiliate of Provider.

11.4 Casualty

If at any time during the Term any part of the Property is so severely damaged by fire or other casualty that substantial alteration, reconstruction or restoration is required on the Property, but the System is capable of producing Actual Production, then Customer shall take and pay for all of the Actual Production that the System is capable of producing. In such case, this Agreement shall remain in full force and effect, without change, for the remainder of the Term.

If at any time during the Term the System is so severely damaged by fire or other casualty that substantial alteration, reconstruction or restoration is required, then Provider shall have the right, but not the obligation, to reconstruct or restore the System if Provider elects to do so, then the Agreement shall remain in full force and effect, without change, for the remainder of the Term. If Provider fails to provide notice of its intention to reconstruct or restore the System within ninety (90) days of any such casualty, this Agreement shall terminate and Provider shall remove the System from the Site in accordance with the provisions of Section 4.3.

11.5 Condemnation

If at any time during the Term, any part of the Property or System is taken for any public or quasi-public use under Applicable Law, ordinance of or regulation by a Governmental Authority by condemnation or right of eminent domain, then each Party shall be entitled to separately pursue an award for its respective property interest appropriated as well as any damages suffered thereby, and each Party hereby waives any right to any award that may be prosecuted by the other Party.

Article XII ASSIGNMENT

12.1 Generally

This Agreement and the rights and obligations under this Agreement shall be binding upon and shall inure to the benefit of Provider and Customer and their respective successors and permitted assigns. Any purported assignment in violation of this Article XII shall be null and void *ab initio*.

12.2 Assignment by Customer

Customer shall not assign its interests in this Agreement, nor any part thereof, without Provider's prior written consent, which consent shall not be unreasonably withheld.

12.3 Assignment by Provider

(a) Except as expressly provided in Section 12.3(b), Provider shall not sell, transfer or assign this Agreement or any right, interest or obligation therein (each, an "Assignment"), without the prior written consent of Customer. In no event will Customer unreasonably withhold, condition or delay its written consent to an Assignment if Customer has been given reasonable proof that the proposed assignee: (x) has comparable experience in operating and maintaining photovoltaic solar systems comparable to the System; and (y) has the financial capability to maintain the System and perform hereunder.

(b) Provider may, without Customer's consent, (i) make an Assignment to an Affiliate of Provider; (ii) collaterally assign or pledge its interests hereunder and/or in the System or any monies due under this Agreement; and/or (iii) make an Assignment to a Financing Party as part of a sale/leaseback financing. In each such case, Provider will give Customer prompt written notice of the Assignment.

(c) In the case any Assignment pursuant to this Section 12.3, the assignee shall assume in writing, in form and content reasonably satisfactory to Customer, the due performance of all Provider's obligations under this Agreement. If such condition is met, Customer agrees to provide such confirmations, releases and novations as are reasonably requested by Provider in connection with any such assignment.

12.4 Financing Accommodations Assignment to Financing Party

Provider may mortgage, pledge, grant security interests, assign, or otherwise encumber its interests in this Agreement to any persons providing financing for the System. Customer acknowledges that Provider may obtain construction financing for the System from a third party and that Provider may either obtain term financing secured by the System or sell or assign the System to a Financing Party or may arrange other financing accommodations from one or more financial institutions and may from time to time refinance, or exercise purchase options under, such transactions. Customer acknowledges that in connection with such transactions Provider may secure Provider's obligations by, among other collateral, an assignment of this Agreement and a first security interest in the System. In order to facilitate such necessary sale, conveyance, or financing and with respect to any Financing Party, Customer agrees as follows:

- (a) **Consent to Collateral Assignment.** Customer hereby consents to both of the sale of the System to a Financing Party and the collateral assignment to the Financing of the Provider's right, title and interest in and to this Agreement.
- (b) **Rights of Financing Party.** Notwithstanding any contrary term of this Agreement:
 - (i) **Step-In Rights.** The Financing Party, as owner of the System, or as collateral assignee of this Agreement, shall be entitled to exercise, in the place and stead of Provider, any and all rights and remedies of Provider under this Agreement in accordance with the terms of this Agreement. The Financing Party shall also be entitled to exercise all rights and remedies of owners or secured parties, respectively, generally with respect to this Agreement and the System;
 - (ii) **Opportunity to Cure Default.** The Financing Party shall have the right, but not the obligation, to pay all sums due under this Agreement and to perform any other act, duty or obligation required of Provider thereunder or cause to be cured any default of Provider thereunder in the time and manner provided by the terms of this Agreement. Nothing herein requires the Financing Party to cure any default of Provider under this Agreement or to perform any act, duty or obligation of Provider under this Agreement (unless the Financing Party has succeeded to Provider's interests under this Agreement), but Customer hereby gives it the option to do so;
 - (iii) **Exercise of Remedies.** Upon the exercise of remedies, including any sale of the System by the Financing Party, whether by judicial proceeding or under any power of sale contained therein, or any conveyance from Provider to the Financing Party (or any assignee of the Financing Party as defined below) in lieu thereof, the Financing Party shall give notice to Customer of the transfer or assignment of this Agreement. Any such exercise of remedies shall not constitute a default under this Agreement;
 - (iv) **Cure of Bankruptcy Rejection.** Upon any rejection or other termination of this Agreement pursuant to any process undertaken with respect to Provider under the United States Bankruptcy Code, at the request of Financing Party made within ninety (90) days of such termination or

rejection, Customer shall enter into a new agreement with Financing Party or its assignee having substantially the same terms and conditions as this Agreement.

- (c) Right to Cure.
 - (i) **Cure Period.** Customer will not exercise any right to terminate or suspend this Agreement unless it shall have given the Financing Party prior written notice of its intent to terminate or suspend this Agreement, as required by this Agreement, specifying the condition giving rise to such right, and the Financing Party shall not have caused to be cured the condition giving rise to the right of termination or suspension within thirty (30) days after such notice or (if longer) the periods provided for in this Agreement; provided that if such Provider default reasonably cannot be cured by the Financing Party within such period and the Financing Party commences and continuously pursues cure of such default within such period, such period for cure will be extended for a reasonable period of time under the circumstances, such period not to exceed an additional ninety (90) days. The Parties' respective obligations will otherwise remain in effect during any cure period.
 - (ii) **Continuation of Agreement.** If the Financing Party or its assignee (including any purchaser or transferee), pursuant to an exercise of remedies by the Financing Party, shall acquire title to or control of Provider's assets and shall, within the time periods described in Section 12.04(a)(iii) above, cure all defaults under this Agreement existing as of the date of such change in title or control in the manner required by this Agreement and which are capable of cure by a third person or entity, then such person shall no longer be in default under this Agreement, and this Agreement shall continue in full force and effect.
- (d) **Financing Party a Third Party Beneficiary.** Customer agrees and acknowledges that Financing Party is a third party beneficiary of the provisions of this Section 12.4.
- (e) **Entry to Consent to Assignment.** Customer agrees to (i) execute any consents to assignment or acknowledgements and (ii) provide such opinions of counsel as may be reasonably requested by Provider and/or Financing Party in connection with such financing or sale of the System.

Article XIII INDEMNIFICATION

13.1 Indemnification by Provider

Subject to Section 11.1, Provider shall fully indemnify, save harmless and defend Customer, its contractors, subcontractors, directors, officers, employees, agents and invitees from and against any and all costs, claims, and expenses incurred by Customer in connection with or

arising from any claim by a third party for physical damage to or physical destruction of property, or death of or bodily injury to any Person, but only to the extent caused by (a) the negligence or willful misconduct of Provider or its agents or employees or others under Provider's control or (b) any work performed by Provider, its agents, servants, subcontractors or employees of the Property or any premises or facilities, or part thereof, owned by Customer or (c) a Provider Default; *provided, however*, that Provider's obligations pursuant to this Section 13.1 shall not extend to claims, demands, lawsuits or actions for liability to the extent attributable of Customer; *provided further, however*, that nothing in this Section is intended to modify the limitation of Provider's liability set forth in Section 9.4. This agreement to indemnify specifically includes full indemnity in the event of liability imposed against Customer solely by reason of statute, operation to the negligence or willful misconduct of law or otherwise.

13.2 Indemnification by Customer

Subject to Section 11.2, Customer shall fully indemnify, save harmless and defend Provider, its contractors, subcontractors, shareholders, directors, officers, employees, agents, contractors and invitees and any Financing Party ("Provider Indemnified Parties") from and against any and all costs, claims, and expenses incurred by Provider in connection with or arising from any claim by a third party for physical damage to or physical destruction of property, or death of or bodily injury to any Person, but only to the extent caused by (a) the negligence or willful misconduct of Customer or its agents or employees or others under Customer's control or (b) a Customer Default; *provided, however*, that Customer's obligations pursuant to this Section 13.2 shall not extend to claims, demands, lawsuits or actions for liability to the extent attributable to the negligence or willful misconduct of Provider; *provided further, however*, that nothing in this Section is intended to modify the limitation of Customer's liability set forth in Section 9.4.

13.3 Notice of Claims

Any Party seeking indemnification hereunder (the "Indemnified Party") shall deliver to the other Party (the "Indemnifying Party") a notice describing the facts underlying its indemnification claim and the amount of such claim (each such notice a "Claim Notice"). Such Claim Notice shall be delivered promptly to the Indemnifying Party after the Indemnified Party receives notice that an action at law or a suit in equity has commenced; *provided, however*, that failure to deliver the Claim Notice as aforesaid shall not relieve the Indemnifying Party of its obligations under this Section, except to the extent that such Indemnifying Party has been prejudiced by such failure.

13.4 Defense of Action

If requested by an Indemnified Party, the Indemnifying Party shall assume on behalf of the Indemnified Party, and conduct with due diligence and in good faith, the defense of such Indemnified Party with counsel reasonably satisfactory to the Indemnified Party; *provided, however*, that if the Indemnifying Party is a defendant in any such action and the Indemnified Party believes that there may be legal defenses available to it that are inconsistent with those available to the Indemnifying Party, the Indemnified Party shall have the right to select separate counsel to participate in its defense of such action at the Indemnifying Party's expense. If any claim, action, proceeding or investigation arises as to which the indemnity provided for in this

Section applies, and the Indemnifying Party fails to assume the defense of such claim, action, proceeding or investigation after having been requested to do so by the Indemnified Party, then the Indemnified Party may, at the Indemnifying Party's expense, contest or, with the prior written consent of the Indemnifying Party, which consent shall not be unreasonably withheld, settle such claim, action, proceeding or investigation. All costs and expenses incurred by the Indemnified Party in connection with any such contest or settlement shall be paid upon demand by the Indemnifying Party.

13.5 Survival of Provisions

The provisions of this Article 13 shall survive the expiration or termination of this Agreement.

Article XIV MISCELLANEOUS

14.1 Additional Documents

Upon the receipt of a written request from another Party, each Party shall execute such additional documents, instruments, estoppels, consents, confirmations and assurances, and take such additional actions as are reasonably necessary and desirable to carry out the terms and intent hereof. No Party shall unreasonably withhold condition or delay its compliance with any reasonable request made pursuant to this Section.

14.2 Confidentiality

If either Party or its representatives provides to the other Party or its representatives confidential information, including business plans, strategies, financial information, proprietary, patented, licensed, copyrighted or trademarked information, and/or technical information regarding the design, operation and maintenance of the System or of a Party's business ("Confidential Information"), the receiving Party shall protect the Confidential Information from disclosure to third parties with the same degree of care accorded its own confidential and proprietary information, but in any event not less than a commercially reasonable degree of care, and refrain from using such Confidential Information except in the negotiation and performance of this Agreement. Notwithstanding any other provision herein, neither Party shall be required to hold confidential any information that: (i) becomes publicly available other than through the receiving Party; (ii) is required to be disclosed by a Governmental Authority, under Applicable Law or pursuant to a validly issued subpoena; (iii) is independently developed by the receiving Party; (iv) becomes available to the receiving Party from a source which is not known to the receiving Party to be prohibited from disclosing such information pursuant to a legal, contractual or fiduciary obligation to the disclosing Party; or (v) information which the receiving Party can demonstrate was legally in its possession prior to disclosure by the disclosing Party. In the event that the receiving Party is requested or required by legal or regulatory authority to disclose any Confidential Information, the receiving Party shall promptly notify the disclosing Party of such request or requirement prior to disclosure, if permitted by Applicable Law, so that the disclosing Party may seek an appropriate protective order. In the event that a protective order or other

remedy is not obtained, the receiving Party agrees to furnish only that portion of the Confidential Information that it reasonably determines, in consultation with its counsel, is consistent with the scope of the subpoena or demand, and to exercise reasonable efforts to obtain assurance that confidential treatment will be accorded such Confidential Information.

14.3 Public Announcements

To avoid any conflicts regarding claims of solar or renewable energy use or production, Customer shall submit to Provider for prior written approval any public announcements, including without limitation, press releases, regarding the matters contemplated hereunder, the System or Customer's use of solar or renewable energy, such approval not to be unreasonably withheld.

14.4 Integration; Attachments

This Agreement, together with the Schedules and any Exhibits attached hereto, constitutes the entire agreement and understanding between Provider and Customer with respect to the subject matter hereof and supersedes all prior agreements relating to the subject matter hereof.

14.5 Industry Standards

Except as otherwise set forth herein, for the purpose of this Agreement accepted standards of performance within the solar photovoltaic power generation industry in the relevant market shall be the measure of whether a Party's performance is reasonable and timely. Unless expressly defined herein, words having well-known technical or trade meanings shall be so construed.

14.6 Amendments

This Agreement may only be amended, modified or supplemented by an instrument in writing executed by duly authorized representatives of Provider and Customer.

14.7 Waiver

No waiver of any provision of this Agreement shall be effective unless set forth in writing signed by the Party granting such waiver, and any such waiver shall be effective only to the extent it is set forth in such writing. The failure of Provider or Customer to enforce any of the provisions of this Agreement, or the waiver thereof, shall not be construed as a general waiver or relinquishment on its part of any such provision in any other instance, or of any other provision in any instance. No single or partial exercise of any right under this Agreement shall preclude any other or further exercise thereof or the exercise of any other right; and no waiver of any breach of or default under any provision of this Agreement shall constitute or be construed as a waiver of any subsequent breach of or default under that or any other provision of this Agreement.

14.8 Cumulative Remedies

Except as set forth herein, any right or remedy of Provider or Customer shall be

cumulative and without prejudice to any other right or remedy, whether contained herein or not.

14.9 Survival

The obligations hereunder that, by their sense and context, are intended to survive termination of this Agreement shall survive the expiration or termination of this Agreement to the extent necessary to give them full effect.

14.10 Governing Law; Jurisdiction; Forum

This Agreement shall be governed by and construed in accordance with the domestic laws of the State of California without reference to any choice of law principles. Any legal action or proceeding with respect to or arising out of this Agreement shall be brought in or removed to the courts of the State of California and of the United States of America in and for the State of California. By execution and delivery of this Agreement, Provider and Customer accept, generally and unconditionally, the jurisdiction of the aforesaid courts. Provider and Customer hereby waive any right to stay or dismiss any action or proceeding under or in connection with this Agreement brought before the foregoing courts on the basis of *forum non-conveniens*.

14.11 Waiver of Jury Trial

TO THE EXTENT ENFORCEABLE UNDER APPLICABLE LAW, EACH PARTY HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVES ANY RIGHTS THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH, THIS AGREEMENT OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN), OR ACTIONS OF EITHER PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PROVIDER TO ENTER INTO THIS AGREEMENT.

14.12 Severability

Any term, covenant or condition in this Agreement that to any extent is invalid or unenforceable in any respect in any jurisdiction shall, as to such jurisdiction, be ineffective and severable from the rest of this Agreement to the extent of such invalidity or prohibition, without impairing or affecting in any way the validity of any other provision of this Agreement, or of such provision in other jurisdictions. The Parties shall use good faith effort to replace any provision that is ineffective by operation of this Section with an effective provision that as closely as possible corresponds to the spirit and purpose of such ineffective provision.

14.13 Headings

The headings in this Agreement are solely for convenience and ease of reference and shall have no effect in interpreting the meaning of any provision of this Agreement.

14.14 Relation of the Parties

The relationship between Provider and Customer shall not be that of partners, agents or joint venturers for one another, and nothing contained in this Agreement shall be deemed to constitute a partnership or agency agreement between them for any purposes, including federal income tax purposes. Provider and Customer, in performing any of their obligations hereunder, shall be independent contractors or independent parties and shall discharge their contractual obligations at their own risk.

14.15 Injunctive Relief

The Parties acknowledge and agree that any violation or breach of the provisions of this Agreement may result in irreparable injury to a Party for which a remedy at law may be inadequate. In addition to any relief at law that may be available to a non-breaching Party for such a violation or breach, and regardless of any other provision contained in this Agreement, such Party shall be entitled to seek injunctive and other equitable relief and shall not be required to post any bond in connection therewith.

14.16 No Third-Party Beneficiaries

This Agreement is solely for the benefit of the Parties and their respective permitted successors and permitted assigns, and this Agreement shall not otherwise be deemed to confer upon or give to any other third party any remedy, claim, liability, reimbursement, cause of action or other right.

14.17 Counterparts

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which constitute but one agreement. Any counterpart may be delivered by facsimile transmission or by electronic communication in portable document format (.pdf) or tagged image format (.tif), and the Parties agree that their electronically transmitted signatures shall have the same effect as manually transmitted signatures.

14.18 No Public Utility

Neither Party shall assert that Provider is an electric utility or public service company or similar entity that has a duty to provide service, is subject to rate regulation, or is otherwise subject to regulation by any Governmental Authority as a result of Provider's obligations or performance under this Agreement. If at any time as a result of any Change in Law, Provider would be subject to regulation as an electric utility or public service company (or its equivalent) by any Governmental Authority by virtue of this Agreement, Customer will use its best efforts to restructure this Agreement so that Provider will not be subject to such regulation (while preserving for both Parties the substantive economic benefits conferred hereunder).

14.19 No Recourse of Affiliates

This Agreement is solely and exclusively between the Parties, and any obligations created herein on the part of either Party shall be the obligations solely of such Party. No Party shall

have recourse to any parent, subsidiary, partner, member, affiliate, lender, director, officer or employee of the other Party for performance or non-performance of any obligation hereunder, unless such obligations were assumed in writing by the Person against whom recourse is sought.

Notices

Unless otherwise provided in this Agreement, all notices and communications concerning this Agreement shall be in writing and addressed to the other Party as follows:

If to Provider:

Mendota Solar 1, LLC
c/o
William Bush
360 22nd Street, Suite 600
Oakland, CA 94612
(888) 898-6273
wbush@borregosolar.com

If to Customer:

Vince DiMaggio, City Manager
643 Quince Street
Mendota, CA 93640
(559) 655-4298
vincedimaggio@cityofmendota.com

With copy to:

Cristian Gonzalez, Public Works Director
643 Quince Street
Mendota, CA 93640
(559) 655-4298
Cristian@cityofmendota.com

or at such other address as may be designated in writing to the other Party. Unless otherwise provided herein, any notice provided for in this Agreement shall be hand-delivered, or sent by (a) registered or certified U.S. Mail, postage prepaid, (b) commercial overnight delivery service, or (c) facsimile or email attachment, and shall be deemed delivered to the addressee or its office when received at the address for notice specified above when hand-delivered, or upon confirmation of sending when sent by facsimile or email (if sent during normal business hours or the next Business Day if sent at any other time), on the Business Day after being sent when sent by overnight delivery service (Saturdays, Sundays and legal holidays excluded), or five (5) Business Days after deposit in the mail when sent by U.S. Mail. Customer shall deliver to any Financing Party, concurrently with delivery thereof to Provider, a copy of each notice of default given by Customer under this Agreement, inclusive of a reasonable description of Provider Default, and no such notice shall be effective absent delivery to the Financing Party. Customer shall not mutually agree with Provider to terminate this Agreement without the written consent of the Financing Party.

[Signature pages follow]

IN WITNESS WHEREOF intending to be legally bound hereby, the Parties have executed this Solar Power Services Agreement as of the Effective Date.

PROVIDER: Mendota Solar 1, LLC, ITS SOLE MEMBER

By: 1115 SOLAR DEVELOPMENT, LLC, its sole member and manager,

By: BORREGO SOLAR SYSTEMS, INC., its sole member and manager

By:_____

Name: William Bush

Title: Chief Financial Officer

BUYER: City of Mendota

By:_____

Name: Vince DiMaggio

Title: City Manager

SIGNATURE PAGE TO SOLAR POWER SERVICES AGREEMENT

SCHEDULES AND EXHIBITS

Schedule 1 – page 1
DESCRIPTION OF PROPERTY

The Property is located at **3699 Bass Avenue, Mendota CA 93640** and includes the real property at APN **013-03-068**

Schedule 1 – page 2

[INSERT PROPERTY DEED; TBD]

Schedule 2 – page 1
SITE PLANS AND SYSTEM

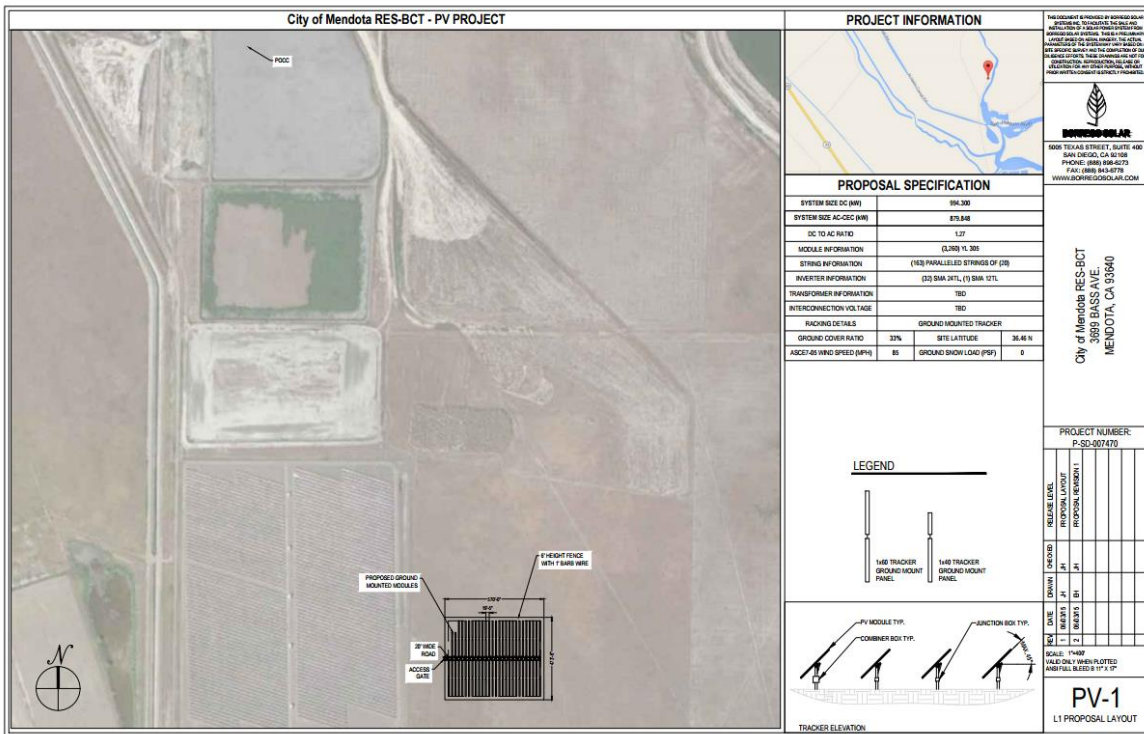
Site Plan:

Attach preliminary drawings of Engineer's approved Site Plans for grid-connected, ground-mount solar electric PV systems. As-built drawings to be provided upon completion and Commercial Operation Date, and amended to this Schedule, in accordance with Section 4.01.

System Details:

[SYSTEM EQUIPMENT AND EQUIPMENT COUNTS SUBJECT TO CHANGE AS DESIGN PROGRESSES]

Solar System Size:	994.3 kW DC
Estimated Year 1 Production:	2,085,300 kWh
Estimated Annual Degradation:	0.5%
Estimated Commercial Operation Date:	TBD: depending upon interconnection application, incentive requirements and permitting timeline
Modules:	Yingli 305 watt modules, or equivalent
Inverters:	SMA 24000TL-US string inverters, or equivalent
Racking:	Single-axis tracker (ATI or equivalent)
Warranty:	25-year power warranty on solar modules, including minimum annual production amount.
System Includes:	System components include: Solar panels, racking system, inverter system, wire kits, and data monitoring system. Design including: site visits, system drawings, engineering review and stamps (not including building structural review, if required). System commissioning. Interconnection application and permitting.



Schedule 3
kWh RATE

The kWh Rate with respect to the System contemplated in the Agreement shall be in accordance with the following schedule:

Year	PPA Rate (\$/kWh)
1	\$0.0930
2	\$0.0958
3	\$0.0987
4	\$0.1016
5	\$0.1047
6	\$0.1078
7	\$0.1110
8	\$0.1144
9	\$0.1178
10	\$0.1213
11	\$0.1250
12	\$0.1287
13	\$0.1326
14	\$0.1366
15	\$0.1407
16	\$0.1449
17	\$0.1492
18	\$0.1537
19	\$0.1583
20	\$0.1631

After year 20, during any Renewal Terms, the \$/kWh rate will escalate at the rate of 3% per annum.

Schedule 4
EARLY TERMINATION FEE COMPONENT

The Early Termination Fee with respect to a System under the Agreement shall include a lump sum payment calculated in accordance with the following schedule.

Early Termination Occurs in Year:	ETF Component Payment
1	\$3,321,929
2	\$3,169,650
3	\$3,016,389
4	\$2,858,961
5	\$2,696,928
6	\$2,529,811
7	\$2,510,102
8	\$2,484,226
9	\$2,451,572
10	\$2,411,477
11	\$2,363,220
12	\$2,306,021
13	\$2,239,035
14	\$2,161,343
15	\$2,071,953
16	\$1,969,787
17	\$1,853,678
18	\$1,722,362
19	\$1,574,472
20	\$1,408,525

Schedule 5 – page 1
FORM OF MEMORANDUM OF SOLAR POWER SERVICES AGREEMENT

MEMORANDUM OF SOLAR POWER SERVICES AGREEMENT

THIS MEMORANDUM OF SOLAR POWER SERVICES AGREEMENT (the “Memorandum”) is made effective as of [INSERT DAY/MONTH] 20__ (the “Effective Date”), between/among [INSERT SOLAR LLC], a Delaware limited liability company (“Provider”), and [INSERT CUSTOMER NAME], a California [INSERT ENTITY TYPE] (“Customer”). Provider and Customer are sometimes referred to individually as a Party and collectively as the Parties.

RECITALS

Customer is the fee simple owner of a certain tract of land more particularly described in Schedule 1, which is attached hereto and hereby incorporated herein (the “Property”), located in the County of Fresno, State of California; and Customer has entered into that certain Solar Power Services Agreement dated _____, ____ (the “Agreement”), with Provider, relating to the Property, which Agreement is for a term of twenty (20) years commencing on _____ and ending _____ which Agreement includes the right of Provider to install, operate and maintain on the Property an electric grid-connected photovoltaic solar power plant with a total generating capacity rated at approximately 994.3 kW DC owned by Provider (the “System”); and

The Agreement includes a grant of certain easements and other rights on and over portions of the Property including but not limited to an exclusive easement for the installation, operation and maintenance of the System on and over that portion of the Property described on Schedule 1 attached hereto and hereby incorporated herein as well as an easement to receive unobstructed sunlight; and

Customer and Provider desire to execute this Memorandum to give public record notice of the Agreement, Provider’s easement and other rights in and to the Property and Provider’s ownership of the System and appurtenances thereto.

NOTICE

This Memorandum is hereby executed for the purpose of recording in the office of the [Register of Deeds] [County Recorder] for _____ County, California in order to give public record notice of:

The Agreement and the terms and provisions set forth therein;

Schedule 5 – page 2

The existence of all easements and other rights granted to Provider in the Agreement relating to the Property;

Provider's ownership of and exclusive title to the System and appurtenances thereto; and

The prohibition on Customer or any person other than Provider granting or creating a lien or encumbrance on the System or any appurtenances thereto.

The provisions of this Memorandum do not in any way change or affect the terms, covenants and conditions of the Agreement, all of which terms, covenants and conditions shall remain in full force and effect.

[Signature page follows.]

CUSTOMER:

IN WITNESS WHEREOF, this Memorandum has been executed and delivered as of the day, month and year first above written.

CUSTOMER:

City of Mendota

By:

Name Printed: Vince DiMaggio

Title: City Manager

PROVIDER:

[INSERT SOLAR LLC]

By:

Name Printed: William Bush

Title: Chief Financial Officer

State of California)

County of _____)

On _____ before me, _____

Date

insert name and title of the officer

personally appeared _____, who

Name of Signer(s)

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 _____

Signature of Notary Public

Place Notary Seal Above

This instrument was drafted by and after recording should be returned to ____ of -----'

Schedule 6
RESERVED

Schedule 7
ESTIMATED ANNUAL PRODUCTION AND GUARANTEED PRODUCTION

Year	Estimated Annual Production (kWh)	Guaranteed Production (%)	Guaranteed Production (kWh)
1	2,085,330	95%	1,981,043
2	2,074,903	95%	1,971,158
3	2,064,529	95%	1,961,302
4	2,054,206	95%	1,951,496
5	2,043,935	95%	1,941,738
6	2,033,715	95%	1,932,029
7	2,023,547	95%	1,922,369
8	2,013,429	95%	1,912,758
9	2,003,362	95%	1,903,194
10	1,993,345	95%	1,893,678
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**BEFORE THE CITY COUNCIL
OF THE
CITY OF MENDOTA, COUNTY OF FRESNO**

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF MENDOTA APPROVING
SOLAR POWER SERVICES AGREEMENT
WITH MENDOTA SOLAR 1, LLC., PURSUANT
TO GOVERNMENT CODE SECTION
4217.10-18, MAKING CERTAIN FINDINGS
REQUIRED THEREFORE, AND AUTHORIZING
RELATED ACTIONS**

RESOLUTION NO. 15-72

WHEREAS, the City of Mendota ("City") finds it to be in the best interests of the City to implement projects to promote energy efficiency to achieve energy cost reductions; and

WHEREAS, Government Code sections 4217.10 through 4217.18 authorize the City Council, without advertising for bids, to enter into one or more energy service contracts with any person or entity, pursuant to which that person or entity will provide electrical or thermal energy or conservation services to the City, which may comprise or include an energy conservation facility, if the anticipated cost to the City for thermal or electrical energy or conservation services provided under the contract(s) is less than the anticipated marginal cost to the City of thermal, electrical, or other energy that would have been consumed by the City in the absence of those energy service contracts; and

WHEREAS, City staff reviewed the qualifications presented by Mendota Solar 1, LLC., a limited liability company ("Provider") to conduct and provide assessment of City energy usage, energy needs and opportunities to reduce energy expenses, found Provider's qualifications to appear bona fide and adequate; and

WHEREAS, Provider assessed the feasibility of solar photovoltaic energy as an energy conservation measure, based on certain baseline assumptions such as anticipated future increases in public utility energy rates, which assumptions have been duly considered by Provider to reduce the City's electrical utility energy consumption and expenditures thereon and recommended specific energy conservation measures based thereon ("Analysis," on file with the Clerk of the Board), upon which the City administration and staff have relied; and

WHEREAS, Provider has offered to enter into a Solar Power Services Agreement ("Contract," on file with the Clerk of the Board) to provide energy conservation services to implement the recommended energy conservation facilities comprising a detached, ground mounted, fully fence-enclosed solar photovoltaic energy plant ("Facility") for the power price stated therein; and

WHEREAS, the Analysis demonstrates that the cost of the Contract to the City for the thermal or electrical energy or conservation services provided thereunder is less than the anticipated marginal cost to the City of thermal, electrical, or other energy that would have been consumed by the City in the absence of the Contract (“Savings”); and

WHEREAS, the City intends that the Facility shall not be used for City purposes, and no individuals will be permitted to use or enter the Facility for any purpose or be subjected to a hazard resulting from its collapse.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Mendota approves:

Section 1. Recitals. All of the recitals herein contained are true and correct.

Section 2. Solar Power Services Agreement Contract Findings. The City Council of the City of Mendota finds that the cost of the Contract to the City for the thermal or electrical energy or conservation services provided thereunder is less than the anticipated marginal cost to the City of thermal, electrical, or other energy that would have been consumed by the City in the absence of the Contract and that the difference, if any, between the fair rental value for the real property subject to the facility ground lease and the agreed rent, is anticipated to be offset by below-market energy purchases or other benefits provided under the energy service contract that it is in the best interest of the City to approve and enter into the Contract.

Section 3. Solar Power Services Agreement Contract Approval. The form of the Contract by and between the City and Mendota Solar 1, LLC (“Provider”) presented herewith is hereby approved. The City Manager is hereby authorized and directed, for and in the name of and on behalf of the City, to execute and deliver to Provider the Contract and related documents as necessary to carry out the Contract, subject to such minor changes thereto as such officer or person may require, with the approval of City Attorney as to legal form.

Robert Silva, Mayor

ATTEST:

I, Matt Flood, City Clerk of the City of Mendota, do hereby certify that the foregoing resolution was duly adopted and passed by the City Council at a regular meeting of said Council, held at the Mendota City Hall on the 13th of October, 2015 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Matt Flood, City Clerk

AGENDA ITEM – STAFF REPORT

TO: HONORABLE MAYOR AND COUNCILMEMBERS
FROM: MATT FLOOD, PLANNING & ECONOMIC DEVELOPMENT MANAGER
VIA: VINCE DIMAGGIO, CITY MANAGER
SUBJECT: CODE ENFORCEMENT REPORT FOR SEPTBEMBER 2015
DATE: OCTOBER 13, 2015

In the month of September the focus of the Code Enforcement Department included vehicle related violations, ensuring that people do not trespass, camp, or loiter on properties, and conducting outreach and education to businesses regarding our Bin Enclosure Guidelines. Officers have also continued to stress the importance of water conservation.

Regarding the Bin Enclosure Guidelines implementation, we continue to work with the Mendota business community and Mid Valley Disposal (to communicate with all of the route drivers) in order to make sure that all questions are answered and needs are met. This has taken a little more time than anticipated but has facilitated some progressive dialogue between all of the involved parties. I will continue to report on this as we make progress in helping the businesses beautify their shops and the surrounding areas.

In October the focus is to continue honing in on the detailed aspects of code enforcement, with examples being shopping carts, public nuisances related to improperly stored materials or equipment, and building permit violations (many of which lead to substandard or overcrowded housing situations). We also continue to receive inquiries related to our business license standards, and consistently answer any questions individuals may have.

Attached is the monthly update on citations and written warnings given out during the month of September.

Address	Type of Case	1st Notice	2nd Notice	Deadline	Status
RUBEN BERRONES	NO BUSINESS LICENSE	9/2/2015	N/A	N/A	CITED
604 4TH	VEHICLE ABATEMENT	9/3/2015	N/A	9/13/2015	CLEARED
PO BOX 686 PARSIPPANY NJ	NO BUSINESS LICENSE	9/3/2015	N/A	N/A	CITED
HWY 33	72 HOUR NOTICE	9/3/2015	N/A	9/6/2015	CLEARED
904 S LYON AVE	TRUCK PARKING NOT ZONED	9/4/2015	N/A	N/A	CITED
910 SECOND ST	PARKED ON LAWN	9/8/2015	N/A	N/A	CITED
442 NAPLES	PUBLIC NUISANCE	9/8/2015	N/A	10/3/2015	PENDING
1178 OLLER	SUBSTANDARD LIVING	9/8/2015	N/A	N/A	ARRESTED
1037 PUCHEU	PUBLIC NUISANCE	9/8/2015	N/A	9/18/2015	CLEARED
1137 PUCHEU	BUILDING PERMIT	9/9/2015	N/A	N/A	PERMITTED
1161 OLLER SPACE 6	PARKED BY FIRE HYDRANT	9/9/2015	N/A	N/A	CITED
VALLEY FOOD	WATER CONSERVATION	9/9/2015	N/A	N/A	WRITTEN WARNING
800 GARCIA	VEHICLE ABATEMENT	9/9/2015	N/A	9/19/2015	CLEARED
654 LOZANO 1204	PARKED ON RED ZONE	9/9/2015	N/A	N/A	CITED
534 4th ST	PUBLIC NUISANCE	9/9/2015	N/A	9/19/2015	PENDING
7TH AND LOLITA	72 HOUR NOTICE	9/10/2015	N/A	9/13/2015	CLEARED
1438 8TH ST	TRUCK PARKING NOT ZONED	9/10/2015	N/A	N/A	CITED
1448 8TH ST	VEHICLE ABATEMENT	9/10/2015	N/A	9/24/2015	CLEARED
10 AND PUCHEU	72 HOUR NOTICE	9/10/2015	N/A	9/13/2015	CLEARED
10TH ST	72 HOUR NOTICE	9/10/2015	N/A	9/13/2015	CLEARED
280 BLACK AVE	NO BUSINESS LICENSE	9/12/2015	N/A	N/A	CITED
210 FLEMING	TRUCK PARKING NOT ZONED	9/12/2015	N/A	N/A	CITED
191 SORENSON	TRUCK PARKING NOT ZONED	9/12/2015	N/A	N/A	CITED
449 QUINCE	VEHICLE ABATEMENT	9/12/2015	N/A	10/7/2015	PENDING
214 J ST	72 HOUR NOTICE	9/13/2015	N/A	9/16/2015	CLEARED
647 PEREZ	VEHICLE ABATEMENT	9/14/2015	N/A	9/25/2015	CLEARED
310 BLACK AVE	VEHICLE ABATEMENT	9/14/2015	N/A	9/28/2015	CLEARED
641 PUCHEU	VEHICLE ABATEMENT	9/14/2015	N/A	10/7/2015	PENDING
585 DERRICK AVE	VEHICLE ABATEMENT	9/14/2015	N/A	10/7/2015	PENDING
585 DERRICK AVE	VEHICLE ABATEMENT	9/14/2015	N/A	10/7/2015	PENDING
585 DERRICK AVE	VEHICLE ABATEMENT	9/14/2015	N/A	10/7/2015	PENDING
974 2ND ST	WATER CONSERVATION	9/14/2015	N/A	N/A	WRITTEN WARNING
207 1ST	WATER CONSERVATION	9/14/2015	N/A	N/A	WRITTEN WARNING

934 2nd St	WATER CONSERVATION	9/14/2015	N/A	N/A	CITED
194 ROWE	WATER CONSERVATION	9/14/2015	N/A	N/A	WRITTEN WARNING
660 PUCHUE	TRAILER PARKED	9/14/2015	N/A	N/A	WRITTEN WARNING
661 PUCHUE ST	WATER CONSERVATION	9/14/2015	N/A	N/A	WRITTEN WARNING
476 4th ST	EXPIRED TAGS	9/15/2015	N/A	N/A	CITED
629 LOZANO	WATER CONSERVATION	9/15/2015	N/A	N/A	WRITTEN WARNING
436 OLLER	EXPIRED TAGS	9/15/2015	N/A	N/A	CITED
1161 OLLER ST	WATER CONSERVATION	9/15/2015	N/A	N/A	CITED
VALLEY FOOD	WATER CONSERVATION	9/15/2015	N/A	N/A	CITED
779 TULE	PUBLIC NUISANCE	9/15/2015	N/A	10/15/2015	PENDING
436 OLLER	TRUCK PARKING NOT ZONED	9/15/2015	N/A	N/A	CITED
654 LOZANO ST APT 1108	PARKED IN RED ZONE	9/16/2015	N/A	N/A	CITED
175 ASH AVE	TRUCK PARKING NOT ZONED	9/16/2015	N/A	N/A	CITED
513 NORTH KATE	PARKED ON LAWN	9/16/2015	N/A	N/A	CITED
910 SECOND ST	PARKED ON LAWN	9/16/2015	N/A	N/A	CITED
619 GARCIA	EXPIRED TAGS	9/17/2015	N/A	N/A	CITED
230 MCCABE ST	PARKED BY FIRE HYDRANT	9/17/2015	N/A	N/A	CITED
4NDJ963	72 HOUR NOTICE	9/17/2015	N/A	9/20/2015	CLEARED
184 ASH	PUBLIC NUISANCE	9/17/2015	N/A	9/27/2015	CLEARED
873 QUINCE	TRUCK PARKING NOT ZONED	9/20/2015	N/A	N/A	CITED
667 LOZANO	PARKED ON LAWN	9/20/2015	N/A	N/A	CITED
200 SANTA CRUZ	WATER CONSERVATION	9/20/2015	9/20/2015	N/A	CITED
265 GREGG	PARKED ON LAWN	9/20/2015	N/A	N/A	CITED
631 JUANITA	PARKED ON LAWN	9/20/2015	N/A	N/A	CITED
617 FOURTH	18" FROM CURB	9/20/2015	N/A	N/A	CITED
572 FOURTH	WATER CONSERVATION	9/20/2015	N/A	N/A	WRITTEN WARNING
RAMONS TIRE 261 OLLER	BIN ENCLOSURE	9/20/2015	10/6/2015	10/20/2015	PENDING
SONORA MARKET 1883 7TH ST	BIN ENCLOSURE	9/20/2015	10/6/2015	10/20/2015	PENDING
EL CHARRO 467 OLLER ST	BIN ENCLOSURE	9/20/2015	10/6/2015	10/20/2015	PENDING
LUCKY'S RESTAUNT 690 OLLER	BIN ENCLOSURE	9/20/2015	10/6/2015	10/20/2015	PENDING
1479 7TH ST	BIN ENCLOSURE	9/20/2015	10/6/2015	10/20/2015	PENDING
625 STAMOULES	BIN ENCLOSURE	9/20/2015	10/6/2015	10/20/2015	PENDING
520 BLACK AVE	WATER CONSERVATION	9/21/2015	N/A	N/A	WRITTEN WARNING
324 GOMEZ	WATER CONSERVATION	9/23/2015	N/A	N/A	CITED

1043 QUINCE	PARKED ON LAWN	9/24/2015	N/A	N/A	CITED
331 DIVISEDERO	VEHICLE ABATEMENT	9/24/2015	N/A	10/7/2015	PENDING
310 BLACK	VEHICLE ABATEMENT	9/24/2015	N/A	10/7/2015	CLEARED
198 ROWE	TRAILER PARKED	9/24/2015	N/A	N/A	CITED
299 J ST	VEHICLE ABATEMENT	9/24/2015	N/A	10/7/2015	PENDING
230 SANTA CRUZ	PARKED 18' FROM RIGHT CURB	9/25/2015	N/A	N/A	CITED
450 OLLER ST	WATER CONSERVATION	9/25/2015	N/A	N/A	CITED
298 SANTA CRUZ	WATER CONSERVATION	9/25/2015	N/A	N/A	WRITTEN WARNING
211 MALDONADO	WATER CONSERVATION	9/26/2015	N/A	N/A	WRITTEN WARNING
611 GARCIA	TRUCK PARKING NOT ZONED	9/26/2015	N/A	N/A	CITED
631 LOZANO	PARKED ON LAWN	9/26/2015	N/A	N/A	CITED
506 RIO FRIO	PARKED ON LAWN	9/26/2015	N/A	N/A	CITED
648 SORENSEN	VEHICLE ABATEMENT	9/26/2015	N/A	N/A	CITED
652 L ST	PARKED ON LAWN	9/26/2015	N/A	N/A	CITED
974 2ND ST	PARKED ON LAWN	9/26/2015	N/A	N/A	CITED
436 OLLER	TRUCK PARKING NOT ZONED	9/26/2015	N/A	N/A	CITED
515 RIO FRIO	72 HOUR NOTICE	9/26/2015	N/A	9/29/2015	CLEARED
601 4TH ST	PARKED 18' FROM RIGHT CURB	9/26/2015	N/A	N/A	CITED
618 SORENSEN	PARKED 18' FROM RIGHT CURB	9/26/2015	N/A	N/A	CITED
513 KATE	PARKED ON LAWN	9/26/2015	N/A	N/A	CITED
1037 PUCHUE	PUBLIC NUISANCE	9/28/2015	N/A	N/A	PENDING
1448 FOURTH	VEHICLE ABATEMENT	9/28/2015	N/A	10/8/2015	PENDING
280 BLACK AVE	WATER CONSERVATION	9/28/2015	N/A	N/A	CITED
562 SORENSEN	VEHICLE PARKING VIOLATION	9/28/2015	N/A	N/A	CITED
270 HOLMES	WATER CONSERVATION	9/28/2015	N/A	N/A	WRITTEN WARNING
265 GREGG CT	PARKED ON LAWN	9/29/2015	N/A	N/A	CITED
617 GARCIA	WATER CONSERVATION	9/29/2015	N/A	N/A	WRITTEN WARNING
631 LOZANO	PARKED ON LAWN	9/29/2015	N/A	N/A	CITED
436 OLLER ST	TRUCK PARKING NOT ZONED	9/29/2015	N/A	N/A	CITED
873 QUINCE	PARKED ON LAWN	9/30/2015	N/A	N/A	CITED



Mendota Police Department Memorandum

Date: October 5, 2015
To: Vince DiMaggio, City Manager
Mendota City Council Members
From: Gregg L. Andreotti, Chief of Police
Subject: Monthly Report for September 2015

Significant Cases:

Vehicle burglary on Derrick. Unknown suspect forced entry into the vehicle. No known property loss.

Subject check at 6th and Rio Frio. He was found to be in possession of methamphetamine and a meth pipe. He was arrested, cited and released.

Officers assisted at the scene of a large structure fire of an outbuilding on Lolita Street. Fire Department handled.

Vehicle stop on Oller Street. Driver was found to have an outstanding warrant. He was arrested, cited and released.

Officers conducted a subject check of a prior parolee. He was FI'ed for information.

Theft from an unlocked vehicle on 4th Street. Insurance card and registration were stolen.

Officers assisted Code Enforcement with the abatement of a vehicle on Oller Street.

Subject check at 10th and Oller revealed outstanding warrants. He was arrested, cited and released.

Suspicious person on Lolita Street. Officers contacted a female who was found to have outstanding warrants. She was arrested, cited and released.

Vehicle stop on Oller for erratic driving. Driver was found to be intoxicated. His record revealed he had 5 concurrent suspensions and arrests for prior DUI's with 3 convictions. The vehicle he was driving had not been registered in 2 years. He was arrested for DUI (again), cited and released.

Subject check of a person drinking a beer on Lolita Street. When officers approached him he ran from the scene. He was contacted at a nearby residence and resisted officers. Officers arrested him and transported him to jail.

Report of an intoxicated driver in the parking lot of a local business. Officers detained the person and determined he was DUI. He was arrested, cited and turned over to a sober family member.

A vehicle was stolen from Rowe Avenue. Suspect unknown.

Non-injury traffic collision with DUI at 4th and I Street. Driver of vehicle causing the collision was determined to be intoxicated. He was arrested, cited and released to a sober family member.

Solo non-injury TC on Bass by the Pool Park. Driver drove into the canal. He was determined to be intoxicated. He was arrested for DUI, cited and transported to Jail.

A vehicle was stolen from Garcia Street. Suspect unknown. Vehicle was located on L Street and returned to owner.

A vehicle was stolen from Divisadero Street. Suspect unknown. The vehicle was located on De La Cruz Street and returned to the owner. Registration and insurance cards were missing.

Brandishing of a knife and threats on Oller Street. Suspect got tired of roommate using the restroom. Suspect brandished a knife and threatened to kill victim. Victim left and called police. Officers located suspect with the knife and arrested him. He was transported to Jail.

Report of subject throwing rocks on Rio Frio Street. He was located in an alleyway and found to be intoxicated. He was arrested and transported to Jail.

Subject check at 2nd and K Street. She was found to have outstanding warrants. She was arrested, cited and released.

Vehicle stop by 8th and Naples for driving at night without headlights. Driver was intoxicated and uncooperative with officers. He was arrested for DUI and transported to Jail.

A vehicle was stolen from Lozano Street. Suspect unknown.

Report of a suspicious person on 2nd Street. Officers contacted a subject who was found to have methamphetamine in his possession. He was arrested, cited and released.

Report of a man with a gun at a construction site on Holmes Street. Officers responded and contacted a known subject carrying a replica assault weapon. He was found to have items stolen from the site and methamphetamine in his possession and arrested. He was also charged for trespassing on posted property. He was transported to Jail.

A vehicle was stolen from Divisadero Street. Suspect is unknown. It was later located on Garcia Street and turned over to the victim.

Vehicle burglary on Rowe Street where the vehicle registration was stolen. No suspect information.

A wanted subject turned herself into officers on an outstanding warrant. She was transported to Jail.

Bicycle stop on Derrick Avenue. The rider was found in possession of an illegal knife. He was arrested and transported to Jail.

Report of an unwanted subject at a residence on Peach Street. The subject was contacted by officers and found to have methamphetamine in his possession. He was arrested, cited and released.

Officers had to respond twice regarding an unwanted subject on Straw Street. The subject was eventually contacted and arrested for trespassing. He was cited and released.

Graffiti vandalism on Sorensen and Napa. Possible gang related. Video surveillance filmed partial incident. Suspect information developed and case filed with DA.

Subject check on Straw Street of unknown person. He said he was from out of town. He was FI'ed for information.

Officers assisted Code Enforcement personnel at the condemned bungalows on Oller Street. Two people were arrested for trespassing, cited and released.

A vehicle was stolen from Black Street. Suspect unknown.

Vehicle burglary on I Street. Victim's purse was stolen. No suspect information.

A wanted person turned himself in at MPD. He was cited and released.

Bicycle stop at 9th and Oller. The rider was found to have outstanding warrants. He was arrested and transported to Jail.

Officers assisted Sheriff's deputies by 2nd and Marie regarding a quad OHV with four people and a large marijuana plant, evading them. All four persons fled on foot. One was captured. The quad was found to be a stolen vehicle. Sheriff's deputies handle the investigation.

Vehicle stop by 5th and Marie. Driver showed signs of drug influence. He admitted to using methamphetamine. A search located methamphetamine in his possession. He was arrested for possession and DUI and transported to Jail.

Attempt vehicle stop by Oller and Belmont. Vehicle failed to yield and fled. Officers pursued. Driver lost control and drove into a canal on Hwy 180. He was captured and found to be intoxicated. He was arrested for DUI and transported to Jail.

Non-injury traffic Collision on Oller. Both parties utilized personal tows.

Violation of a protective order on Stamoules Street. The suspect was contacted, arrested and transported to Jail.

Non-injury traffic collision on Oller (again). One party utilized a personal tow.

Fight between two subjects at 7th and Quince. One subject fled prior to officers arriving. The other received bruising on his face, but refused to press charges.

Vehicle stop at 7th and Marie. Driver was found to have outstanding warrants. She was cited and released.

Theft from an unsecured vehicle on Marie Street. Owner reported check stubs were stolen.

Subject check on Guillen park way by Belmont. He was FI'ed for information.

Non-injury hit and run at Perez and Lozano. Suspect vehicle located on Gaxiola Street. Suspect driver admitted to hitting the other vehicle and fleeing. He also admitted to drinking and appeared intoxicated. He was arrested for DUI and transported to Jail.

Vehicle stop at 7th and Tule for erratic driving. He was found to be intoxicated and arrested for DUI, cited and released to a sober friend.

Suspicious person in a parking lot on Oller. He was found to have an outstanding warrant and be in possession of cocaine and methamphetamine. He was arrested and transported to Jail.

Subject check at 9th and Marie. He was found to be intoxicated. He was arrested and transported to Jail.

Disturbance at a residence on 6th Street. Methamphetamine and drug paraphernalia were located in the residence during the investigation. The items were connected to one of the parties who was arrested, cited and released.

Vehicle stop on Oller. Driver was found to have a suspended license and to be intoxicated. He was arrested for DUI, cited and turned over to a sober family member.

Bicycle stop by Oxnard and Amador in a no trespassing area. Subject lied about his name to officers. His identity was discovered and he was found to have outstanding wants out of the City of Madera. He was arrested and turned over to a Madera PD officer in Firebaugh.

A vehicle theft was reported on Holmes. Suspect unknown.

Vehicle stop at 9th and Oller. The driver was intoxicated and arrested for DUI. He was transported to Jail.

Subject check on Guillen Parkway and Belmont. Subject FI'ed for information.

Report of a subject on the ground at 9th and Puchue. Officers discovered the subject was intoxicated. He was arrested and transported to Jail.

Report of intoxicated subjects in the parking lot of a mini mart on Oller. Officers located and arrested two subjects for public intoxication. They were transported to Jail.

Disturbance outside a residence on L Street. No disturbance discovered, but officers located a probationer outside the residence. He was found in possession of an illegal knife and arrested. His probation was violated and he was transported to Jail.

Patrol check on Guillen Parkway by Belmont located a subject trespassing. The suspect had been noticed a number of times to stay off the property. He was arrested for trespassing, cited and released.

Report of trespassing at 573 Stamoules. Officers contacted the suspect and he was arrested, cited and released.

Vehicle stop for a mechanical violation. The driver lied about his name and birth date. His identity was discovered and he was found to have a suspended license for DUI. He was arrested, cited and released.

Subject check by 8th and Naples. He was found to have gang related tattoos. He was FI'ed for information.

Report of subject chasing female with a knife on Rio Frio. Officers arrived and detained the suspect. Victim reported he threatened her and tried to stab her. He was found to be on probation. He was arrested, his probation was violated and he was transported to Jail.

Burglary to a residence on 4th Street. Jewelry and an Xbox were stolen. Unknown suspects

Subject check by Guillen Parkway and Belmont. Subject FI'ed for information.

Report of a vehicle theft on Divisadero. Suspect unknown.

Report of a vehicle theft on Garcia Street. Suspect unknown.

Subject check on Marie by Guillan Parkway. Subject was FI'ed for information.

Subject check on Lolita Street. He was found to have an outstanding warrant regarding time to serve on a sentence. He was arrested and transported to Jail.

Report of an unwanted subject at a residence on 7th Street. He was contacted and found to have outstanding warrants for his arrest and to also be intoxicated. He was arrested, cited and turned over to sober family members.

Subject check of a person in possession of a meth pipe. He was arrested, cited and released.

Report of shots fired and a person with a gunshot wound on Divisadero Street. Officers located the victim who had a grazing wound on his left cheek by his left ear. He reported a subject he knows to be a gang member confronted him and after some dialog pulled a handgun. He ran from the suspect who fired shots at him, grazing him on the cheek. Victim was transported to CRMC by EMS. Suspect is outstanding.

Subject check by 6th and Oller. He was found to be on parole and in possession of marijuana. Parole agent notified.

Subject check on Quince. He was FI'ed for information.

Subject check on Oller. He was FI'ed for information

Subject check by 7th and Stamoules. He was found to be intoxicated and was arrested; cited and turned over to sober family members.

Theft from unsecured vehicle on Maldonado Street. Victim left her wallet in the car and it was stolen.

Vehicle stop on Rios Street. The driver was found to be in possession of open containers and consuming alcohol. He was found to be intoxicated and arrested for DUI. He was arrested, cited and released to a sober driver.

A vehicle theft was reported from Naples Street. Suspect unknown.

Fire on a vacant lot on Naples. CA Fire reported it was arson. Suspect unknown.

Subject check on Derrick and Bass with gang affiliated tattoos and clothing. She was FI'ed for information.

Vandalism to the Boys and Girls club on Tuft. Unknown suspect broke a window, but did not gain entry.

Unwanted female at residence on Lolita Street. She had been admonished to stay off the property. She was arrested for trespassing, cited and released.

Mendota High School student was found in possession of honey oil packets. He was arrested, and transported to Juvenile Hall.

A vehicle theft was reported from Gaxiola Street. It was later recovered at Oxnard and Espinosa. No suspect known.

Three subjects were contacted on condemned property on Oller Street. They were FI'ed for information and admonished regarding trespassing.

Two subjects were checked on 7th Street. Both were wearing gang related clothing and self admitted gang members. Both were in possession of illegal knives, arrested and transported to Jail.

Vehicle stop at I Street and L Street. Driver found to be intoxicated and was arrested for DUI. He as transported to Jail.

Non-injury traffic collision on 9th Street. Driver missed a turn and hit a fire hydrant on the sidewalk. Public Works was notified.

Vehicle stop at 9th and Jennings. Driver found to have a suspended license for DUI and was intoxicated. He was arrested for DUI (again) and transported to Jail.

A patrol check behind the Post Office located a subject on the ground. He was found to be intoxicated and passed out. He was arrested and transported to Jail.

Hit and run in a local business parking lot. Witness followed the vehicle and notified police. Officers stopped the vehicle and contacted the driver who was intoxicated. He was arrested and transported to Jail.

Non-injury traffic collision at Perez and Lozano Streets. Driver was distracted and hit a power pole. Public Works was notified.

Victim of brandishing report a male subject waving and pointing a gun on 7th Street. Officers contacted the subject and determined the gun to be a toy. He was arrested and transported to Jail.

Bicycle stop of a known prior auto thief at Perez and Lozano. He is currently on parole and was found to have automobile keys in his possession. He was arrested and transported to Jail. (Follow up information discovered his parole was violated and he was going to remain in custody on the violation.)

Bicycle stop on Oller Street. The rider was found to have warrants for his arrest. He was also in possession of methamphetamine and a pipe. He was arrested, cited and released.

Citizens report an intoxicated male causing a disturbance on Rios Street. As officers contact him he attempted to flee. He was combative when detained by officers. He was arrested and transported to Jail.

A vehicle theft was reported from Tuft Street. No suspect information.

Tires slashed on two vans on Rowe Street. No suspect information.

Disturbance inside a residence on Tuft. Both parties had outstanding warrants for their arrests and one was a restrained party from the other. Both were arrested and transported to Jail.

Vehicle stop at 4th and Rio Frio. The Officer recognized the driver as being wanted by the Sheriff's Office. He was arrested and turned over to Sheriff's Detectives.

Vehicle stop on Hwy 33 at Lozano. The driver was found to have an outstanding warrant. He was arrested, cited and released.

Vehicle stop found the driver to have a suspended license for DUI and active warrant for suspended license. Passenger was in possession of an open container of beer. Both parties were cited and released.

Subject check on 6th and Lolita found the person to be in possession of an illegal knife and marijuana. He was arrested and transported to Jail.

Subject check at 7th and Stamoules of known wanted person. He was arrested on the outstanding warrants and then cited and released.

Report of subjects fighting outside a liquor store. Victim did not know why suspect attacked him. Suspect was arrested, cited and released.

Two subjects injured in shooting at a residence on Stamoules. One of the victims died on scene. The second was transported to CRMC and survived. Fresno Sheriff's Office Homicide Team is handling the investigation. The investigation is ongoing.

A deceased person was reported in a residence on Tule Street. Investigation determined no foul play and the victim had reported a prior medical condition.

An out of town clothing and equipment business notified Mendota PD that stolen items were being sold in Mendota. Investigation is ongoing.

House fire on K Street. Witnesses informed officers of subjects seen leaving the scene. CalFire is handling and the investigation is ongoing.

Report an unknown subject entered a garage on Pacheu Street. The person was contacted, eventually arrested for trespassing and transported to Jail.

Theft from storage facility on Naples. Victim reported items removed from a leased locker. Suspect is unknown.

Surveillance video captured images of a suspect removing a banner from a local school. Suspect identified, contacted, arrested and transported to Jail. Banner recovered and returned to the school.

Three subjects were checked at the Farmer's Market. Cocaine was found in the possession of one. He was arrested, cited and released.

A vehicle theft was reported on L Street. No suspect information.

Report of threats on Airport Blvd. Victim said she was contacted and threatened by a known subject she is in fear of. The suspect was contacted, arrested, and transported to Jail.

Subject check on 7th Street. He was found to have an outstanding warrant for his arrest. He was arrested, cited and released.

Subject check by 6th and Tule Streets. He was found to have two warrants for his arrest. He was arrested, cited and released.

Burglary to residence on Sorenson. Electronic gaming items and cell phones were stolen. Suspect unknown.

Subject check at 7th and Quince revealed an outstanding arrest warrant on the person. He was arrested, cited and released.

Report of an unwanted subject on 7th Street. He was found to be intoxicated and could not care for himself. He was arrested and transported to Jail.

Burglary to an apartment on Garcia Street. Money and jewelry were stolen. Suspects are unknown.

Subject check on 4th Street discovered a meth pipe in the person's possession. She was arrested and transported to Jail.

FSO MAGEC Deputy paced a vehicle travelling at over 100 MPH south on Hwy 33. Before a vehicle stop could be initiated the vehicle lost control by Lozano Park and crashed. The driver and his 8 yr old son were injured. The child was transported to CRMC in stable condition. The driver was on probation for DUI and driving on a suspended CDL. He was arrested for felony DUI and transported to CRMC then Jail.

Subject check at a local park. He was found to be a local gang member with outstanding warrants. He was FI'ed for information, arrested and transported to Jail.

Vehicle stop on Bass Avenue. 19 yr old driver was found to have been drinking alcohol. He was arrested for DUI. After arrest Cocaine was found in his possession. He was cited and turned over to a family member.

During a patrol check on Oller Avenue officers noticed a vehicle travelling very slowly. Upon contacting the driver officers determined he was too intoxicated to continue driving. He was arrested, cited and turned over to a family member.

Burglary to residence on Straw Street. Televisions, DVD players and an appliance were stolen. No suspects known.

Vehicle check on Belmont and Marie. The sole occupant was in the driver's seat and admitted to driving. Officers noticed a number of empty beer cans in the vehicle. He exhibited signs of intoxication and was arrested for DUI. He was found to have a suspended CDL and warrants for his arrest. He was transported to Jail.

Officer responded to a report of a person waving a firearm in the air at 8th and Unida. Officers located a known subject hiding behind a residence. A fake handgun was located by his location. A victim reported he displayed the handgun in a threatening manner and frighten her. He was arrested and transported to jail.

Non-injury traffic accident on Derrick. While one vehicle was pulling into the parking area by the Latino Market it was hit by a vehicle that failed to stop.

While officers were at the scene of a traffic collision they noticed a subject stumbling in the roadway on Derrick. Upon contacting him they determined he was intoxicated and unable to care for himself. He was arrested and transported to Jail.

Victim of identity theft reported receiving multiple credit card company delinquency notices. The address of record for the card is a known identity theft and fraud suspect location. The investigation is ongoing.

Subject contacted for panhandling at a local mini mart. He was cited and released.

Victim of identity theft reported receiving billing notices and late payment information from a Fresno hospital.

Officer conducted a patrol check at a known crime location. Upon arriving subjects fled on foot into the residence. Subjects were contacted and found to be at the location without permission of the owner. One subject resisted officer. Marijuana was located in another subject's possession. Three persons were arrested for various crimes and transported to Jail. All are local gang members.

Firebaugh Police requested assistance regarding a possible attempt homicide with two subjects stabbed. MPD Officers responded and assisted. The suspect was arrested on scene. FPD officers and FSO deputies investigated.

Theft of surveillance camera from the patio area behind City Hall. Suspect's image was captured on video. The investigation is ongoing.

Victim reports he was confronted by a known suspect on Holmes and Sorenson. The suspect then angrily struck victim with a blunt object. He then attempted to slash the victim with a knife. Suspect fled the area on foot. Investigation is ongoing.

Officers responded to a local store due to reports of subjects on the roof. Upon arriving officers located a ladder up against the building. One suspect was located on the roof and another in some bushes. Evidence of a burglary was located and the two were arrested. One suspect was on parole and the other had outstanding warrants for his arrest. Both were transported to Jail.

Report of a vehicle theft from Naples Street. Victim reports a semi tractor and trailer were stolen. No suspects known.

Subject check on Pucheu. He was FI'ed for information.

Non-injury hit and run in the parking lot of a local school. Video surveillance depicted the suspect vehicle hit the victim vehicle and then fled the scene. The investigation is ongoing.

Strategic Planning:

- The newest patrol vehicle was up fitted with equipment and placed into service.
- The SRO is adjusting his schedule to accommodate being present at school sporting events and when making presentations to classes
- Mendota PD received the COPS Veteran Hiring Grant; effective September 1st
- Mendota PD did not receive the Wellness Foundation funding for a CSO position.
- In partnership with the Fresno Sheriff's Office, Mendota PD did not receive funding for a Gang Enforcement Officer

Personnel Information:

- Sgt's Warkentin and Tsaris attended a two day advanced officer's training course
- All sworn and reserve personnel qualified with their firearms at the firing range
- On September 14, Bernice Velez was hired as the new Police Records Clerk.
- Sgt. Tsaris and Officer Casas attended Tactical Shotgun Trainer School
- Officer Casas was promoted to full Police Officer effective September 7th.
- Officer Galpin was promoted to full Police Officer effective September 7th.
- Reserve Officer Pedro Valdez resigned effective September 25, 2015
- Chief Andreotti attended the first session of POST Executive School.