



# 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  
June 28, 2016  
6:00 PM

VINCE DiMAGGIO  
City Manager  
JOHN KINSEY  
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

## 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 special City Council meeting of May 31, 2016 and the regular City Council meeting of June 14, 2016.
2. Notice of waiving of the reading of all resolutions and/or ordinances introduced and/or adopted under this agenda.

City Council Agenda

1

6/28/2016

## 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. JUNE 14, 2016 THROUGH JUNE 22, 2016  
WARRANT LIST CHECKS NO. 041082 THRU 041135  
TOTAL FOR COUNCIL APPROVAL = \$179,004.82
2. Proposed adoption of **Resolution No. 16-43**, claiming Local Transportation pass through revenues for Fiscal Year 2016-2017.
3. Proposed adoption of **Resolution No. 16-45**, approving and adopting the Fiscal Year 2015-2016 operating budget for the City of Mendota.

## BUSINESS

1. Proposed adoption of **Resolution No. 16-46**, approving First Amendment to Solar Power Services Agreement.
  - 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 take action as appropriate*

## PUBLIC HEARING

1. Proposed adoption of **Ordinance No. 16-06**: An Ordinance Authorizing a contract between the City Council of the City of Mendota and the Board of Administration of the California Public Employees' Retirement System, and Give First Reading, by Title only, with Second Reading waived.
  - a. *Receive report from Director of Administrative Services Johnson*
  - b. *Inquiries from Council to staff*
  - c. *Mayor opens the public hearing, accepting comments from the public*
  - d. *Mayor closes the public hearing*
  - e. *Council provide any input and adopt Ordinance No. 16-06*

## DEPARTMENT REPORTS AND INFORMATIONAL ITEMS

1. Public Works
  - a) Monthly Report
2. City Attorney
  - a) Update

3. City Manager

### **MAYOR AND COUNCIL REPORTS AND INFORMATIONAL ITEMS**

1. Council Member(s)
2. Mayor

### **CLOSED SESSION**

1. PUBLIC EMPLOYEE PERFORMANCE EVALUATION  
CA Government Code § 54957(b)  
Title: Finance Director


### **BUSINESS**

1. Proposed adoption of **Resolution No. 16-47**, amending the salary schedule for the position of Finance Director.
  - 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 take action as appropriate*

### **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 June 28, 2016, was posted on the outside bulletin board located at City Hall, 643 Quince Street Friday, June 24, 2016 at 4:05 p.m.

  
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Celeste Cabrera, Deputy City Clerk



## MINUTES OF MENDOTA SPECIAL CITY COUNCIL MEETING

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**Special Meeting**

**May 31, 2016**

**Meeting called to order by Mayor Silva at 3:01 p.m.**

**Roll Call**

**Council Members Present:** Mayor Robert Silva, Councilors Joseph Amador, Rolando Castro, and Joseph Riofrio (at 3:14 p.m.).

**Council Members Absent:** Mayor Pro Tem Valdez.

**Flag salute led by Mayor Silva.**

### **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 Councilor Castro; unanimously approved (3 ayes, absent: Riofrio and Valdez).

### **CITIZENS ORAL AND WRITTEN PRESENTATIONS**

None offered.

### **BUSINESS**

1. Introduction of **Ordinance No. 16-06**: An Ordinance Authorizing a Contract between the City Council of the City of Mendota and the Board of Administration of the California Public Employees' Retirement System, and Give First Reading, by Title only, with Second Reading waived.

Mayor Silva introduced the item and Director of Administrative Services Johnson summarized the report including researching additional information pertaining to the

annual trend for Public Employee Pension Reform Act (PEPRA) Miscellaneous employers' contribution rate for cities of similar size; marginal increases that neighboring cities are experiencing; trends fluctuating on an annual basis; the benefits of being a small city and participating in California Public Employees Retirement System (CalPERS); and the various cities that are currently participating in CalPERS.

Discussion was held on the majority of employees being in favor of participating in CalPERS; the trends that other cities experience in regards to contribution rates; the uncertainty on what the employer contribution rate will be each year; the insecurity of contributing to a 401(K) plan; how the implementation of CalPERS will affect the city's budget; the causes for high retirement costs for public safety employees; police safety employees union members voting unanimously to decline participating in CalPERS; whether the City can afford CALPERS (3:14 p.m. Councilor Riofrio entered the Council Chambers and Councilor Castro left the Council Chambers); staff's recommendation to move forward with the item and adopt the CalPERS plan for employees' (3:16 p.m. Councilor Castro returned to the Council Chambers); the possibility of tabling the item in order for staff to conduct further research; the time sensitivity of the item; the difference in demographics between Mendota and the cities of Kerman and Firebaugh; and the uncertainty of what the City's actual contributions will be.

A motion was made to continue the item to the June 7<sup>th</sup> Special City Council meeting in order for staff to do additional research by Councilor Amador, seconded by Councilor Castro; unanimously approved (4 ayes, absent: Valdez).

Discussion was held on whether part-time employees would also participate in CalPERS and staff researching what the League of California Cities' opinion is on CalPERS, the amount of cities in Fresno County that are CalPERS members, and why cities are leaving CalPERS (whether it was before or after the adoption of PEPRA).

2. Proposed adoption of **Resolution No. 16- 36**, approving a contract between the Board of Administration of the California Public Employees' Retirement System and the City of Mendota.

A motion was made to continue the item to the June 7<sup>th</sup> Special City Council meeting by Councilor Amador, seconded by Councilor Castro; unanimously approved (4 ayes, absent: Valdez).

3. Fiscal Year 2016/2017 Budget Workshop.

Mayor Silva introduced the item and City Manager DiMaggio summarized the report including the change of format for the budget workshops; the various Enterprise Funds that the City maintains (3:32 p.m. Councilor Castro left the Council Chambers); the City needing to focus its attention on the Sewer Operation and Water Operation Funds since they rely on customer rate revenues; the percentage that each fund contributes to salaries; the improvement that the fund balance in the Water Operations Fund has made due to the increase in water rates; funding projects in the Capital Improvement

Plan; the status of submitting the insurance claim for the B&B Bridge; and various water fund projects in the Capital Improvement Plan (CIP).

Discussion was held on the status of the insurance claim regarding the B&B Bridge; the projects in the CIP; the well contract between the City and farmers; and the improvement that the water operations fund has made as a result of increasing the water rates.

City Manager DiMaggio reported on the proposed budget for the Sewer Operations Fund including the current fund conditions not allowing for loan-type financing; funds currently covering daily operations and existing debt; the fund improving as a result of the sewer rate increase; projects that have been allocated funding; and consolidating the Public Works and Public Utilities departments.

Discussion was held on the personnel levels within the Public Utilities and Public Works departments; the possibility of having an in-house Chief Plant Operator; current employees that can acquire the necessary certification to qualify for the Chief Plant Operator position; the possibility of hiring an Assistant Public Works Director; whether the revenue that will be generated from the proposed homes at the Las Palmas subdivision has been included in the budget; the increase in demand for homes within the City; the possibility of seeking other developers who might be interested in developing homes in the City; the status of the tertiary treatment facility; and improving the conditions of Pool Park.

City Manager DiMaggio reported on the Measure C, LTF, and Gas Tax funds including various street projects that are included in the budget; and the amount of funding that has been allocated for street projects.

Discussion was held on reconstructing a section of Marie Street; the timeline of the 7<sup>th</sup> Street realignment; the total amount of funds that are being allocated for street projects; acquiring grant funding for additional street projects; acquiring a new grant consultant; the Air Rally Event that was held recently; the possibility of selling aviation fuel at the Mendota Airport; the demand for aviation fuel; the City applying for Measure C New Technology Funds in order to fund an aviation project; and Council provided direction to staff to research the costs of selling aviation fuel, the costs of reconstructing a section of Marie Street, and issues related to the CalPERS item.

## **ADJOURNMENT**

With no more business to be brought before the Council, a motion for adjournment was made at 4:48 p.m. by Councilor Amador, seconded by Councilor Riofrio; unanimously approved (4 ayes, absent: Valdez).

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Robert Silva, Mayor

ATTEST:

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Matt Flood, City Clerk



## MINUTES OF MENDOTA REGULAR CITY COUNCIL MEETING

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**Regular Meeting**

**June 14, 2016**

**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, Rolando Castro, and Joseph Riofrio.

**Council Members Absent:** None.

**Flag salute led by Mayor Silva.**

**Invocation led by Carina Rivas.**

**A moment of silence was held in honor of the victims of the Orlando attack.**

### **FINALIZE THE AGENDA**

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

City Manager DiMaggio requested that item 5 of the Consent Calendar be continued to the June 28<sup>th</sup> City Council meeting.

A motion was made by Councilor Riofrio to adopt the agenda as requested by staff, seconded by Councilor Amador; unanimously approved (5 ayes).

### **CITIZENS ORAL AND WRITTEN PRESENTATIONS**

**Kevin Romero (160 Tuft Street)** – stated that he is against the proposed reorganization of the City Council.



Discussion was held on the proposed reorganization being a business item on the agenda.

**Ken Faulkner** – stated that God’s will is important in our actions in order to succeed.

**Jon Anderson (Senator Anthony Cannella’s Office)** – explained that Senator Cannella is now the Vice-Chairperson for the Rules Committee; the importance of the Rules Committee; and funding that Senator Cannella has acquired for the City of Mendota for police department improvements.

Discussion was held on the amount of funds that has been allocated to Mendota; how the funds have to be used; and the timeframe of utilizing the funds.

**APPROVAL OF MINUTES AND NOTICE OF WAIVING OF READING**

1. Minutes of the regular City Council meeting of May 24, 2016.
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 Riofrio to approve items 1 and 2, seconded by Mayor Pro Tem Valdez; unanimously approved (5 ayes).

**CONSENT CALENDAR**

1. MAY 24, 2016 THROUGH JUNE 08, 2016  
WARRANT LIST CHECKS NO. 041012 THRU 041081  
TOTAL FOR COUNCIL APPROVAL = \$275,001.20
2. Appointment of a Mendota resident to the Mendota Planning Commission.
3. Approval of applications for permits to sell fireworks.
4. Proposed adoption of **Resolution No. 16-39**, approving Merchant Services with Westamerica Bank for debit/credit card services.
5. *Proposed adoption of **Resolution No. 16-42**, adjusting the salary schedules for the Chief Plant Operator and Finance Director positions.  
[Continued to the June 28<sup>th</sup> City Council meeting]*

Discussion was held on whether Jonathan Leiva was present.

A motion was made to approve items 1 and 2 of the Consent Calendar by Mayor Pro Tem Valdez, seconded by Councilor Castro; unanimously approved (5 ayes).

## **BUSINESS**

1. Council discussion on the proposed Mendota Municipal Code amendment related to City Council reorganization.

Mayor Silva introduced the item and City Attorney Kinsey reported that discussion was held at the May 24<sup>th</sup> City Council meeting on the potential reorganization of the City Council; reported on the process and timeline of amending the Mendota Municipal Code (MMC); the direct and indirect costs associated with amending the MMC; and the current Council reorganization process.

Discussion was held on whether the legal costs of researching the issue is included within the City Attorney's retainer; the amount of funds that have been expended thus far related to the issue; modifications that have been to the reorganization process in the past; and why the legal costs of researching the issue are not included in the City Attorney's retainer.

**Victor Lopez (Mayor of Orange Cove, CA)** - introduced himself and stated that Mayor Silva is important to Fresno County cities for a variety of reasons; various organizations and agencies that Mayor Silva is a member of; and the importance of Mayor Silva advocating for the citizens of Mendota as well as small Fresno County cities.

**Kevin Romero (160 Tuft Street)** - stated that he volunteers for various organizations within the City; reported on the significant progress that the City has made in recent years; and stated that he is against the reorganization of the City Council.

Councilor Castro reported on the importance of the Council taking into consideration the public's opinion; the need for the Council to work together; and improving communication between Council Members and staff.

Discussion was held on various agencies that Mayor Silva is a part of; the importance of properly managing funds; ensuring that the public's concerns are heard; the various funds that are being utilized for road reconstruction in the upcoming fiscal year; and beautifying the community.

Councilor Castro requested that Mayor Silva continue to the next agenda item.

2. Proposed adoption of **Resolution No. 16-37**, authorizing the submittal of a grant application to the Fresno Council of Governments for Measure C New Technology Funds.

Mayor Silva introduced the item and Director of Administrative Services Johnson summarized the report including applying for Measure C New Technology Funds for an aviation project and introduced Joseph Oldham from CALSTART.

Joseph Oldham from CALSTART presented information on the proposed aviation

project at the Mendota airport; applying for Measure C New Technology funds, along with the City of Reedley, to fund the project; agencies that are participating in the effort; the proposed project being the first deployment of electric aircraft flight training operations in the United States; the type of electric airplanes that will be purchased and the company that produces them; and airplanes hangars that will be purchased and kept at the Mendota airport.

Discussion was held on the success of the 1<sup>st</sup> Annual Air Rally Event; the timeline of the proposed project; other opportunities that are available for the Mendota Airport; the company that produces the electric airplanes; and ways to improve the Mendota Airport.

A motion was made to adopt Resolution No. 16-37 by Councilor Amador, seconded by Mayor Pro Tem Valdez; unanimously approved (5 ayes).

3. Proposed adoption of **Resolution No. 16-41**, authorizing the City Manager to initiate a contract with Townsend for grant writing services.

Mayor Silva introduced the item and City Manager DiMaggio summarized the report.

Christopher Townsend, founder and president of Townshend Public Affairs (TPA), provided an overview of the firm including various agencies and organizations that the firm represents; various advantages that TPA brings to the agencies that they serve (7:30 p.m. Councilor Castro left the Council Chambers and returned at 7:32 p.m.); shared his background information; and introduced Sharon Gonsalves.

Sharon Gonsalves from TPA shared her background and presented information on TPA including various staff members of the firm; funding achievements; relationships that TPA has with various individuals and agencies; and funding that was acquired for the police department.

Discussion was held on holding a workshop with TPA in order to discuss the priorities of the Council and staff; the need for funding for different projects; the importance of prioritizing the needs of the community; and Council thanked TPA for their assistance in acquiring funding for the Mendota Police Department.

A motion was made to approve Resolution No. 16-41 by Councilor Riofrio, seconded by Councilor Amador; unanimously approved (5 ayes).

4. Council discussion and consideration on waiving the fees related to the Annual Harvest Fiesta.

*At 7:56 p.m. Mayor Pro Tem stepped down from the dais and joined the audience.*

Mayor Silva introduced the item.

Corina Banuelos and Sergio Valdez from Mendota Youth Recreation (MYR)

requested that the Council waive the business license fees for the Harvest Fiesta.

Discussion was held on the fees that MYR pays to the City for the Harvest Fiesta; the fees that MYR has paid to the City in the past; the amount of fees that other cities charge; the amount of revenue that MYR receives from the event; various events that MYR hosts; the amount that the Harvest Fiesta business license fee will be; and the composition of the business license fee for amusement parks and attractions.

**Polly Garcia (210 San Pedro)** – inquired on the fees that the City would collect from the Harvest Fiesta.

Discussion was held on the fees that the Mendota Youth Recreation and the carnival company would pay to the City.

**William Membreno** – stated that the City benefits from sales tax that the carnival employees will pay.

**Robert Alejandro (785 I Street)** - stated that the City unnecessarily spent funds on the proposed reorganization of the Council and should waive the fees related to the Annual Harvest Fiesta.

Discussion was held on the amount of fees that MYR pays to contract security guards and what the City invests towards the Harvest Fiesta.

A motion was made to waive the business license fees for the Harvest Fiesta up to \$1,500 (one thousand and five hundred dollars) by Councilor Riofrio, seconded by Councilor Castro; approved (4 ayes, abstain: Valdez).

*At 8:23 p.m. Mayor Pro Tem Valdez returned to the dais.*

5. Proposed adoption of **Ordinance No. 16-05**: An Ordinance Amending Chapter 8.36 of the Mendota Municipal Code Relating to the Establishment and Operation of Medical Marijuana Dispensaries, the Indoor and Outdoor Cultivation of Medical Marijuana, and the Delivery of Medical Marijuana, and Give First Reading, by Title only, with Second Reading waived.

City Attorney Kinsey summarized the report including previous Council discussions that resulted in the drafting of the proposed ordinance and the purpose of the ordinance.

A motion was made to waive the second reading of Ordinance No. 16-05 by Mayor Pro Tem Valdez, seconded by Councilor Riofrio; unanimously approved (5 ayes).

Discussion was held on the stance that the City is taking on medical marijuana; legal ramifications that cities have faced; the recreational use of marijuana; the stance the League of California Cities has taken on this issue; and the general feeling within the community being to prohibit all uses and cultivation of marijuana.

**William Membreno** - spoke against the proliferation of marijuana and inquired on the Police Chief's opinion regarding the issue.

Chief Andreotti summarized his zero tolerance stance on marijuana and stated that he supports the proposed ordinance.

Discussion was held on the purpose of the ordinance and the presence of marijuana within the City (8:34 p.m. Mayor Pro Tem Valdez left the Council Chambers).

A motion was made to adopt Ordinance No. 16-05 by Councilor Riofrio, seconded by Councilor Amador; unanimously approved (4 ayes, absent: Valdez).

*At 8:35 p.m. Mayor Pro Tem Valdez returned to the Council Chambers.*

## **DEPARTMENT REPORTS AND INFORMATIONAL ITEMS**

1. Code Enforcement
  - a) Monthly Report

Economic Development Manager Flood summarized the report and provided information on the ongoing weed abatement process.

Discussion was held on the Noise Permit; illegal signs on businesses; the weeds that exist on various properties; the eviction of squatters at 643 Riofrio Street; the need for businesses to be clean and comply with the law; and ensuring equitable enforcement by Code Enforcement Officers.

2. Police Department
  - a) Monthly Report

Chief Andreotti summarized his report including a missed call to dispatch due to Firebaugh Dispatch being busy that is now being handled administratively within their department as a personnel issue; provided an update on grants that the department has applied for; reported on the status of vehicle up-fitting and redesign; the progress of the new lieutenant and sergeant; the eviction of squatters at 643 Riofrio Street and the resources that were offered to them; and the decline in reported incidences from last year to this year.

Discussion was held on why the Police Chief and Lieutenant generally wear civilian clothing and the philosophy behind it; the high level of professionalism that exists within the police department; a study regarding the need of resources within the community that an employee from the Marjaree Mason Center discussed; the use of illegal fireworks within the City; problems related to alcohol within the community; databases that are made to track criminals and how strict some counties are compared to others; and the problems that individuals addicted to drugs that cause within the City.

3. City Attorney
  - a) Update

City Attorney Kinsey reported that he has been working with the Code Enforcement department to create forms and processes for the new public nuisance ordinance; shared an article about the Selma Unified School District and challenges they faced due to a grand jury investigation; and reported on the State Water Resources Control Board's (SWRCB) emergency water regulations.

Discussion was held on the SWRCB mandate being different for each city and district and the impacts that Sustainable Groundwater Management Act may have on the City's water supply.

4. City Manager

Discussion was held on meeting with a local businessman in regards to the cleanliness of his business; the splash park being open; and a public works truck that broke down.

### **MAYOR AND COUNCIL REPORTS AND INFORMATIONAL ITEMS**

1. Council Member(s)  
Council reports

Councilor Castro inquired about the 21<sup>st</sup> Annual Driver Awareness event and Councilor Amador provided an update on the progress of planning the event.

2. Mayor

Mayor Silva reported on the Annual Backpack Giveaway that will be held on Sunday, July 31<sup>st</sup>.

### **ADJOURNMENT**

With no more business to be brought before the Council, a motion for adjournment was made at 9:39 p.m. by Mayor Pro Tem Valdez, seconded by Councilor Amador; unanimously approved (4 ayes, absent: Amador).

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Robert Silva, Mayor

ATTEST:

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Matt Flood, City Clerk

CITY OF MENDOTA  
CASH DISBURSEMENTS  
06/14/2016-06/22/2016  
Check # 041082- 041135

Date	Check #	Amount	Vendor	Department	Description
June 14, 2016	41082	\$90,447.00	WESTAMERICA BANK	GENERAL	PAYROLL TRANSFER 6/13/2016 THRU 6/26/2016
June 16, 2016	41083	\$9,690.00	TONY'S & SONS	GENERAL	APPROACH JOB-CUT DEMO, HAUL, EXCAVATED FORM, BACKFILL, BASEROCK COMPACT, LAY #4 REBAR.
June 22, 2016	41084	\$600.00	LORI ANN ADAMS	GENERAL	PORTFOLIO MANAGEMENT JUNE 2016 HOME/CDBG
June 22, 2016	41085	\$120.00	ADMINISTRATIVE SOLUTIONS INC.	GENERAL	MONTHLY MEDICAL ADMINISTRATION - JUNE 2016
June 22, 2016	41086	\$65.58	ADT SECURITY SERVICES	GENERAL	SECURITY SERVICES FOR JUNE 2016-COMMUNITY CENTER
June 22, 2016	41087	\$570.21	AFLAC INSURANCE	GENERAL	AFLAC INSURANCES FOR JUNE 2016
June 22, 2016	41088	\$27.23	AIRGAS USA LLC.	WATER	CYL-CARBON DIOXIDE 20LB ALM RENTAL - JUNE 2016
VOID					
June 22, 2016	41090	\$419.30	AMERIPRIDE UNIFORM SERVICES	WATER-SEWER	UNIFORMS PUBLIC WORKS/UTILITIES 05/05/2016, 05/12/2016, 5/19/2016, 05/16/2016, 06/16/2016
June 22, 2016	41091	\$462.00	BSK ASSOCIATES	WATER-SEWER	WASTEWATER WEEKLY 06/07/2016, MONTHLY WASTEWATER 06/07/2016, 06/14/2016, 6/21/2016
June 22, 2016	41092	\$262.00	CENTRAL VALLEY TOXICOLOGY INC	GENERAL	(1) ABUSE SCREEN (1) SINGLE DRUG SCREEN (2) DRUG ABUSE (1) DRUG CONFIRMATION
June 22, 2016	41093	\$2,439.90	COUNCIL OF FRESNO COUNTY OF GOVERNMENTS	GENERAL	MULTI-JURISDICTIONAL HOUSING ELEMENT
June 22, 2016	41094	\$177.64	CROWN SERVICES CO.	GENERAL- SEWER	TOILET - 1 WK ENVIRONMENTAL FEE(PD) TOILET W/ SINK 1XWK
June 22, 2016	41095	\$949.19	DEPARTMENT OF CENSERVATION	GENERAL	STRONG MOTION INSTRUMENTATION & SEISMIC HAZARD MAPPING FEE JANUARY 2015-MARCH 2016
June 22, 2016	41096	\$578.00	DEPARTMENT OF JUSTICE	GENERAL	(2) FINGERPRINT APPS (2) FINGERPRINT FBI (1) CK, 13 BLOOD ALCOHOL ANALYSIS- MAY 2016 (PD)
June 22, 2016	41097	\$68.45	EWING	GENERAL	COMMERCIAL VALVE FOR PARKS
June 22, 2016	41098	\$44.00	FRESNO COUNTY AUDITORS OFFICE	GENERAL	PARKING CITATIONS-APRIL 2016 (PD)
June 22, 2016	41099	\$48.00	FRESNO COUNTY SHERIFFS	GENERAL	16 PRISONER PROCESSING SERVICES FOR MAY 2016 (PD)
June 22, 2016	41100	\$2,175.00	GONZALEZ TRANSPORT INC.	STREETS	FREIGHT CHARGE PER HOUR FROM GRANITE CONSTRUCTION, FREIGHT CHARGE FOR RIVER SAND TO CITY YARD, FREIGHT CHARGE PER HOUR FROM
June 22, 2016	41101	\$548.98	GRANITE CONSTRUCTION	STREETS	3/4" CALTRANS CLASS 2 AB QTY 24.27
June 22, 2016	41102	\$151.49	GUITAR CENTER	GENERAL	SOUND LEVEL METER (PD&CODE ENFORCEMENT)
June 22, 2016	41103	\$636.85	JORGENSEN & COMPANY	GENERAL- WATER-SEWER	(14) FIRE EXTINGUISHER ANNUAL MAINTENANCE(PD) ANNUAL FIRE EXTINGUISHER MAINTENANCE (CITY HALL)
June 22, 2016	41104	\$126.00	KERWEST INC	GENERAL	LEGAL NOTICES-LOCAL SUMMARY OF PROPOSED ORDINANCE NO. 16.05
June 22, 2016	41105	\$403.00	LAW ENFORCEMENT SYSTEMS	GENERAL	(1000) ABANDONED VEHICLE LABLES (2000) CODE & ORDINACE VIOLATION NOTICE

CITY OF MENDOTA  
 CASH DISBURSEMENTS  
 06/14/2016-06/22/2016  
 Check # 041082- 041135

June 22, 2016	41106	\$4,567.50	LIEBERT CASSIDY WHITMORE	GENERAL	PROFESSIONAL SERVICES THRU 3/31/2016 - PERSONNEL RULES
June 22, 2016	41107	\$1,707.68	MENDOTA SMOG AND REPAIR	GENERAL-STREETS	HEATER HOSE, HOSE CLAMPS, ANTIFREEZE (UNIT # 85), OIL FILTER, MOTOR OIL, FULL INSPECTION 2011 FORD, WATER PUMP, GASKETS(ST SWEEPER)
June 22, 2016	41108	\$1,833.50	MID VALLEY DISPOSAL	STREETS	10 YARD ROLLOFF EXCHANGE QTY 11.47 TONS, 30 YARD ROLLOFF EXCHANGE 2.26 TONS. 30 YARD EXCHANGE 10.84 TONS, 10 YARD ROLL OFF
June 22, 2016	41109	\$1,933.12	NORTH STAR CHEMICAL	WATER	SODIUM HYPOCHLORITE 12.5% MEETS NSF/ANSI 60
June 22, 2016	41110	\$129.51	OFFICE DEPOT	WATER-SEWER	RECYCLED COPY PAPER 3 BOXES (CITY HALL)
June 22, 2016	41111	\$4,028.04	PURCHASE POWER	GENERAL-WATER-SEWER	POSTAGE METER REFILL
June 22, 2016	41112	\$2,875.40	PROVOST AND PRITCHARD	GENERAL	PARCEL MAP 8255 NAPLES SERVICES FOR MAY
June 22, 2016	41113	\$465.37	S&C HANDHOLE COVERS	STREETS	OVAL PLASTIC HOLE COVERS-STREET LIGHT COVER
June 22, 2016	41114	\$650.00	SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT	GENERAL	NOTICE OF VIOLATION AND PROPOSED SETTLEMENT
June 22, 2016	41115	\$2,014.33	SOERSENEN MACHINE WORKS	GENERAL-WATER-SEWER	NAPA GOLD AIR FILTER, ARMOR ALL, BATTERY, HYRAULIC HOSE, HOSE END, V-BELT, LATEX GLOVES, MASTER LOCK, GORILLA GLUE,PVC PIPE
June 22, 2016	41116	\$2,314.78	STORAGE SYSTEMS INC.	GENERAL	84X62.50 CABINET W/ 19 COMPARTMENTS INSTALLATION. (2) 80X24X24 LOCK STORAGE CABINETS AND LOCKS. (PD) REIMBURSABLE
June 22, 2016	41117	\$244.00	SUNRUN	GENERAL	CANCELATION REIMBURSEMENT FOR CANCELED BUILDING PERMIT
June 22, 2016	41118	\$72.18	UNIFIRST CORPORATION	GENERAL-WATER-SEWER	WET/DRY MOPS, TERRY CLOTHS, RUGS (CITY HALL)
June 22, 2016	41119	\$190.00	VERIZON WIRELESS	GENERAL-WATER-SEWER	MONTHLY SERVICE FOR GPS FLEET VEHICLE- MARCH 2016
June 22, 2016	41120	\$1,281.40	VERIZON WIRELESS	GENERAL-WATER-SEWER	CITY & PD CELLPHONE SERVICE FOR JUNE 2016
June 22, 2016	41121	\$7,978.47	VULCAN MATERIALS	STREETS	HOT MIX ENVIRONMENTAL AGG & ASPHALT, ST 1/2 IN HMA TYPE A QTY:22.46, 25.89, 9.96
June 22, 2016	41122	\$263.59	WECO	GENERAL-WATER-SEWER-STREETS	(2) ACETYLENE #4 OXYGEN RENTALS JUNE 2016, GAS OXYGEN "K" 200CF-TORCH FOR STREET WORK.
June 22, 2016	41123	\$425.59	ZEE MEDICAL SERVICE	GENERAL-WATER-SEWER	ANTISEPTIC SPRAY, BURN SPRAY, EYE WASH(WTP) HAND SANITIZER, LARGE PATCH BANDAGE, RESPIRATOR, EYESALINE REFILL, EYEWASH
June 22, 2016	41124	\$26,131.39	BLUE SHEILD OF CALIFORNIA	GENERAL	MEDICAL INSURANCE FOR JULY 2016
June 22, 2016	41125	\$625.52	CORBIN WILLITS SY'S INC.	GENERAL-WATER-SEWER	ENHANCEMENT SERVICE FOR MOMS SOFTWARE-JULY 2016
June 22, 2016	41126	\$46.95	DATAMATIC LTD.	WATER	MONTHLY SERVICE SOFTWARE MAINTENANCE FOR HANDHELDS- JULY 2016
June 22, 2016	41127	\$300.00	KNPZ INSURANCE SERVICES	GENERAL-WATER	SECURITY BOND FOR RETIREMENT 6/26/2016-06/25/2019
June 22, 2016	41128	\$1,100.00	LEXIPOL LLC	GENERAL	365 DAILY SCENARIO DAILY TRAINING AND TESTING DATABASE (PD)
June 22, 2016	41129	\$1,484.99	MUTUAL OF OMAHA	GENERAL	LIFE/AD&D/LTD&STD INSURANCE-JULY 2016
June 22, 2016	41130	\$4,170.46	PREMIER ACCESS	GENERAL	DENTAL INSURANCE FOR JULY 2016



**CITY OF MENDOTA**  
**CASH DISBURSEMENTS**  
**06/14/2016-06/22/2016**  
**Check # 041082- 041135**

June 22, 2016	41131	\$309.52	UNION PACIFIC RAILROAD COMPANY	STREETS	PUBLIC ROADWAY ENCROACHMENT PERMIT 7/1/2016-7/31/2016
June 22, 2016	41132	\$32.34	MODESTA ORTIZ	WATER	CUSTOMER DEPOSIT REFUND FOR ORT0025
June 22, 2016	41133	\$100.00	DANIEL OCHOA	WATER	CUSTOMER REFUND FOR OCH0020
June 22, 2016	41134	\$31.77	MIRIAN CRUZ RODRIGUEZ	WATER	CUSTOMER REFUND FOR ROD0078
June 22, 2016	41135	\$687.60	AMERITAS GROUP	GENERAL	VISION INSURANCE FOR JULY 2016
	<b>TOTAL</b>	<b>\$179,004.82</b>			

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**AGENDA ITEM – STAFF REPORT**

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**TO:** HONORABLE MAYOR AND COUNCILMEMBERS  
**FROM:** NANCY M. DIAZ, FINANCE ADMINISTRATIVE SUPERVISOR  
**VIA:** VINCE DIMAGGIO, CITY MANAGER  
**SUBJECT:** RESOLUTION 16-43, LOCAL TRANSPORTATION PURPOSE FUNDS (MEASURE “C” EXTENSION FUNDS)  
**DATE:** JUNE 24, 2016

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**ISSUE**

Should the City Council approve Resolution 16-43 concerning Local Transportation Purpose Funds (Measure “C” Extension Funds)?

**BACKGROUND**

The Transportation Development Act (TDA) of 1971 provides funding to be allocated to transit and non-transit related purposes that comply with regional transportation plans. This funding is allocated by the State Board of Equalization, which takes the amount of sales tax collected and returns the general sales tax revenue to the Council of Fresno County Governments. They in turn, allocate it to each City in the County based on population for the projects that were budgeted for the 2016-2017 fiscal year.

**ANALYSIS**

The attached resolution, certification and claim forms for each applicable funding program are routine and required by Fresno County Transportation Authority in order to receive the funding for Measure C Pass-Through Funds. With the funding provided by Fresno County Transportation Authority, the City is able to fund street projects approved during the budget for each fiscal year.

**RECOMMENDATION**

Council approve Resolution 16-43, claiming Measure C Extension Local Transportation Pass-Through Revenues for Fiscal Year 2016-2017.

**FISCAL IMPACT**

\$359,865.00 to the City of Mendota Measure “C” Fund.

**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 CONCERNING LOCAL  
TRANSPORTATION PURPOSE FUNDS  
(MEASURE “C” EXTENSION FUNDS)**

**RESOLUTION NO. 16-43**

**WHEREAS**, the City of Mendota is an eligible claimant of funds for Measure C Extension Local Transportation Pass-Through Projects and Program Funds pursuant to California Public Utilities Code Section 142257; and

**WHEREAS**, the Fresno County Transportation Authority has adopted Resolution 2016-01 designating Apportionments for FY 2016-2017 Measure C Extension Local Transportation Pass-Through Projects and Program Funds, and setting the City of Mendota’s percentages at the following:

- 1.48 % of \$11,048,977 (\$163,371) for the Local Transportation Program, Local Allocation – Street Maintenance Category sub program;
- 1.49 % of \$383,559 (\$5,718) for the Local Transportation Program, Local allocation – ADA Compliance Category sub program;
- 1.73% of \$11,025,298 (\$190,776)for the Local Transportation Program, Local Allocation – Flexible Funding Category sub program;

which shall be the proportionate share of Measure C Extension Local Transportation Pass-Through Projects and Program Funds that the City shall be entitled within the fiscal year; and

***NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:***

- 1) The City of Mendota hereby submits its Local Transportation Purposes Certification and Claims for Fiscal Year 2016-2017 Measure C Extension Local Transportation Pass-Through Projects and Program Funds;
- 2) The City of Mendota hereby requests the release of funds to the City on a monthly payment basis consistent with the adopted percentages listed above, based on actual receipts;
- 3) The City Council of the City of Mendota further certifies:
  - a) That Local Transportation Purpose Funds will not be used to substitute for property tax funds which the City of Mendota had previously used for local transportation purposes; and
  - b) That the City of Mendota has and will segregate property tax revenues used to support local transportation purposes so that verification of non-substitution can be proved through audit; and

- c) That the City of Mendota shall separately account for Local Transportation Purposes Funds received, pursuant to Public Utilities Code Section 142257. The City shall maintain records in accordance with generally accepted accounting principles, shall separately record expenditures for each type of eligible purpose, shall file a separate claim form for each sub program allocation, and the City shall make such records available to the Authority for inspection or audit at any time; and
  - d) The City of Mendota shall complete the reporting requirements no later than November 15, 2016, when claim forms are submitted.
- 4) The City of Mendota understands that should a financial or compliance audit reveal that the City of Mendota violated any of the requirements set forth in paragraph 3 (a) (b) or (c), that the Fresno County Transportation Authority may seek to take immediate steps to resolve the violation in accordance with its adopted procedures.
  - 5) The Council of the City of Mendota hereby authorizes the City Manager to submit and execute any and all related documents.

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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 28<sup>th</sup> of June, 2016 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

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Matt Flood, City Clerk

**MEASURE C EXTENSION  
LOCAL TRANSPORTATION PASS THROUGH REVENUES  
CERTIFICATION AND CLAIM FOR FY2016-17**

TO: Fresno County Transportation Authority

FROM: City of Mendota  
*Local Agency Name*

Address: 643 Quince Street, Mendota, CA 93640

Contact: Rudy Marquez, Finance Director

Telephone: (559) 655-3291 x107 FAX: \_\_\_\_\_ Email Address: rmarquez@cityofmendota.com

**1. Applicable Funding Program: (Check One)**

*Regional Public Transit Program*

- Fresno Area Express
- Clovis Transit
- FCRTA
- PTIS/Transit Consolidation
- ADA/Seniors/Paratransit
- Farmworker Van Pools
- Car/Van Pools
- New Technology Reserve

*Local Transportation Program*

- Street Maintenance
- ADA Compliance
- Flexible Funding
- Pedestrian/Trails Urban
- Pedestrian/Trails Rural
- Bicycle Facilities
- Regional Transportation Program*
- Fresno Airports

*Alternative Transportation Program*

- Rail Consolidation Subprogram
- Environmental Enhancement Program*
- School Bus Replacement
- Transit Oriented Infrastructure for In-Fill

*Administrative/Planning Program*

- Fresno COG

2. The City of Mendota ("claimant") is an eligible claimant of funds for local transportation purposes pursuant to *Local Agency Name* California Public Utilities Code Section 142257.

3. The Fresno County Transportation Authority has adopted a Resolution of Apportionment for Fiscal Year 2016-2017 setting 1.49 % of \$383,559 (or \$5,718) for the Subprogram or Category of funds checked above and available to the claimant. On behalf of claimant, I hereby request release of the funds to claimant in accordance with:

- (a) Monthly payments consistent with adopted percentage, based on actual receipts
- (b) Compliance with Steps 5 and 6 of the Local Agency Handbooks – Local Agency Pass-Through Funding programs and Other Revenue Program Funding

4. On behalf of claimant, I hereby certify as follows:

- (a) That the Subprogram or Category of funds checked above are not being used to substitute for property tax funds which claimant had previously used for local transportation purposes. Such substitution of property tax funds is prohibited by California Public Utilities Code Section 142257.
- (b) That claimant has segregated property tax revenues from claimant's other general fund revenues used to support the Subprogram or Category of funds checked above so that verification of non-substitution can be proved through audit or that the non-substitution of funds shall apply to claimant's entire general fund.
- (c) That claimant shall account for Subprogram or Category of checked above and received pursuant to Public Utilities Code Section 142257. Claimant shall maintain current records in accordance with generally accepted accounting principles, and shall separately record expenditures for each type of eligible purpose. Claimant shall make such records available to the Authority for inspection or audit at any time.

5. Claimant understands that should financial or compliance audit exceptions be found, the Fresno County Transportation Authority will take immediate steps to resolve the exceptions in accordance with its adopted procedures.

Authorized Signature: \_\_\_\_\_  
Title: Finance Director  
Date: \_\_\_\_\_

ATTACHMENT: Evidence of Formal Action for Approval and Submittal Approved by:  
Fresno County Transportation Authority Board Date: \_\_\_\_\_

**MEASURE C EXTENSION  
LOCAL TRANSPORTATION PASS THROUGH REVENUES  
CERTIFICATION AND CLAIM FOR FY2016-17**

TO: Fresno County Transportation Authority

FROM: City of Mendota  
*Local Agency Name*

Address: 643 Quince Street, Mendota, CA 93640

Contact: Rudy Marquez, Finance Director

Telephone: (559) 655-3291 x107

FAX: \_\_\_\_\_

Email Address: rmarquez@cityofmendota.com

**1. Applicable Funding Program: (Check One)**

- |   |  |  |
|---|--|--|
| <i>Regional Public Transit Program</i>              | <i>Local Transportation Program</i>                  | <i>Alternative Transportation Program</i>                            |
| <input type="checkbox"/> Fresno Area Express        | <input type="checkbox"/> Street Maintenance          | <input type="checkbox"/> Rail Consolidation Subprogram               |
| <input type="checkbox"/> Clovis Transit             | <input type="checkbox"/> ADA Compliance              | <i>Environmental Enhancement Program</i>                             |
| <input type="checkbox"/> FCRTA                      | <input checked="" type="checkbox"/> Flexible Funding | <input type="checkbox"/> School Bus Replacement                      |
| <input type="checkbox"/> PTIS/Transit Consolidation | <input type="checkbox"/> Pedestrian/Trails Urban     | <input type="checkbox"/> Transit Oriented Infrastructure for In-Fill |
| <input type="checkbox"/> ADA/Seniors/Paratransit    | <input type="checkbox"/> Pedestrian/Trails Rural     | <i>Administrative/Planning Program</i>                               |
| <input type="checkbox"/> Farmworker Van Pools       | <input type="checkbox"/> Bicycle Facilities          | <input type="checkbox"/> Fresno COG                                  |
| <input type="checkbox"/> Car/Van Pools              | <i>Regional Transportation Program</i>               |  |
| <input type="checkbox"/> New Technology Reserve     | <input type="checkbox"/> Fresno Airports             |  |

2. The City of Mendota ("claimant") is an eligible claimant of funds for local transportation purposes pursuant to *Local Agency Name* California Public Utilities Code Section 142257.

3. The Fresno County Transportation Authority has adopted a Resolution of Apportionment for Fiscal Year 2016-2017 setting 1.73 % of \$11,025,298 (or \$190,776) for the Subprogram or Category of funds checked above and available to the claimant. On behalf of claimant, I hereby request release of the funds to claimant in accordance with:

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- (b) Compliance with Steps 5 and 6 of the Local Agency Handbooks – Local Agency Pass-Through Funding programs and Other Revenue Program Funding

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5. Claimant understands that should financial or compliance audit exceptions be found, the Fresno County Transportation Authority will take immediate steps to resolve the exceptions in accordance with its adopted procedures.

Authorized Signature: \_\_\_\_\_  
Title: Finance Director  
Date: \_\_\_\_\_

ATTACHMENT: Evidence of Formal Action for Approval and Submittal Approved by:  
Fresno County Transportation Authority Board Date: \_\_\_\_\_

**MEASURE C EXTENSION  
LOCAL TRANSPORTATION PASS THROUGH REVENUES  
CERTIFICATION AND CLAIM FOR FY2016-17**

TO: Fresno County Transportation Authority

FROM: City of Mendota  
*Local Agency Name*

Address: 643 Quince Street, Mendota, CA 93640

Contact: Rudy Marquez, Finance Director

Telephone: (559) 655-3291 x107 FAX: \_\_\_\_\_ Email Address: rmarquez@cityofmendota.com

**1. Applicable Funding Program: (Check One)**

- |   |  |  |
|---|--|--|
| <i>Regional Public Transit Program</i>              | <i>Local Transportation Program</i>                    | <i>Alternative Transportation Program</i>                            |
| <input type="checkbox"/> Fresno Area Express        | <input checked="" type="checkbox"/> Street Maintenance | <input type="checkbox"/> Rail Consolidation Subprogram               |
| <input type="checkbox"/> Clovis Transit             | <input type="checkbox"/> ADA Compliance                | <i>Environmental Enhancement Program</i>                             |
| <input type="checkbox"/> FCRTA                      | <input type="checkbox"/> Flexible Funding              | <input type="checkbox"/> School Bus Replacement                      |
| <input type="checkbox"/> PTIS/Transit Consolidation | <input type="checkbox"/> Pedestrian/Trails Urban       | <input type="checkbox"/> Transit Oriented Infrastructure for In-Fill |
| <input type="checkbox"/> ADA/Seniors/Paratransit    | <input type="checkbox"/> Pedestrian/Trails Rural       | <i>Administrative/Planning Program</i>                               |
| <input type="checkbox"/> Farmworker Van Pools       | <input type="checkbox"/> Bicycle Facilities            | <input type="checkbox"/> Fresno COG                                  |
| <input type="checkbox"/> Car/Van Pools              | <i>Regional Transportation Program</i>                 |  |
| <input type="checkbox"/> New Technology Reserve     | <input type="checkbox"/> Fresno Airports               |  |

2. The City of Mendota ("claimant") is an eligible claimant of funds for local transportation purposes pursuant to *Local Agency Name* California Public Utilities Code Section 142257.

3. The Fresno County Transportation Authority has adopted a Resolution of Apportionment for Fiscal Year 2016-2017 setting 1.48% of \$11,048,977 (or \$163,371) for the Subprogram or Category of funds checked above and available to the claimant. On behalf of claimant, I hereby request release of the funds to claimant in accordance with:

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(b) That claimant has segregated property tax revenues from claimant's other general fund revenues used to support the Subprogram or Category of funds checked above so that verification of non-substitution can be proved through audit or that the non-substitution of funds shall apply to claimant's entire general fund.

(c) That claimant shall account for Subprogram or Category of checked above and received pursuant to Public Utilities Code Section 142257. Claimant shall maintain current records in accordance with generally accepted accounting principles, and shall separately record expenditures for each type of eligible purpose. Claimant shall make such records available to the Authority for inspection or audit at any time.

5. Claimant understands that should financial or compliance audit exceptions be found, the Fresno County Transportation Authority will take immediate steps to resolve the exceptions in accordance with its adopted procedures.

Authorized Signature: \_\_\_\_\_

Title: Finance Director

Date: \_\_\_\_\_

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ATTACHMENT: Evidence of Formal Action for Approval and Submittal Approved by:

Fresno County Transportation Authority Board Date: \_\_\_\_\_

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**AGENDA ITEM – STAFF REPORT**

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**TO:** HONORABLE MAYOR AND COUNCILMEMBERS  
**FROM:** VINCE DIMAGGIO, CITY MANAGER  
**SUBJECT:** ADOPTION OF THE 2016-2017 FISCAL YEAR BUDGET  
**DATE:** JUNE 14, 2016

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**ISSUE**

Should the City Council adopt the attached resolution approving the City of Mendota Budget for Fiscal Year 2016-2017?

**BACKGROUND**

The City Council held budget workshops on May 31, and June 7, to consider and discuss the proposed budget for Fiscal Year 2016-2017. Direction was provided to staff following each workshop and changes were made to the budget in accordance with Council direction.

The budget is required by law to be approved by June 30 of each year, therefore, action is required at this time.

**ANALYSIS**

A detailed analysis of the proposed budget was provided to the City Council in the City Manager's Budget Messages, Parts 1 and 2, provided for both workshops. Notably, Council approved over \$1.4 million in street repair and reconstruction for the upcoming budget year, including the addition of a new project – the reconstruction of portions of Marie and Divisadero streets.

**FISCAL ANALYSIS**

The proposed budget for Fiscal Year 2016-2017 continues to move the City in a positive financial direction. For the first time in at least 7 years, the General Fund budget will operate with a small surplus (not counting the Warkentine judgment payment), and the Enterprise Funds are continuing to show dramatic improvement.

**RECOMMENDATION**



Staff recommends that the City Council approve the attached resolution approving the City of Mendota budget for Fiscal Year 2016-2017.

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**AGENDA ITEM – STAFF REPORT**

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**TO:** HONORABLE MAYOR AND COUNCILMEMBERS  
**FROM:** VINCE DIMAGGIO, CITY MANAGER  
**SUBJECT:** FISCAL YEAR 2016-2017 BUDGET MESSAGE – PART II (GENERAL FUND)  
**DATE:** JUNE 7, 2016

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**BACKGROUND**

When I was fortunate enough to be selected as city manager in March 2014, one of my first jobs was to prepare the City’s budget for fiscal year 2014/2015. After only having two full months to learn both how the City was operating and to prepare a budget consistent with Council priorities at the time, I found that the General Fund was struggling to support daily operations. In other states, this common problem in municipal budgeting is remedied by transferring what is euphemistically called a “franchise fee” from the Enterprise Funds to the General Fund in order to balance the latter. However, Proposition 218 prevents this type of budgeting maneuver and requires that City operations “live within their means,” so to speak. For disadvantaged communities, this is especially difficult.

Page 4, line item 01-3900-3903, illustrates what the problem has been in the past. In FY 2014-2015, the General Fund revenues required an infusion from the fund balance of \$171,327 to achieve balance. That is to say, General Fund revenues were not sufficient to support daily operations of the City and a supplemental amount from the unencumbered reserve was required. Upon seeing this unsustainable situation, it became my goal to eliminate this reliance on the using the fund balance to achieve a balanced budget. Looking at the same line item for the FY 2015-2016 budget, reliance on the fund balance to achieve a balanced budget was lessened to \$71,372 – a \$100,000 improvement in how the budget operated. The proposed budget before you represents a dramatic improvement from the past several years. The FY 2016-2017 budget proposes to use only \$41,798 of the fund balance to achieve a balanced budget. However, this is not the entire story.

Council will recall that due to a legal judgment entered against the City, the City must pay \$60,000 per year for the next four years to comply with the judgment. That amount is included in the budget before you. *This means that without the judgment, the FY 2016-2017 budget is running a **surplus** of over \$19,000.* In three years, the position and operation of the General Fund has improved over \$190,000 to the positive.

As you know, the General Fund is supported exclusively through sales, property, and certain use taxes. Unlike the Enterprise Fund, where the City Council can control revenues through raising and lowering utility rates, Proposition 13 (the 1978 Jarvis-Gann Initiative) prohibits local governments from raising property taxes and sets a ceiling on said taxes of 1% of assessed property value (not counting school taxes). The only real control that city councils can exercise is through promoting economic development which, in turn, if successful, will increase the sale tax revenues. New housing developments are often approved for the same reasons, although new residential development consumes more services than the revenue it provides to pay for those services.

## **ANALYSIS**

From a perspective of revenues over expenditures, the budget before you is undoubtedly the best budget presented over the last three years. As is my management philosophy, staff is maintaining a conservative posture when projecting revenues. Build out of the Las Palmas subdivision will continue through next year and new economic development on the former Young property will add new sources of sales tax revenue. Even so, only reasonable and conservative estimates of those projected revenues have been used.

As is common to most cities, the Police Department receives more funding than any other single department. For Mendota, the Police Department accounts for approximately 50% of the overall General Fund expenditures and has received in this budget an increase of about \$200,000 over last year's budget. Salaries and healthcare account for most of the proposed increased expenditures. This was planned and anticipated after last year's negotiations with the MPOA. The addition of a Lieutenant's position also factored into the increased expenditures. Lastly, the \$60,000 legal judgment is shown inside line item 01-6150-5820.

Below is a department-by-department summary of the proposed expenditures and the differences from the previous year:

City Administration - increase due primarily to Fire Protection contract increase.

Planning & Engineering - a \$25,000 decrease from last year due to more in-house processing of permits. See Contract Services, 01-5110-5850.

Animal Control – a \$3,000 decrease from the previous year created by a decrease in the salary line item.

Code Enforcement – increased approximately \$10,000 from the previous year. This is due mainly to increased healthcare costs required to be made available to part-time employees under the Affordable Care Act; investment in training as suggested by the City Council; and an increase in retirement costs for all three employees (the Director and two code enforcement officers).

Building Department – Total expenditures are virtually unchanged from previous year.

Buildings & Grounds – Total expenditures have been reduced by approximately \$20,000. The Capital Outlay line item has been left unfunded as there are no planned capital improvements planned for the coming year, (a capital improvement is equipment or a major improvement to facilities with a lifespan greater than five years). The salary line item has also been reduced in this department. Salaries are allocated and distributed across and throughout the budget depending upon the percentage the staff spends on a particular function. The reduction does not represent a decrease in staffing. Salaries for staff in this department can also be allocated to the various street improvement Enterprise Funds – which was done in this case to take pressure off of the General Fund.

Administrative Services – A slight increase in expenditures over the prior year due in part to an increase in Workers Compensation costs and provision for the PERS retirement plan.

Organizational issues – No major organizational changes will be occurring in departments funded by the General Fund. Staff continues to examine cost saving alternatives relative to certain consultant services and will make the necessary changes and/or recommendations to the Council at the appropriate time. In an effort to achieve parity with surrounding communities of similar size it is appropriate for Council to consider alongside this budget an adjustment in the salary schedule for the Finance Director position.

## **FISCAL SUMMARY**

The proposed General Fund budget is the culmination of a multi-year effort to reduce (or, if possible, end) the City's reliance on "backfilling" the General Fund with the unencumbered fund reserve to achieve balance. The proposed budget incorporates scheduled salary increases due to merit or salary schedule adjustment as well as the conversion to the PERS retirement system.

Healthcare continues to be the most volatile expenditure and threatens the overall stability of the budget. Over the last three years, we have seen increases of 12%, 15%, and 18% respectively. The City provides full premium coverage for not only the employee, but employees' spouses and all dependents, up to a \$1,000 monthly cap (applicable to non-management employees). This is the equivalent of \$12,000 per year, per employee, added to the City's salary commitments for each employee. This is a rare and unusual situation in municipal government and the City must take steps in the coming years to redefine this benefit in a manner that does not have such a dramatically negative impact on the General Fund.

Two additional projects are likely to come online during the 2016-2017 budget year and are not included in the revenue projections. These are the AMOR healthcare clinic which is scheduled to begin construction in early 2017, and the Dollar Tree project which will likely be completed early in 2017. Assuming both projects are operational prior to the end of the fiscal year, it's likely that revenues will exceed the projects herein.

In conclusion, the General Fund is very close to producing its first budget surplus in several years. Indeed, by subtracting the legal judgment expenditure, the budget has, this year, achieved a surplus position.

### **RECOMMENDATION**

Staff recommends that Council provide appropriate direction to staff on funding initiatives and policy priorities for the General Fund.

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**AGENDA ITEM – STAFF REPORT**

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**TO:** HONORABLE MAYOR AND COUNCILMEMBERS  
**FROM:** VINCE DIMAGGIO, CITY MANAGER  
**SUBJECT:** FISCAL YEAR 2016-2017 BUDGET MESSAGE – PART I (ENTERPRISE FUNDS)  
**DATE:** MAY 31, 2016

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**BACKGROUND**

In past years, I've introduced the entire budget at once. In order to facilitate more Council discussion on items the Council may be interested in, I've divided the budget into two parts. This first part, to be discussed at the May 31, 2016 meeting is focused exclusively on the Enterprise Funds.

As you know, the City maintains ten separate Enterprise Funds. The most well known of these funds are the Sewer Operation Fund and the Water Operation Fund and this report and meeting will focus mainly on these two funds. Unlike the General Fund, which operates on tax revenues, the Sewer and Water Operations Funds rely exclusively on customer rates for their revenues and uses said revenues to fund all operations. As the Council experienced at the hearings on the water and sewer rates, when rates are not set in proportion with the cost of operations, a deficit occurs and in extreme cases, possibly insolvency.

It is sometimes difficult for the public to understand why rates need to increase and that often leads to a belief that the majority of revenues funds increases in staff salary. This is incorrect. In the Water Operations Fund, salaries account for only 18% of the overall fund's budget (*See* 02-7220-5010). The same holds true for the Sewer Operations Fund where salaries account for 25% of that fund's budget (*See* 01-7210-5010). Both funds focus primarily on debt service, utilities (gas and electric), and capital improvements. Another large expenditure is the lease payment to the property owner on which the City's water wells lie. The remainder of the budget for both funds focuses on the daily operations and maintenance (non-capital) of the water and sewer service.

Other enterprise funds (Measure C, LTF, and Gas Tax) are funded through County-wide taxes. The Refuse Fund is essentially a "pass thru" fund whereby the City collects the fees for the service (garbage pick-up) and passes most of the revenue through to the third party contractor (Mid-Valley Disposal). The Mendota Community Facilities District is a public safety assessment district that solely funds police operations. The "COPS" fund is a federal grant, as is the Aviation Fund.

The City funds all road improvements through monies received through the Measure C, Gas Tax, and LTF funds. The Council, at its discretion, can contribute to road improvements using General Fund dollars if sufficient funds are available.

## ANALYSIS

### Water Operations Fund

As you can see, over the course of the last three years, the Water Fund has operated with a significant deficit of over \$195,000 (*See* bottom page 22). This deficit was the result of static water rates over an extended period of years, combined with higher costs to operate the utility. This, in turn, resulted in a critical shortfall in the fund balance – at one point there was an unencumbered fund balance of only approximately \$80,000. This meant that the City was unable to leverage any funding in order to make key improvements to the system because there was no way to fund debt. In November 2015, the Council made the difficult, but necessary, decision to increase water rates. Although the City is still not at the point to sustain leveraged financing, the fund has begun to stabilize, with a current fund balance of \$171,000.

The improved “health” of the fund can be seen in the proposed budget where revenues are projected to increase by approximately \$300,000 over last year’s revenue and staff projects a \$197,000 surplus. Page 23 (and below) details all of the anticipated “critical path” improvements necessary for the upcoming year.

However, there is still one major unknown – the City’s financial liability for the bridge leading to the well sites. The bridge has been substantially damaged and is now closed to all vehicle traffic on the BB Ranch property. This is a technical violation of the contract with BB Ranch. The cost to replace the bridge has been estimated by a study conducted by structural engineers at approximately \$2.7 million. The associated environmental studies will likely cost an additional \$1 million. Given this, while the projected \$197,000 surplus appears as a welcome change to the deficit situation, it is possible that that surplus will be absorbed, either in whole or in part, by debt service necessary to construct a new bridge. Another way of viewing this situation is to say that, had the Council not raised water rates, making debt financing possible if necessary, the new bridge would have consumed the entire emergency reserve fund of the City – and that still would have not been sufficient to cover the cost of the bridge. This is not counting any legal liability that could or would have resulted.

Additionally, while staff has proposed funding for maintenance of the exchange wells, (known colloquially as “the Fordell wells”), these wells have been neglected for many years and problems continue to persist and materialize with their reliability and operation. These wells play a vital role in the “exchange” with the BB Ranch – the City provides agricultural water from these wells in *exchange* for pumping domestic water from BB Ranch. Staff continues to work on finding funding sources to address the situation,

however, because the problems result from lack of comprehensive maintenance over a period of many years, grant funding under these conditions is scarce or unavailable.

Community Development Block Grant (CDBG) funds will be used to complete a major project that staff has been working on for two years – the enclosure for the water treatment plant apparatus. This project will cost approximately \$326,000 and is noted in line item 02-4000-4650 (the grant shown as revenue) and again in line item 02-7220-6500 (the funds being expended as a capital item, along with other minor capital improvements).

In sum, the increase in water rates was necessary to prevent insolvency of the fund. It is important that both in this fiscal year and future fiscal years a fund surplus be maintained to fund the Capital Improvement Program either directly or through debt financing, as well as unanticipated expenditures.

#### Major Projects

- Water Storage Tank Epoxy Repairs - \$10,000
- Booster Pumps - \$5,500
- Exchange Wells Electrical Upgrade - \$10,000
- Filter System Upgrades - \$11,000
- SCADA System - \$25,000
- CDBG Water Plant Structure - \$326,000

#### Staffing

Proposed addition of one full time entry-level position. (½ booked to the Water Fund, ½ booked to Sewer Fund).

#### Sewer Operations Fund

Over the course of the last three years, the Sewer Fund has hovered around a break-even point of revenues versus expenditures. While on the surface, this would appear to be a positive development, the fund was in the same situation as the Water Fund – there was no ability to use leveraged financing to pay for critical improvements. The fund was merely covering daily operations and existing debt, and not preventative maintenance or any type of investment in new large scale capital equipment.

The decision of the Council to raise sewer rates a modest \$4.00/month has improved the situation. Note the projected increased revenues shown immediately below line item 10-4300-4300 on page 20. As one can see, the primary expenditures being made from this fund deal with debt service (over \$370,000) and utilities to operate the waste water treatment plant machinery and lift station.



You will note that total expenditures exceed total revenue, however, this is *not* due to a revenue shortfall, but rather due to a major capital improvement project, identified in the Capital Improvement Program and funded through the unencumbered fund balance. The reconstruction of the Lozano Lift Station is a project that is estimated to cost approximately \$225,000. Approximately \$210,000 is being moved from the fund balance (\$777,000) into the Capital Outlay line item (*See* 10-7210-6500) and is the reason for expenditures *appearing* to exceed revenue. Another way to see this is if the Lozano Lift Station project was not necessary, the difference between the Capital Outlay line item and the fund balance line represents the operating fiscal year surplus (about \$58,000).

### Major Projects

- Lozano Lift Station Reconstruction - \$225,000
- Repair and Maintenance of WWTP Aerators - \$11,000

### Staffing

See Water Fund staffing above.

### Water/Sewer Department Organization

The departure of the Public Utilities Director and the achievement of water distribution certifications by the Public Utilities Superintendent have allowed for a reexamination of the structure of the Public Utilities Department. Namely, the question becomes, does the City need a separate, free-standing Public Utilities Department or would a combined Public Works Department be operationally superior? Staff has concluded that the latter option is the superior alternative. As is reflected in the budget, contract services has been cut by 40% in both the Water and Sewer funds because the certifications obtained by the Department's Superintendent make a full time contract distribution specialist redundant. This results in a savings of approximately \$54,000. Consolidating the Public Utilities and Public Works Departments eliminates the Public Utilities Director position and thus results in a salary and benefits savings of approximately \$120,000. This provides ample funding to add one full time entry-level, or intermediate-level staff member to the water/sewer operations – as proposed above.

It is anticipated that at some point in the upcoming fiscal year, the Public Utilities Superintendent will obtain certifications that will qualify for consideration for promotion to Chief Plant Operator and thus will allow further reduction on the reliance of outside contract services. To plan for this, staff is going to include an updated salary schedule for the Chief Plant Operator position with the final budget for Council's consideration.

Beginning on July 1, 2016, the Public Utilities Department will be officially integrated into a combined Public Works Department.

### Measure C/LTF/Gas Tax

The City's principal way of funding all road improvements in the City is through a series of local taxes: Measure C, Local Transportation Funds (LTF), and Gas Tax. Generally speaking each year the City receives approximately \$300,000 from Measure C, \$280,000 from Gas Tax and \$300,000 from LTF. From these funds, the City can plan for one major street reconstruction project (such as the entire length of 6<sup>th</sup> Street) and one smaller project (such as the two block portion of Quince), along with some associated street repairs.

In 2014, the staff conducted a street survey in the central city area and identified streets and street sections in greatest need of reconstruction. The Council approved the multi-year plan presented and staff has been implementing this plan, using these funds, in the last two budget cycles.

In the 2016-2017 budget year, staff is proposing to spend \$1.4 million on street projects; the most ever spent on streets in any single year. The proposed projects are shown below:

#### Major Street Projects

- 7<sup>th</sup> Street and Derrick Realignment and Reconstruction - \$600,000
- 8<sup>th</sup> Street Reconstruction (Pucheu to Riofrio) - \$445,000
- Stamoules Street Reconstruction (7<sup>th</sup> to 9<sup>th</sup>) - \$361,000

It is at the Council's discretion as to which streets or street projects receive funding. The above listed projects are recommended by staff based on adherence to the Council adopted street improvement plan from 2014 and which projects would benefit the largest number of residents. In the case of the 7<sup>th</sup> and Derrick project, this project has been submitted several times for various grant funding opportunities in the last four years and has not been selected. Because of its relative low cost, but high beneficial impact to the community, staff is proposing to use our local funds to complete the project, rather than to continue to wait for annual grant opportunities that have so far, only delayed the project's completion.

## **FISCAL SUMMARY**

Despite the unpopularity of the water and sewer rate increase, Council should be applauded for this difficult decision. We are beginning to see a recovery in both the water and sewer funds; we are able to begin investment in key capital upgrades to the system; and are properly positioned to use leveraged financing in the future. As we examine the CIP, we note that over the next five years, the water and sewer utilities require over \$9 million in capital investment. With the beginning of the recovery of these funds, we will be in a position to explore a number of different funding opportunities from grants with matching requirements to standard loans as mechanisms to fund these improvements and guarantee the long term operational stability of the City's utilities.

However, we do remain exposed to unknown costs associated with the BB Ranch bridge and the exchange wells, and this could change the complexion of the Water and Sewer Funds budget mid-year. Council should be prepared to examine difficult and different options pertaining to these outstanding obligations.

In terms of the utilization of the Measure C, Gas Tax, and LTF funds, Council can consider completing the projects put forth by staff or direct the examination of costs of other road improvement projects. Regardless, staff can responsibly recommend that \$1.4 million is available for road improvement projects in the 2016-2017 fiscal year.

The remaining enterprise funds, (COPS, CFD, Refuse, and Aviation) are operating as planned in terms of revenues versus expenditures and are very stable funds.

## **RECOMMENDATION**

Staff recommends that Council provide appropriate direction to staff on funding initiatives and policy priorities for the Enterprise Funds.

**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 APPROVING AND ADOPTING  
THE FISCAL YEAR 2016-2017 OPERATING  
BUDGET FOR THE CITY OF MENDOTA.**

**RESOLUTION NO. 16-45**

**WHEREAS**, the City Council of the City of Mendota, in carrying out its fiduciary responsibility in the management of taxpayer funds, establishes an operating budget each fiscal year; and

**WHEREAS**, the City Council of the City of Mendota, in collaboration with City staff, has prepared balanced budget that provides for the delivery of core services to the residents of Mendota, through the approval of specific departmental expenditures; and

**WHEREAS**, the City Council of the City of Mendota has reviewed these specific departmental expenditures and held public workshops on May 31, and June 7, 2016, and received public testimony; and

**WHEREAS**, in order to ensure that the total expenditures approved herein by the City Council for each department remain at, or under the approved amounts, the City Manager may make minor changes to individual line items, so long as such changes do not increase the total expenditure amounts approved for each department; and

**NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS**, that the City Council of the City of Mendota does hereby adopt the 2016-2017 budget for the City of Mendota, as presented by the City Manager, and attached hereto and made part hereof 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 28<sup>th</sup> day of June, 2016.

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

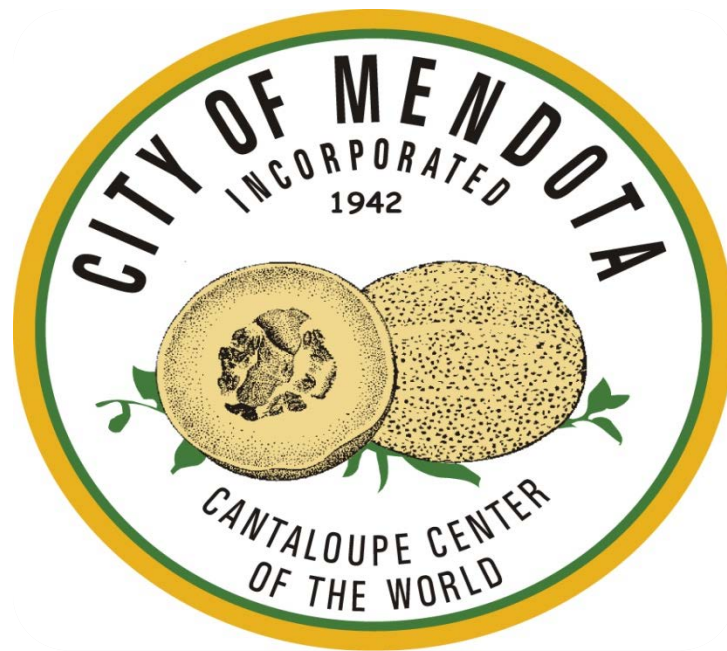
\_\_\_\_\_  
Matt Flood, City Clerk

# City of Mendota

## Fiscal Year

### 2016 - 2017

## Proposed Budget



OF THE WORLD  
CANTALOUPE CENTER

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# Directory

City of Mendota  
643 Quince Street  
Mendota, CA 93640  
(559) 655-3291 Phone  
(559) 655-4064 Fax  
[www.cityofmendota.com](http://www.cityofmendota.com)

City Council meetings are scheduled every 2<sup>nd</sup> and 4<sup>th</sup> Tuesday of the month at City Council Chambers 643 Quince Street, Mendota, California 93640.

## City Council

Mayor	Robert Silva	Term Expires	2018
Mayor Pro-Tem	Sergio Valdez	Term Expires	2016
Council Member	Joseph Amador	Term Expires	2018
Council Member	Rolando Castro	Term Expires	2018
Council Member	Joseph Riofrio	Term Expires	2016

## Departments

City Manager	Vince DiMaggio	(559) 451-1390	<a href="mailto:vincedimaggio@cityofmendota.com">vincedimaggio@cityofmendota.com</a>
Finance Officer	Rudy Marquez	(559) 860-8637	<a href="mailto:rudy@cityofmendota.com">rudy@cityofmendota.com</a>
Economic Development Manager/City Clerk	Matt Flood	(559) 577-7692	<a href="mailto:matt@cityofmendota.com">matt@cityofmendota.com</a>
Director of Administrative Services	Charles Johnson	(559) 630-2849	<a href="mailto:charles@cityofmendota.com">charles@cityofmendota.com</a>
Police Chief	Gregg L. Andreotti	(559) 210-4314	<a href="mailto:gandreotti@cityofmendota.com">gandreotti@cityofmendota.com</a>
Director of Planning & Public Works	Cristian Gonzalez	(559) 860-8882	<a href="mailto:cristian@cityofmendota.com">cristian@cityofmendota.com</a>

## Contract Services

City Attorney	Wanger Jones Helsley PC Attorneys	(559) 233-4800
City Engineer/Planner	Provost & Pritchard	(559) 449-2700

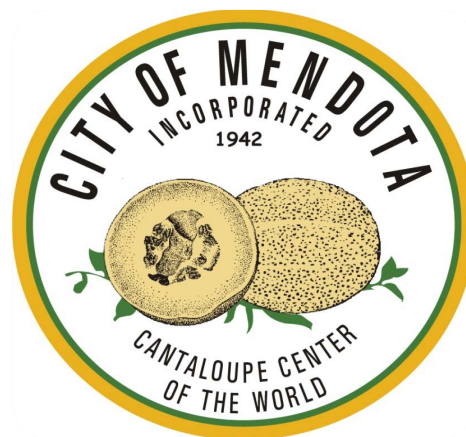
# General Fund Budget - Summary

## 1) General Fund Revenue Summary

- A. Taxes & Fines
- B. Revenues from use of money or property
- C. Inter-Governmental Agencies
- D. Services
- E. Other Revenues

## 2) General Fund Expenditure Summary

- A. Salaries & Overtime
- B. Fringe Benefits
- C. Contract Services
- D. Communication
- E. Supplies
- F. Fuel & Utilities
- G. Repair & Maintenance
- H. Property & General Liability Insurance
- I. Meetings-Travel-Training
- J. Other Expenditures
- K. Capital Outlay





# GENERAL FUND REVENUES

		Average Past 3 Years	Approved Budget FY 14/15	FY 15/16 Actual as of Apr-16	Approved Budget FY 15/16	Proposed Budget FY 16/17
<b>TAXES &amp; FINES:</b>						
01-3000-3010	Current Year Secured	854,989	750,000	406,088	820,000	820,000
01-3000-3030	Prior Year Secured	1,376	850	453	1,000	500
01-3000-3040	Current Year Unsecured	24,305	16,000	12,571	17,500	17,500
01-3000-3070	Home Owner Apportionment	3,498	3,390	1,525	3,418	3,050
01-3000-3150	Transfer Tax	4,232	4,500	4,372	3,768	5,000
01-3100-3110	Sales Tax & Use Tax	474,921	491,987	247,172	475,000	525,000
01-3100-3120	Franchise Fees	101,385	100,050	97,353	110,000	110,000
01-3100-3130	Business License Tax	68,658	63,500	70,772	67,500	68,500
01-3100-3140	Transient Tax	3,033	2,000	2,020	2,000	1,731
01-3100-3650	Housing In-Lieu	18,695	-	28	16,700	37,390
01-3200-3210	Animal License Tax	4,310	2,000	2,925	2,500	2,500
01-3300-3310	Vehicle Fines	30,591	40,000	25,323	25,000	27,738
01-3300-3320	Code Enforcement Fees	3,885	4,500	11,224	3,500	8,000
01-3300-3321	Traffic Fines	130	50	-	-	-
01-3300-3330	Traffic School Fines	1,247	500	-	-	-
01-3300-3340	Police Services	10,101	10,500	67,215	10,500	122,000
01-3300-3351	Police Administration Fees	14,640	8,000	7,309	16,500	11,000
01-3300-3359	Vehicle Impound Fees	37,607	40,500	31,920	30,000	33,000
01-3300-3362	DUI	28,968	25,500	20,750	35,000	30,000
01-3300-3364	Vehicle Abatement	16,120	15,000	3,498	-	10,177
01-3800-3350	Parking Citation	9,077	7,500	5,830	8,000	7,125
<b>TOTAL TAXES &amp; FINES:</b>		<b>1,711,766</b>	<b>1,586,327</b>	<b>1,018,347</b>	<b>1,647,886</b>	<b>1,840,211</b>

- Sales Tax & Use Tax Formula Estimate based off of April 2016:  $\$247,172/4=61,793*12=\$741,516.00$

<b>REVENUES FROM USE OF MONEY OR PROPERTY:</b>						
01-3400-3410	Investment Interest	771	1,900	1,657	1,500	1,727
01-3400-3420	Rental Income	70,659	69,579	58,619	70,000	71,000
<b>TOTAL REVENUE MONEY &amp; PROPERTY</b>		<b>71,430</b>	<b>71,479</b>	<b>60,276</b>	<b>71,500</b>	<b>72,727</b>

- Rental Income: Employment Development Department: \$3,427.42 (Monthly); Department of Motor Vehicles: \$486.31 (Monthly); Madera County Action Partnership: \$314.75 (Monthly); American Ambulance: \$602.22 (Monthly); Mendota Youth Recreation, Inc. \$1.00 (Annual); CalRenew-1: \$10,000.00 (Annual)

## GENERAL FUND REVENUES - CONTINUED

<b>INTER-GOVERNMENTAL AGENCIES:</b>						
01-3100-3115	Local Public Safety AB2788	37,414	31,000	27,446	34,000	34,000
01-3500-3520	Motor Vehicle In-Lieu	244,457	-	-	-	-
01-3500-3585	Housing Authority	4,167	6,000	4,000	6,000	6,000
<b>TOTAL INTER-GOV. AGENCIES</b>		<b>286,037</b>	<b>37,000</b>	<b>31,446</b>	<b>40,000</b>	<b>40,000</b>

<b>SERVICES:</b>						
01-3800-3810	Planning/Engineering (Pass-Thru)	89,982	85,000	65,686	25,000	78,000
01-3200-3228	Plan Check Fees	25,229	60,000	44,782	30,000	38,000
01-3800-3860	Street Sweeping	14,553	14,553	7,277	14,553	14,553
01-3200-3220	Building Fees	26,412	65,000	87,363	55,000	97,577
01-3200-3812	Building (Pass-Thru)	-	5,000	726	1,500	1,000
01-3222-4650	Encroachment Permits	-	-	6,768	-	7,930
<b>TOTAL SERVICES</b>		<b>156,176</b>	<b>229,553</b>	<b>212,601</b>	<b>126,053</b>	<b>237,060</b>

<b>OTHER REVENUES:</b>						
01-4000-4010	Sale of Property	5,989	2,500	117	2,500	250
01-4000-4020	RMA Refund	-	-	-	-	-
01-4000-4060	Over/Short	(23)	-	-	-	150
01-4000-4650	Capital Contributions	99,901	45,000	65,632	135,000	40,000
<b>TOTAL OTHER REVENUE</b>		<b>105,868</b>	<b>47,500</b>	<b>65,749</b>	<b>137,500</b>	<b>40,400</b>
01-3900-3903	<b>FUND BALANCE</b>	117,672	171,327	-	71,372	41,798
<b>TOTAL GENERAL FUND REVENUES</b>		<b>2,448,949</b>	<b>2,143,186</b>	<b>1,388,418</b>	<b>2,094,311</b>	<b>2,272,196</b>

FUND BALANCE:	<b>FY 09/10</b>	\$ 95,168.00
FUND BALANCE:	<b>FY 10/11</b>	\$ 180,637.00
FUND BALANCE:	<b>FY 11/12</b>	\$ 190,203.00
FUND BALANCE:	<b>FY 12/13</b>	\$ 163,841.00
FUND BALANCE:	<b>FY 13/14</b>	\$ 17,849.00
FUND BALANCE:	<b>FY 14/15</b>	\$ 171,327.00
FUND BALANCE:	<b>FY 15/16</b>	\$ 71,372.00

# GENERAL FUND EXPENDITURES

Fund	Description	Average Past 3 Years	Approved Budget FY 14/15	FY 15/16 Actual as of 4/1/2016	Approved Budget FY 15/16	Proposed Budget FY 16/17
	<b>SALARIES &amp; OVERTIME</b>					
01-xxx-5010	Salaries, Regular	732,415	790,269	616,303	733,293	838,023
01-xxx-5060	Overtime	58,508	61,100	44,321	61,500	72,500
	<b>Total Salaries &amp; Overtime</b>	<b>790,923</b>	<b>851,369</b>	<b>660,624</b>	<b>794,793</b>	<b>910,523</b>
	<b>FRINGE BENEFITS</b>					
01-xxx-5900	Uniform	18,014	14,800	8,298	17,150	9,900
01-xxx-6050	Retirement	15,730	17,741	13,986	18,966	30,534
01-xxx-6060	Health & Life Insurance	251,893	155,949	104,618	143,027	226,353
01-xxx-6070	F.I.C.A./Medicare	61,376	62,851	50,482	60,801	69,617
01-xxx-6080	Workers Compensation	74,263	34,777	85,863	110,385	116,965
01-xxx-6090	Unemployment Insurance	9,507	10,000	5,852	27,000	8,000
01-xxx-6100	Disability Insurance	7,837	8,680	6,686	8,584	9,828
	<b>Total Fringe Benefits</b>	<b>438,620</b>	<b>304,798</b>	<b>275,785</b>	<b>385,913</b>	<b>471,197</b>
	<b>CONTRACT SERVICES</b>					
01-xxx-5100	Election	1,101	2,500	-	-	-
01-xxx-5820	Legal Services	74,097	60,000	91,441	55,000	119,000
01-xxx-5821	Engineering Services	31,311	18,000	10,500	18,000	18,000
01-xxx-5825	General Plan Update	11,107	26,288	22,320	22,900	-
01-xxx-5840	Audit	13,312	16,000	13,042	10,000	10,000
01-xxx-5860	Contract Services - Dispatch	79,356	92,500	78,750	105,000	130,000
01-xxx-5850	Contract Services	335,357	290,417	157,373	293,089	263,300
01-xxx-5851	Contract Services (Pass-Thru)	16,641	65,000	73,537	35,000	31,000
01-xxx-5400	Lab Fees	2,598	3,500	621	3,000	1,500
01-xxx-5810	Abatement	4,310	10,000	-	-	-
	<b>Total Contract Services</b>	<b>564,880</b>	<b>584,205</b>	<b>447,584</b>	<b>541,989</b>	<b>572,800</b>
	<b>COMMUNICATION</b>					
01-xxx-5200	Telephone / Radio's	30,960	25,853	26,989	25,925	25,450
01-xxx-5360	Postage	5,612	6,700	5,528	2,800	5,000
	<b>Total Communication</b>	<b>36,572</b>	<b>32,553</b>	<b>32,517</b>	<b>28,725</b>	<b>30,450</b>
	<b>SUPPLIES</b>					
01-xxx-5350	Office Supplies	15,198	17,350	13,179	18,511	13,850
01-xxx-5800	Special Department Supplies	51,000	38,481	31,300	39,000	35,000
01-xxx-5750	Small Tools	237	-	-	-	-
	<b>Total Supplies</b>	<b>66,198</b>	<b>55,831</b>	<b>44,479</b>	<b>57,511</b>	<b>48,850</b>
	<b>FUEL &amp; UTILITY</b>					
01-xxx-5500	Fuel	51,702	57,200	29,858	52,950	35,000
01-xxx-5150	Utilities	43,384	42,379	30,662	43,400	39,997
	<b>Total Fuel &amp; Utility</b>	<b>95,086</b>	<b>99,579</b>	<b>60,520</b>	<b>96,350</b>	<b>74,997</b>
	<b>REPAIR &amp; MAINTENANCE</b>					
01-xxx-5450	Vehicle Maintenance/Operations	44,883	41,600	38,156	34,050	24,550
01-xxx-5460	Facility Repair	26,418	34,967	20,942	30,800	22,800
01-xxx-5600	Office Equipment Maintenance	1,667	1,600	1,594	1,000	2,000
	<b>Total Repair &amp; Maintenance</b>	<b>72,969</b>	<b>78,167</b>	<b>60,692</b>	<b>65,850</b>	<b>49,350</b>

## GENERAL FUND EXPENDITURES - CONTINUED

01-xxx-6110	<b>P &amp; GL INSURANCE</b>	<b>9,343</b>	<b>4,106</b>	<b>4,652</b>	<b>4,300</b>	<b>4,900</b>
01-xxx-6300	<b>MEETINGS/TRAVEL/TRAINING</b>	<b>23,197</b>	<b>29,330</b>	<b>28,924</b>	<b>28,700</b>	<b>23,150</b>
	<b>OTHER EXPENDITURES</b>					
01-xxx-5300	Advertising & Publication	8,157	5,019	5,301	4,500	4,250
01-xxx-5950	Rent/Lease of Equip./ PD Bld.	78,732	42,500	50,602	64,080	71,554
01-xxx-6211	Lease Pymt. St. Sweeper	-	-	-	-	-
01-xxx-6250	Memberships & Dues	10,984	10,150	5,628	7,600	6,675
01-xxx-6260	OSHA Compliance Issues	-	2,500	1,447	1,500	1,500
01-xxx-6510	Community Promotion	1,427	1,500	809	2,000	1,500
01-xxx-6900	Contingency	-	-	-	-	-
01-xxx-7500	Transfer-Out	500	500	500	500	500
	<b>Total Other Expenditures</b>	<b>99,301</b>	<b>62,169</b>	<b>64,287</b>	<b>80,180</b>	<b>85,979</b>
01-xxx-6500	<b>CAPITAL OUTLAY</b>	<b>46,014</b>	<b>41,079</b>	<b>8</b>	<b>10,000</b>	<b>-</b>
	<b>TOTAL General Fund EXPENDITURES</b>	<b>\$ 2,243,104</b>	<b>\$ 2,143,186</b>	<b>\$ 1,680,073</b>	<b>\$ 2,094,311</b>	<b>2,272,196</b>

# General Fund Budgets

- 1) City Council
- 2) City Administration
- 3) Finance Department
- 4) Planning & Engineering
- 5) Police
- 6) Code Enforcement
- 7) Animal Control
- 8) Building Department
- 9) Buildings & Grounds
- 10) Administrative Services
  - A Senior Center
  - B. Human Resources
  - C. Risk Management



# CITY COUNCIL

## Proposed Budget for Fiscal Year 2016-17 - General Fund

Fund	Description	Average Past 3 Years	Approved Budget FY 14/15	FY 15/16 Actual as of Apr-16	Approved Budget FY 15/16	Proposed Budget FY 16/17
<b>City Council</b>						
01-5060-5010	Salaries, Regular	16,800	18,000	12,000	18,000	18,000
01-5060-5100	Elections	1,101	2,500	-	-	-
01-5060-5200	Telephone	3,540	2,900	2,052	3,000	3,000
01-5060-5350	Office Supplies	234	117	114	250	250
01-5060-5820	Legal Services	2,042	-	680	-	-
01-5060-6060	Health & Life Insurance	125,947	52,104	43,188	58,745	69,605
01-5060-6070	F.I.C.A. / Medicare	2,081	1,377	1,301	1,377	1,377
01-5060-6100	Disability Insurance	269	194	153	194	194
01-5060-6250	Memberships & Dues	-	-	-	-	-
01-5060-6300	Meetings/Travel/Training	10,887	9,791	7,257	10,000	8,000
01-5060-6510	Community Promotions	1,427	1,500	809	2,000	1,500
01-7500-7500	Transfer out (Fund 03)	500	500	500	500	500
	<b>Total Expenditures</b>	<b>164,827</b>	<b>88,983</b>	<b>68,054</b>	<b>94,066</b>	<b>102,426</b>

# CITY ADMINISTRATION

## Proposed Budget for Fiscal Year 2016-17 - General Fund

Fund	Description	Average Past 3 Years	Approved Budget FY 14/15	FY 15/16 Actual as of Apr-16	Approved Budget FY 15/16	Proposed Budget FY 16/17
<b>City Administration</b>						
01-5070-5010	Salaries, Regular	32,455	38,139	41,514	47,375	49,666
01-5070-5200	Telephone	5,729	4,985	4,558	5,000	4,500
01-5070-5300	Advertising & Publication	5,283	2,500	2,710	2,500	2,500
01-5070-5350	Office Supplies	5,251	4,483	4,155	4,000	3,500
01-5070-5360	Postage	2,758	3,000	3,602	1,800	3,000
01-5070-5450	Vehicle Maintenance/Operations	938	-	70	250	250
01-5070-5460	Facility Repair/Maintenance	-	-	-	-	-
01-5070-5500	Fuel	1,741	-	-	-	-
01-5070-5600	Office Equipment Maintenance	1,523	1,100	1,594	1,000	2,000
01-5070-5800	Special Department Supplies	1,639	1,500	1,047	850	1,000
01-5070-5820	Legal Services	46,415	35,000	65,674	30,000	34,000
01-5070-5840	Audit	-	-	-	-	-
01-5070-5850	Contract Services / Fire Protection	181,200	202,962	107,274	203,000	220,000
01-5070-5950	Lease Payment	2,661	2,500	4,552	4,580	4,458
01-5070-6050	Retirement	746	1,907	1,100	2,369	3,253
01-5070-6060	Health & Life Insurance	4,245	3,723	2,993	4,561	5,989
01-5070-6070	F.I.C.A. / Medicare	2,345	2,918	3,122	3,624	3,799
01-5070-6080	Workers Compensation	3,558	1,961	5,273	4,738	6,512
01-5070-6090	Unemployment Insurance	3,901	5,000	2	4,000	2,000
01-5070-6100	Disability Insurance	300	412	353	512	536
01-5070-6250	Memberships & Dues	10,120	6,000	4,819	5,000	5,000
01-5070-6300	Meetings/Travel/Training	4,501	4,209	6,041	6,000	4,500
01-5070-6900	Contingency	-	-	-	-	-
01-5070-6500	Capital Outlay	-	-	-	-	-
	<b>Total Expenditures</b>	<b>317,309</b>	<b>322,299</b>	<b>260,453</b>	<b>331,159</b>	<b>356,463</b>

# FINANCE DEPARTMENT

## Proposed Budget for Fiscal Year 2016-17 - General Fund

Fund	Description	Average Past 3 Years	Approved Budget FY 14/15	FY 15/16 Actual as of Apr-16	Approved Budget FY 15/16	Proposed Budget FY 16/17
<b>Finance Department</b>						
01-5080-5010	Salaries, Regular	42,939	45,312	24,494	31,181	37,126
01-5080-5060	Overtime	-	-	-	-	-
01-5080-5200	Telephone	1,135	800	746	750	700
01-5080-5350	Office Supplies	703	850	828	800	800
01-5080-5360	Postage	-	-	-	-	-
01-5080-5600	Office Equipment Maint.	-	-	-	-	-
01-5080-5800	Special Dept. Supplies	-	-	-	-	-
01-5080-5840	Audit Fee	13,312	16,000	13,042	10,000	10,000
01-5080-5850	Contract Services	-	-	-	-	-
01-5080-5900	Uniform	-	-	-	300	500
01-5080-6050	Retirement	1,504	2,266	943	1,559	2,432
01-5080-6060	Health & Life Insurance	4,915	8,098	1,421	3,102	3,467
01-5080-6070	F.I.C.A. / Medicare	3,118	3,466	1,838	2,385	2,840
01-5080-6080	Workers Compensation	5,848	3,540	3,189	3,118	4,868
01-5080-6100	Disability Insurance	400	489	209	337	401
01-5080-6250	Memberships & Dues	391	600	325	300	325
01-5080-6300	Meetings/Travel/Training	122	1,000	110	750	750
	<b>Total Expenditures</b>	<b>74,386</b>	<b>82,421</b>	<b>47,145</b>	<b>54,582</b>	<b>64,209</b>



# PLANNING & ENGINEERING

## Proposed Budget for Fiscal Year 2016-17 - General Fund

Fund	Description	Average Past 3 Years	Approved Budget FY 14/15	FY 15/16 Actual as of Apr-16	Approved Budget FY 15/16	Proposed Budget FY 16/17
<b>Planning &amp; Engineering</b>						
01-5110-5010	Salaries - Regular	35,539	33,202	24,365	28,899	33,990
01-5110-5200	Telephone	-	-	-	-	-
01-5110-5300	Advertising & Publications	2,252	1,500	954	1,000	750
01-5110-5350	Office Supplies	741	500	749	1,250	300
01-5110-5360	Postage	-	-	-	-	-
01-5100-5800	Special Dept. Supplies	-	1,500	204	500	300
01-5110-5821	Engineering	31,311	18,000	10,500	18,000	18,000
01-5110-5825	Housing Element Update	11,107	26,288	22,320	22,900	-
01-5110-5850	Contract Services	80,861	19,300	8,186	20,000	9,000
01-5110-5851	Contract Services (Pass-Thru)	16,641	60,000	70,537	30,000	30,000
01-5110-6050	Retirement	1,349	1,660	655	1,445	2,226
01-5110-6060	Health & Life	4,391	4,524	1,552	2,179	2,937
01-5110-6070	F.I.C.A. / Medicare	2,599	2,540	1,813	2,211	2,600
01-5110-6080	Workers Compensation	4,862	1,985	3,116	2,890	4,457
01-5110-6100	Disability Insurance	336	359	199	312	367
01-5110-6300	Travel/Meetings	399	1,000	63	1,250	300
01-5110-6500	Capital Outlay	-	7,500	-	-	-
	<b>Total Expenditures</b>	<b>192,389</b>	<b>179,858</b>	<b>145,213</b>	<b>132,836</b>	<b>105,227</b>

# POLICE

## Proposed Budget for Fiscal Year 2016-17 - General Fund

Fund	Description	Average Past 3 Years	Approved Budget FY 14/15	FY 15/16 Actual as of Apr-16	Approved Budget FY 15/16	Proposed Budget FY 16/17
<b>Police</b>						
01-6150-5010	Salaries - Regular	378,680	398,622	262,689	366,582	424,836
01-6150-5020	Salaries - Part - Time	112,647	132,288	95,761	74,420	95,976
01-6150-5060	Overtime	56,288	60,000	42,922	63,000	70,000
01-6150-5150	Utilities	12,474	11,300	11,735	13,000	15,500
01-6150-5200	Telephone	20,373	17,000	19,384	17,000	17,000
01-6150-5300	Advertising & Publication	622	1,019	1,637	1,000	1,000
01-6150-5350	Office Supplies	8,105	8,000	4,907	7,500	5,500
01-6150-5360	Postage	2,154	3,000	1,926	1,000	2,000
01-6150-5400	Lab Fees	2,598	3,500	621	3,000	1,500
01-6150-5450	Vehicle Maintenance/Operations	35,687	30,000	27,866	19,500	14,000
01-6150-5460	Facility Repair / Maint.	5,542	4,500	1,106	4,000	1,500
01-6150-5500	Fuel	44,844	50,000	24,561	45,000	30,000
01-6150-5600	Office Equipment Maintenance	145	500	-	-	-
01-6150-5750	Small Tools & Equipment	237	-	-	-	-
01-6150-5800	Special Department Supplies	27,015	14,981	9,064	13,000	13,000
01-6150-5810	Abatement	4,310	10,000	-	-	-
01-6150-5820	Legal Services	25,640	25,000	25,087	25,000	85,000
01-6150-5850	Contract Services	55,323	49,000	26,272	42,300	20,000
01-6150-5860	Contract Services Dispatch	79,356	92,500	78,750	105,000	130,000
01-6150-5900	Uniform	17,791	14,000	6,091	11,850	7,000
01-6150-5950	Lease Payment	42,521	40,000	31,373	40,000	54,386
01-6150-6050	Retirement	8,878	6,977	6,720	8,026	10,805
01-6150-6060	Health & Life	87,811	69,768	43,067	56,564	122,248
01-6150-6070	F.I.C.A. / Medicare	42,158	42,910	30,231	37,125	45,198
01-6150-6080	Workers Compensation	47,970	20,283	55,549	81,483	77,469
01-6150-6090	Unemployment Insurance	5,607	5,000	5,850	20,500	6,000
01-6150-6100	Disability Insurance	5,366	6,057	4,338	5,240	6,381
01-6150-6110	P & GL Insurance	7,237	2,628	2,869	2,400	3,000
01-6150-6250	Memberships & Dues	470	600	427	600	750
01-6150-6300	Meetings/Travel	7,271	9,830	13,227	15,500	5,500
01-6150-6500	Capital Outlay	29,693	9,169	-	-	-
	<b>Total Expenditures</b>	<b>1,174,811</b>	<b>1,138,432</b>	<b>834,030</b>	<b>1,079,590</b>	<b>1,265,549</b>

# CODE ENFORCEMENT

## Proposed Budget for Fiscal Year 2016-17 - General Fund

Fund	Description	FY 15/16 Actual as of Apr-16	Approved Budget FY 15/16	Proposed Budget FY 16/17
<b>Code Enforcement</b>				
01-6160-5010	Salaries	30,022	52,491	53,203
01-6160-5060	Overtime	-	-	-
01-6160-5450	Vehicle Maintenance/Operations	1,231	500	2,000
01-6160-5460	Facility Repair/Maintenance	-	-	-
01-6160-5500	Fuel	162	450	450
01-6160-5800	Special Department Supplies	280	400	1,500
01-6160-5850	Contract Services	900	2,500	1,500
01-6160-5900	Uniform	1,040	600	1,000
01-6160-6050	Retirement	469	610	3,485
01-6160-6060	Health & Life Insurance	325	1,592	2,733
01-6160-6070	F.I.C.A. / Medicare	2,296	4,015	4,070
01-6160-6080	Workers Compensation	2,753	5,249	6,976
01-6160-6100	Disability Insurance	270	567	575
01-6160-6250	Membership & Dues	-	-	-
01-6160-6300	Travel/Meeting	-	-	1,200
	<b>Total Expenditures</b>	<b>39,748</b>	<b>68,974</b>	<b>78,692</b>

# ANIMAL CONTROL

## Proposed Budget for Fiscal Year 2016-17 - General Fund

Fund	Description	Average Past 3 Years	Approved Budget FY 14/15	FY 15/16 Actual as of Apr-16	Approved Budget FY 15/16	Proposed Budget FY 16/17
<b>Animal Control</b>						
01-6170-5010	Salaries	17,775	18,665	17,164	19,901	15,678
01-6170-5060	Overtime	612	300	400	500	1,000
01-6170-5450	Vehicle Maintenance/Operations	1,512	2,600	2,455	2,500	2,500
01-6170-5460	Facility Repair/Maintenance	2,120	3,100	652	500	500
01-6170-5500	Fuel	1,681	1,700	1,140	1,700	750
01-6170-5800	Special Department Supplies	1,907	1,500	972	1,250	1,200
01-6170-5850	Contract Services	11,452	6,500	7,214	7,000	7,000
01-6170-5900	Uniform	223	500	332	500	500
01-6170-6050	Retirement	330	179	77	-	1,092
01-6170-6060	Health & Life Insurance	2,289	897	518	-	456
01-6170-6070	F.I.C.A. / Medicare	1,403	1,428	1,334	1,523	1,276
01-6170-6080	Workers Compensation	1,642	1,184	2,065	1,990	2,187
01-6170-6100	Disability Insurance	181	202	157	215	180
01-6170-6250	Membership & Dues	3	200	-	200	100
01-6170-6300	Travel/Meeting	17	300	23	200	100
	<b>Total Expenditures</b>	<b>43,147</b>	<b>39,255</b>	<b>34,504</b>	<b>37,979</b>	<b>34,519</b>

# BUILDING DEPARTMENT

## Proposed Budget for Fiscal Year 2016-17 - General Fund

Fund	Description	Approved Budget FY 14/15	FY 15/16 Actual as of Apr-16	Approved Budget FY 15/16	Proposed Budget FY 16/17
<b>Building Department</b>					
01-7180-5010	Salaries	11,843	13,448	18,399	20,290
01-7180-5060	Overtime	-	-	-	-
01-7180-5200	Telephone	-	-	-	-
01-7180-5350	Office Supplies	1,000	880	1,000	2,000
01-7180-5360	Postage	700	-	-	-
01-7180-5450	Vehicle Maintenance/Operations	3,500	455	800	800
01-7180-5500	Fuel	3,000	1,311	3,000	1,000
01-7180-5600	Office Equipment Maintenance	-	-	-	-
01-7180-5610	Communications Equip. Maint.	-	-	-	-
01-7180-5800	Special Department Supplies	3,000	-	-	-
01-7180-5850	Contract Services	1,000	-	-	-
01-7180-5851	Contract Services (Pass-Thru)	5,000	451	3,000	1,000
01-7180-5900	Uniform	300	83	300	300
01-7180-6050	Retirement	1,592	672	820	1,329
01-7180-6060	Health & Life Insurance	2,166	651	925	1,478
01-7180-6070	F.I.C.A./Medicare	2,474	1,029	1,255	1,552
01-7180-6080	Workers Compensation	194	1,762	1,968	2,661
01-7180-6100	Disability Insurance	349	121	177	219
01-7180-6211	Lease Payment	-	-	-	-
01-7180-6250	Dues / Fees	250	57	1,000	500
01-7180-6300	Travel/Meetings	1,000	-	500	800
01-7180-6500	Capital Outlay	9,410	-	-	-
01-7180-6110	Property & General Liability	0	-	-	-
	<b>Total Expenditures</b>	<b>46,778</b>	<b>20,921</b>	<b>33,144</b>	<b>33,929</b>

# BUILDINGS & GROUNDS

## Proposed Budget for Fiscal Year 2016-17 - General Fund

Fund	Description	Average Past 3 Years	Approved Budget FY 14/15	FY 15/16 Actual as of Apr-16	Approved Budget FY 15/16	Proposed Budget FY 16/17
<b>Buildings &amp; Grounds</b>						
01-7250-5010	Salaries	84,886	83,193	84,442	86,745	76,697
01-7250-5060	Overtime	1,608	800	999	2,000	1,500
01-7250-5150	Utilities	29,776	29,984	17,728	29,000	23,097
01-7250-5200	Telephone	-	-	-	-	-
01-7250-5450	Vehicle Maintenance/Operations	6,746	5,500	6,079	5,000	5,000
01-7250-5460	Facility Repair/Maintenance	18,558	26,167	18,605	20,000	20,000
01-7250-5500	Fuel	3,436	2,500	2,684	2,800	2,800
01-7250-5800	Special Department Supplies	20,440	16,000	19,733	18,000	18,000
01-7250-5850	Contract Services	6,228	11,323	5,767	5,289	5,500
01-7250-5900	Uniform	-	-	752	600	600
01-7250-5950	Lease Payment	33,550	-	14,677	19,500	12,710
01-7250-6050	Retirement	2,923	3,160	3,350	4,137	5,089
01-7250-6060	Health & Life Insurance	22,295	16,977	10,903	15,359	17,440
01-7250-6070	F.I.C.A./Medicare	6,855	4,896	6,722	6,406	5,944
01-7250-6080	Workers Compensation	9,806	4,932	10,793	8,374	10,188
01-7250-6100	Disability Insurance	881	692	791	905	839
01-7250-6110	Property & General Liability	2,106	1,478	1,783	1,900	1,900
01-7250-6500	Capital Outlay	16,320	15,000	8	10,000	-
	<b>Total Expenditures</b>	<b>266,412</b>	<b>222,602</b>	<b>205,817</b>	<b>236,015</b>	<b>207,304</b>

- Lease Payment - \$12,710.00 7<sup>th</sup> Street Lot Purchase Payment & Public Works Fleet Vehicle Payment (5950)

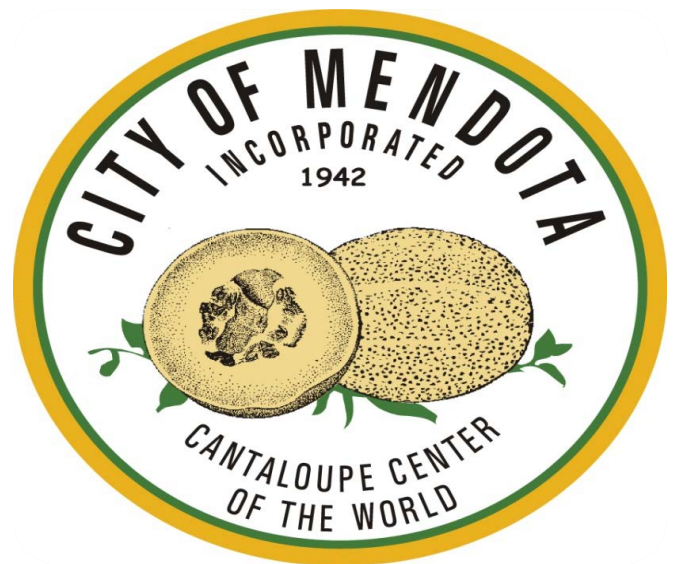
# ADMINISTRATIVE SERVICES

## Proposed Budget for Fiscal Year 2016-17 - General Fund

Fund	Description	Average Past 3 Years	Approved Budget FY 14/15	FY 15/16 Actual as of Apr-16	Approved Budget FY 15/16	Proposed Budget FY 16/17
<b>Administrative Services</b>						
<b>Senior Center</b>						
01-8320-5010	Salaries	10,694	11,005	10,404	11,500	12,561
01-8320-5150	Utilities	1,134	1,094	1,199	1,400	1,400
01-8320-5200	Telephone	184	167	249	175	250
01-8320-5350	Office Supplies	164	400	461	511	500
01-8320-5460	Building Operations S/M	199	1,200	579	800	800
01-8320-5850	Contract Services	294	332	160	300	300
01-8320-6050	Retirement	-	-	-	-	823
01-8320-6070	F.I.C.A./Medicare	818	842	796	880	961
01-8320-6080	Workers Compensation	577	698	1,363	575	1,647
01-8320-6100	Disability Insurance	106	120	94	125	136
01-8320-6300	Travel/Meetings	-	200	-	-	0
	<b>Expenditures</b>	<b>14,170</b>	<b>16,058</b>	<b>15,305</b>	<b>16,266</b>	<b>19,378</b>
<b>Human Resources</b>						
01-8321-5350	Office Supplies	-	2,000	1,085	1,200	1,000
01-8321-5850	Contract Services	-	-	4,662	5,000	-
01-8321-6300	Travel/Meetings	-	2,000	2,203	2,000	2,000
	<b>Expenditures</b>	<b>-</b>	<b>4,000</b>	<b>7,950</b>	<b>8,200</b>	<b>3,000</b>
<b>Risk Management</b>						
01-8322-6260	OSHA Compliance Issues	-	2,500	1,447	1,500	1,500
	<b>Expenditures</b>	<b>-</b>	<b>2,500</b>	<b>1,447</b>	<b>1,500</b>	<b>1,500</b>
	<b>Total Expenditures</b>	<b>14,170</b>	<b>22,558</b>	<b>24,702</b>	<b>25,966</b>	<b>23,878</b>

# Enterprise Fund Budgets

- 1) Refuse Operation Fund
- 2) Sewer Operation Fund
- 3) Water Operation Fund
- 4) Gas Tax - Street Fund
- 5) Measure "C" - Street Fund
- 6) "LTF" - Street Fund
- 7) Mendota Community Facilities District Fund
- 8) Aviation
- 9) "COPS"
- 10) Donation Fund
- 11) Public Safety Capital Improvement Fund





# REFUSE OPERATION FUND

## Proposed Budget for Fiscal Year 2016-17

Fund	Description	Average Past 3 Years	Approved Budget FY 14/15	FY 15/16 Actual as of Apr-16	Approved Budget FY 15/16	Proposed Budget FY 16/17
<b>Revenues</b>						
13-4400	Refuse Service	661,137	654,252	531,963	664,845	713,604
13-4000-4650	Misc Income	730	-	-	-	-
13-3592-3890	State Grant	4,743	5,000	5,000	-	5,000
13-3400-3410	Interest Income	3,326	500	-	500	500
13-3903-3903	Transfer- In	-	-	-	-	-
	<b>TOTAL REVENUES</b>	<b>669,936</b>	<b>659,752</b>	<b>536,963</b>	<b>665,345</b>	<b>719,104</b>
<b>Expenditures</b>						
13-7240-5010	Salaries, Regular	68,990	54,768	29,692	35,895	40,109
13-7240-5060	Overtime	3,363	500	12	500	500
13-7240-5374	State Grant	2,839	5,000	-	-	5,000
13-7240-5800	Special Department Supplies	1,964	1,000	398	572	500
13-7240-5840	Audit	622	700	828	828	828
13-7240-5850	Contract Services	582,191	576,000	470,623	588,292	589,000
13-7240-6050	Retirement	3,656	2,038	675	1,795	2,627
13-7240-6060	Health & Life Insurance	12,288	7,425	5,063	7,698	13,659
13-7240-6070	F.I.C.A./Medicare	5,088	3,157	2,268	2,784	3,069
13-7240-6080	Workers Compensation	9,417	3,877	3,854	3,931	5,259
13-7240-6100	Disability Insurance	660	446	267	392	433
	<b>Total Expenditures</b>	<b>691,079</b>	<b>654,911</b>	<b>513,680</b>	<b>642,687</b>	<b>660,984</b>
	<b>Excess of Revenues over Expenditures</b>	<b>(21,143)</b>	<b>4,841</b>	<b>23,283</b>	<b>22,658</b>	<b>58,120</b>

- State Grant - \$5,000.00 Purchase Multi-Recyclable Containers for Parks/Grounds.

# SEWER OPERATION FUND

## Proposed Budget for Fiscal Year 2016-17

Fund	Description	Average Past 3 Years	Approved Budget FY 14/15	FY 15/16 Actual as of Apr-16	Approved Budget FY 15/16	Proposed Budget FY 16/17
<b>Revenues</b>						
10-3900-3903	Inter-fund Transfer	-		-	-	
10-3400-3410	Interest Income	1,093	250	(93)	1,000	100
10-4000-4650	Misc Revenue	144,644	-	36,867	-	26,667
10-4300-4200	Sewer Service	1,170,932	1,081,847	928,224	1,192,751	1,358,487
10-4300-4300	Connection Fee	9,658	4,000	14,907	4,500	9,500
	<b>TOTAL REVENUES</b>	<b>1,326,327</b>	<b>1,086,097</b>	<b>979,905</b>	<b>1,198,251</b>	<b>1,394,754</b>
<b>Expenditures</b>						
10-7210-5010	Salaries, Regular	223,239	312,533	236,033	323,164	353,689
10-7210-5060	Overtime	8,696	10,000	5,250	10,000	6,000
10-7210-5150	Utilities	161,997	147,847	100,626	196,760	134,122
10-7210-5200	Telephone	6,785	5,750	6,327	6,811	7,000
10-7210-5300	Advertising & Publication	1,538	1,500	819	1,500	1,000
10-7210-5350	Office Supplies	4,763	4,500	3,302	4,500	3,000
10-7210-5360	Postage	5,820	6,500	10,660	4,000	7,500
10-7210-5400	Lab Analysis	6,441	5,390	2,787	5,000	5,000
10-7210-5410	Chemicals	6,211	9,678	5,653	6,500	6,500
10-7210-5450	Vehicle Maintenance/Operations	11,816	11,500	11,648	13,488	18,000
10-7210-5460	Facility Repair / Maint.	27,990	25,667	11,627	20,000	16,000
10-7210-5500	Fuel	11,382	11,000	11,327	14,667	10,000
10-7210-5550	Plant Equipment	148	-	-	-	-
10-7210-5600	Office Equipment Maintenance	1,667	1,700	1,783	1,500	1,500
10-7210-5700	Depreciation	262,363	-	-	-	-
10-7210-5800	Special Department Supplies	12,952	11,500	16,968	15,500	15,000
10-7210-5820	Legal Services	21,441	18,000	21,574	18,000	34,000
10-7210-5821	Engineering Services	15,991	15,000	13,500	15,000	18,000
10-7210-5840	Audit	13,959	12,500	16,938	12,836	12,900
10-7210-5850	Contract Services	66,416	57,490	78,406	70,000	43,000
10-7210-5900	Uniform	1,904	1,800	3,191	1,700	2,700
10-7210-5950	Lease Payment	3,287	3,000	7,410	7,438	18,253
10-7210-6050	Retirement	7,723	14,492	6,010	14,666	22,839
10-7210-6060	Health & Life Insurance	55,222	76,333	49,542	51,562	100,309
10-7210-6070	F.I.C.A./Medicare	17,677	24,674	19,103	25,487	26,675
10-7210-6080	Workers Compensation	32,310	17,958	31,331	46,643	45,721
10-7210-6090	Unemployment Insurance	6,945	4,000	4,212	24,500	10,000
10-7210-6100	Disability Insurance	2,273	3,483	2,219	3,597	3,766
10-7210-6110	P & GL Insurance	2,403	2,000	1,783	1,900	1,800
10-7210-6200	Bond / Principle	-	133,000	71,520	139,000	150,000
10-7210-6210	Bond / Interest	244,598	241,560	116,374	235,743	227,199
10-7210-6250	Memberships & Dues	32,549	34,250	34,137	48,529	40,000
10-7210-6300	Meetings/Travel/Training	1,388	2,000	1,129	1,200	1,200
10-7210-6400	Taxes & Assessment	644	660	783	879	783
10-7210-6500	Capital Outlay	47,434	25,383	34,791	33,680	268,719
10-7210-8003	Special Project WWTP	-	-	32,660		-
	<b>Total Expenditures</b>	<b>1,327,972</b>	<b>1,252,648</b>	<b>971,423</b>	<b>1,375,750</b>	<b>1,612,175</b>
	<b>FUND BALANCE:</b>		<b>166,551</b>		<b>177,499</b>	<b>217,422</b>
	<b>Excess of Revenues over Expenditures</b>	<b>(1,645)</b>	<b>-</b>	<b>8,482</b>	<b>-</b>	<b>-</b>

- Fund Balance: \$770,859.00
- Facility Repair/Maintenance - \$10,749.00 for Aerators @ WWTP (5460)
- Capital Outlay - \$225,000.00 for the Lozano Lift Station Upgrade & \$37,052.22 for (2) CNG Ford Trucks & \$6,666.67 for the GEM (6500)
- Reimbursable - \$20,000.00 for (2) CNG Ford Trucks & \$6,666.67 for the GEM

### LONG-TERM LIABILITIES - SEWER

<b>Mendota Joint Powers Financing Authority Wastewater Certificates of Participation Series 2010-1</b>			
<b>Year Ended June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2016	29,000	84,455	113,455
2017	30,000	83,505	113,505
2018	31,000	82,055	113,055
2019	32,000	80,795	112,795
2020-2024	184,000	383,186	567,186
2025-2029	222,000	342,823	564,823
2030-2034	271,000	293,493	564,493
2035-2039	329,000	233,578	562,578
2040-2044	401,000	160,815	561,815
2045-2049	487,000	72,189	559,189
2050	110,000	8,688	112,182
<b>Total</b>	<b>2,126,000</b>	<b>1,825,582</b>	<b>3,945,076</b>
<b>Mendota Joint Powers Financing Authority Wastewater Revenue Bonds Series 2005</b>			
<b>Year Ended June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2016	110,000	151,288	261,288
2017	115,000	146,280	261,280
2018	120,000	140,933	260,933
2019	125,000	135,266	260,266
2020-2023	720,000	578,486	1,298,486
2024-2028	685,000	396,555	1,081,555
2029-2033	815,000	209,734	1,024,734
2034-2037	390,000	20,343	410,343
<b>Subtotal</b>	<b>3,080,000</b>	<b>1,778,885</b>	<b>4,858,885</b>
<b>Less: unamortized discount</b>	<b>(98,296)</b>	<b>-</b>	<b>(98,296)</b>
<b>Total</b>	<b>2,981,704</b>	<b>1,778,885</b>	<b>4,760,589</b>

- Mendota Joint Powers Financing Authority Wastewater Certificates of Participation Series 2010-1 debt service will terminate 2028.
- Mendota Joint Powers Financing Authority Wastewater Revenues Bonds, Series 2005 debt service will terminate 2037.

# WATER OPERATION FUND

## Proposed Budget for Fiscal Year 2016-17

Fund	Description	Average Past 3 Years	Approved Budget FY 14/15	FY 15/16 Actual as of Apr-16	Approved Budget FY 15/16	Proposed Budget FY 16/17
02-3400-3410	Interest Income	384	100	(14)	500	100
02-3900-3903	Inter-fund Transfer	-	-	-	-	88,000
02-4000-4650	Misc Income	37,601	-	9,355	-	326,867
02-4200-4201	Water Service	1,263,267	1,284,807	1,008,474	1,397,539	1,478,785
02-4200-4300	Connection Fee	6,894	8,500	28,418	12,372	12,500
02-4200-4330	Penalty/Shut-Off	67,291	56,600	70,758	65,000	68,300
	<b>TOTAL REVENUES</b>	<b>1,375,436</b>	<b>1,350,007</b>	<b>1,116,991</b>	<b>1,475,411</b>	<b>1,974,552</b>
02-7220-5010	Salaries, Regular	267,895	312,533	258,632	324,503	359,501
02-7220-5060	Overtime	10,619	10,000	7,038	10,000	10,000
02-7220-5150	Utilities	340,512	315,540	222,161	399,600	300,000
02-7220-5200	Telephone	11,357	9,724	10,779	11,089	12,400
02-7220-5300	Advertising & Publication	1,711	1,500	891	1,500	1,100
02-7220-5350	Office Supplies	4,898	4,500	3,361	4,500	4,000
02-7220-5360	Postage	5,820	6,900	9,770	7,000	7,500
02-7220-5400	Lab Analysis	13,008	11,250	14,064	20,000	15,000
02-7220-5410	Chemicals	25,937	29,650	23,131	33,000	28,000
02-7220-5450	Vehicle Maintenance/Operations	8,425	9,500	9,501	9,500	9,500
02-7220-5460	Facility Repair / Maint.	89,928	52,167	35,985	45,000	50,000
02-7220-5500	Fuel	11,164	10,250	7,709	13,500	13,500
02-7220-5550	Plant Equipment	720	1,000	-	-	-
02-7220-5600	Office Equipment Maintenance	1,765	1,800	1,872	1,500	1,500
02-7220-5700	Depreciation	268,564	-	-	-	-
02-7220-5800	Special Department Supplies	41,823	50,000	50,808	55,000	65,000
02-7220-5820	Legal Services	21,751	18,000	28,556	18,000	40,000
02-7220-5821	Engineering Services	24,231	20,000	29,010	25,000	25,000
02-7220-5840	Audit	13,959	16,500	17,166	12,837	12,900
02-7220-5850	Contract Services	53,120	66,715	84,026	75,000	39,000
02-7220-5900	Uniform	1,877	1,750	3,191	1,700	2,700
02-7220-5950	Lease Payment	129,627	132,000	75,157	90,713	154,003
02-7220-6050	Retirement	9,636	14,492	6,727	14,733	23,220
02-7220-6060	Health & Life Insurance	71,586	76,333	53,708	51,943	100,584
02-7220-6070	F.I.C.A./Medicare	21,194	24,674	21,058	25,589	22,119
02-7220-6080	Workers Compensation	38,428	17,623	34,230	40,140	39,965
02-7220-6090	Unemployment Insurance	6,844	15,000	4,213	24,500	10,000
02-7220-6100	Disability Insurance	2,734	3,483	2,449	3,613	3,829
02-7220-6110	P & GL Insurance	2,563	2,000	1,783	1,900	1,900
02-7220-6200	Bond / Principle	-	36,000	38,000	38,000	40,000
02-7220-6210	Bond / Interest	30,990	30,195	28,530	28,530	26,775
02-7220-6250	Memberships & Dues	16,957	13,378	15,305	15,000	15,000
02-7220-6300	Meetings/Travel/Training	4,815	15,617	1,483	10,000	5,000
02-7220-6400	Taxes & Assessment	201	206	317	275	320
02-7220-6500	Capital Outlay	15,811	41,000	29,605	40,638	343,919
	<b>Total Expenditures</b>	<b>1,570,470</b>	<b>1,371,280</b>	<b>1,130,216</b>	<b>1,453,803</b>	<b>1,783,235</b>
	<b>FUND BALANCE:</b>	<b>-</b>	<b>21,273</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Excess of Revenues over Expenditures</b>	<b>(195,034)</b>	<b>-</b>	<b>(13,225)</b>	<b>21,608</b>	<b>191,316</b>

- Fund Balance: \$165,458.00

- Facility Maintenance - \$10,000.00 for the Tank Epoxy Repairs (Filter System) & \$5,518.00 for the Booster Pumps & \$10,000.00 for the Exchange Wells Electrical Upgrade & \$10,975.00 for the Filter System (Valves, Actuators, Backwash Pump, Air System) (5460)
- Special Department Supplies - \$35,000.00 for Meters & \$8,300.00 for Distribution System (Repair Clamps, Repair Couplers, Service Line Parts, Voltmeter ) & \$6,000.00 for Meter Boxes/Lids (5800)
- Capital Outlay - \$25,000.00 for the SCADA System & \$37,052.22 for (2) CNG Ford Trucks & \$6,666.67 for the GEM & \$300,200.00 for the CDBG Shade Structure (6500)
- Reimbursable - \$20,000.00 for (2) CNG Ford Trucks & \$6,666.67 for the GEM & \$300,200.00 for the CDBG Shade Structure
- Inter-fund Transfer - \$88,000.00 Loan from the General Reserve (Emergency Fund)

**LONG-TERM LIABILITIES - WATER**

<b>1989 Finance Authority Revenue Bonds</b>			
<b>Year Ended June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Totals</b>
2017	40,000	11,238	51,238
2018	40,000	8,138	48,138
2019	40,000	5,039	45,039
2020	45,000	1,744	46,744
<b>Total</b>	<b>165,000</b>	<b>26,159</b>	<b>191,159</b>
<b>USDA Water Improvement Loan</b>			
<b>Year Ended June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Totals</b>
2017	40,000	26,775	66,775
2018	42,000	24,930	66,930
2019	44,000	22,995	66,995
2020			
2021-2024	250,000	82,800	332,800
2025-2028	239,000	21,758	260,758
<b>Total</b>	<b>615,000</b>	<b>179,258</b>	<b>794,258</b>

- 1989 Finance Authority Revenue Bonds debt service will terminate 2020.
- USDA Water Improvement Loan debt service will terminate 2028.

# GAS TAX - STREET FUND

## Proposed Budget for Fiscal Year 2016-17

Fund	Description	Average Past 3 Years	Approved Budget FY 14/15	FY 15/16 Actual as of Apr-16	Approved Budget FY 15/16	Proposed Budget FY 16/17
<b>Revenues</b>						
07-3500-3529	State Allocation - 2103	115,342	116,737	33,861	116,737	116,737
07-3500-3530	State Allocation - 2105	61,493	53,648	41,284	53,648	53,648
07-3500-3531	State Allocation - 2106	34,817	46,550	24,015	46,550	46,550
07-3500-3532	State Allocation - 2107	79,204	65,918	52,337	65,918	65,918
07-3500-3533	State Allocation - 2107.5	3,000	2,000	-	2,000	2,000
07-3400-3410	Interest Income	658	500	(69)	500	100
07-3900-3903	Interfund Transfer					
07-4000-4650	Misc. Revenue (Grants)	507,211	-	130,326	-	
	<b>Total Revenues</b>	<b>801,724</b>	<b>285,353</b>	<b>281,754</b>	<b>285,353</b>	<b>284,953</b>
<b>Expenditures</b>						
07-7190-5010	Salaries, Regular	23,288	60,038	45,744	65,071	35,551
07-7190-5060	Overtime	11	500	94	500	500
07-7190-5150	Utilities- Street Lights	56,586	50,000	46,992	55,000	61,865
07-7190-5450	Vehicle Maintenance / Operations	40	500	249	500	1,115
07-7190-5470	Street Repair / Maintenance	7,132	-	-	9,000	8,074
07-7190-5800	Special Department Supplies	1,257	2,500	698	1,500	1,500
07-7190-5821	Engineering Services	-	-	-	-	-
07-7190-5840	Audit Fees	1,000	1,000	1,243	1,000	1,300
07-7190-5850	Contract Services	-	-	-	-	-
07-7190-6050	Retirement	789	3,002	1,702	3,254	2,361
07-7190-6060	Health & Life Insurance	4,074	14,254	6,489	12,236	7,813
07-7190-6070	F.I.C.A./Medicare	1,698	4,631	3,457	5,016	2,758
07-7190-6080	Workers Compensation	3,207	2,137	5,973	6,557	4,727
07-7190-6100	Disability Insurance	216	654	391	708	389
07-7190-6500	Capital Outlay	641,166	140,000	434,145	400,975	505,319
	<b>Total Expenditures</b>	<b>740,464</b>	<b>279,216</b>	<b>547,178</b>	<b>561,317</b>	<b>633,272</b>
	<b>FUND BALANCE:</b>	<b>-</b>			<b>275,964</b>	<b>348,319</b>
	<b>Excess of Revenues over Expenditures</b>	<b>61,260</b>	<b>6,137</b>	<b>(265,424)</b>	<b>-</b>	<b>-</b>

- The \$348,319.00 in Fund Balance will be used for Projects 1 through 3. Project 4 will be contingent on the completion and cash balance after Project 1 through 3 listed below. Measure C and "LTF" will share the expenditures of all projects.
- Fund Balance: \$152,135.00

<b>Project for 2016-17 Budget</b>		
	<b>1 7th Street &amp; Derrick Reconstruction</b>	<b>\$ 600,000.00</b>
	<b>2 Marie Street (2nd to Divisadero)</b>	<b>\$ 276,712.00</b>
	<b>3 Divisadero (Marie to Lolita)</b>	<b>\$ 143,428.00</b>
	<b>4 Pending Cash Balance After Projects 1-3</b>	<b>\$ -</b>
		<b>\$ 1,020,140.00</b>
	<b>Approved Total</b>	<b>\$ 1,409,995.00</b>
<b>Option 1</b>	<b>4 8th Street Reconstruction (Pucheu to Riofrio)</b>	<b>\$ 445,495.00</b>
<b>Option 2</b>	<b>4 Stamoules Street Reconstruction (7th to 9th)</b>	<b>\$ 361,316.00</b>

# MEASURE "C" STREET FUND

## Proposed Budget for Fiscal Year 2016-17

Fund	Description	Average Past 3 Years	Approved Budget FY 14/15	FY 15/16 Actual as of Apr-16	Approved Budget FY 15/16	Proposed Budget FY 16/17
<b>Revenues</b>						
14-3100-3175	County Allocation	147,545	151,488	128,767	151,488	163,371
14-3100-3180	County Allocation (ADA)	5,055	5,302	4,344	5,302	5,718
14-3100-3190	County Allocation (Flexible)	171,174	175,960	148,131	175,960	190,776
14-3400-3410	Interest Income	1,041	-	(123)	-	-
14-4000-4650	Misc. Revenue (Grants)	680,023	-	78,929	-	-
	<b>Total Revenues</b>	<b>1,004,839</b>	<b>332,750</b>	<b>360,048</b>	<b>332,750</b>	<b>359,865</b>
<b>Expenditures</b>						
14-7190-5010	Salaries, Regular	58,456	64,018	86,784	115,199	147,892
14-7190-5060	Overtime	416	2,000	104	500	500
14-7190-5420	Street ADA Projects	-	-	-	-	-
14-7190-5450	Vehicle Maintenance/Operations	11,962	2,419	2,204	8,000	1,308
14-7190-5470	Street Repair / Maint.	4,270	49,519	622	50,000	17,386
14-7190-5800	Special Department Supplies	1,083	5,000	3,442	2,557	4,589
14-7190-5480	Sidewalk / Curb / Gutter-Maint.	63	10,000	-	-	-
14-7190-5821	Engineering Services	-	-	-	-	-
14-7190-5840	Audit	1,000	1,000	1,243	1,000	1,657
14-7190-5850	Contract Services	80,619	92,710	38,106	75,000	30,000
14-7190-6050	Retirement	2,183	3,201	3,592	5,760	9,720
14-7190-6060	Health & Life Insurance	18,592	14,525	18,151	25,056	54,759
14-7190-6070	F.I.C.A./Medicare	4,542	4,936	6,729	8,850	11,352
14-7190-6080	Workers Compensation	8,528	4,407	11,438	11,570	19,457
14-7190-6100	Disability Compensation	583	697	775	1,250	1,603
14-7190-6500	Capital Outlay	342,964	76,910	424,100	303,972	632,000
14-7190-7500	Transfer Out	-	-	-	-	-
	<b>Total Expenditures</b>	<b>535,260</b>	<b>331,342</b>	<b>597,290</b>	<b>608,714</b>	<b>932,222</b>
	<b>FUND BALANCE:</b>	<b>-</b>	<b>-</b>		<b>275,964</b>	<b>572,357</b>
	<b>Excess of Revenues over Expenditures</b>	<b>469,578</b>	<b>1,408</b>	<b>(237,242)</b>	<b>-</b>	<b>-</b>

- The \$572,357.00 in Fund Balance will be used for Projects 1 through 3. Project 4 will be contingent on the completion and cash balance after Project 1 through 3 listed below. Gas Tax and "LTF" will share the expenditures of all projects.
- Fund Balance: \$408,896.00

Project for 2016-17 Budget	
1	7th Street & Derrick Reconstruction \$ 600,000.00
2	Marie Street (2nd to Divisadero) \$ 276,712.00
3	Divisadero (Marie to Lolita) \$ 143,428.00
4	Pending Cash Balance After Projects 1-3 \$ -
	<b>\$ 1,020,140.00</b>
	<b>Approved Total \$ 1,409,995.00</b>
Option 1	4 8th Street Reconstruction (Pucheu to Riofrio) \$ 445,495.00
Option 2	4 Stamoules Street Reconstruction (7th to 9th) \$ 361,316.00

**“LTF” STREET FUND**  
Proposed Budget for Fiscal Year 2016-17

Fund	Description	Average Past 3 Years	Approved Budget FY 14/15	FY 15/16 Actual as of Apr-16	Approved Budget FY 15/16	Proposed Budget FY 16/17
<b>Revenues</b>						
12-3100-3160	Article III	6,695	7,020	7,356	7,429	8,339
12-3100-3170	Article VIII	311,045	316,989	187,531	332,168	356,839
12-3100-3410	Interest Income	524	-	(62)	-	-
12-4000-4650	Misc. Revenue (Grants)	2,435	-	31,000	-	-
	<b>Total Revenues</b>	<b>320,699</b>	<b>324,009</b>	<b>225,825</b>	<b>339,597</b>	<b>365,178</b>
<b>Expenditures</b>						
12-7190-5010	Salaries, Regular	57,945	64,815	71,843	84,165	109,741
12-7190-5060	Overtime	207	500	675	500	500
12-7190-5440	Street Painting	-	-	-	-	-
12-7190-5450	Veh. Maint/Operations	9,785	10,000	7,408	7,000	9,000
12-7190-5470	Street Repair	17,756	50,000	14,259	50,000	14,977
12-7190-5480	Sidewalk / Curb	-	5,000	-	10,000	5,000
12-7190-5500	Fuel	3,765	4,000	3,857	5,000	4,000
12-7190-5800	Special Department Supplies	10,545	70,000	6,615	15,000	8,500
12-7190-5821	Engineering Services	1,083	2,000	-	2,000	2,000
12-7190-5840	Audit Fees	944	1,500	1,606	1,500	2,000
12-7190-5850	Contract Services	612	1,500	1,924	75,000	2,500
12-7190-6050	Retirement	2,354	3,241	2,730	4,208	7,221
12-7190-6060	Health & life Insurance	16,500	14,579	10,014	14,234	27,403
12-7190-6070	F.I.C.A./Medicare	4,472	4,997	5,547	6,478	8,433
12-7190-6080	Workers Compensation	8,454	4,457	9,399	12,700	14,455
12-7190-6100	Disability Insurance	571	705	636	914	1,191
12-7190-6500	Capital Outlay	103,679	79,695	431,984	326,862	272,676
12-7195-5470	Streets (ART 3) Repairs	-	7,020	-	-	-
	<b>Total Expenditures</b>	<b>238,673</b>	<b>324,009</b>	<b>568,497</b>	<b>615,561</b>	<b>489,597</b>
	<b>FUND BALANCE:</b>	<b>-</b>	<b>-</b>		<b>275,964</b>	<b>124,419</b>
	<b>Excess of Revenues over Expenditures</b>	<b>82,027</b>	<b>-</b>	<b>(342,672)</b>	<b>-</b>	<b>-</b>

- The \$124,419.00 in Fund Balance will be used for Projects 1 through 3. Project 4 will be contingent on the completion and cash balance after Project 1 through 3 listed below. Measure C and Gas Tax will share the expenditures of all projects.
- Fund Balance: \$133,265.00

Project for 2016-17 Budget		
1	7th Street & Derrick Reconstruction	\$ 600,000.00
2	Marie Street (2nd to Divisadero)	\$ 276,712.00
3	Divisadero (Marie to Lolita)	\$ 143,428.00
4	Pending Cash Balance After Projects 1-3	\$ -
		\$ 1,020,140.00
	<b>Approved Total</b>	<b>\$ 1,409,995.00</b>
Option 1	4 8th Street Reconstruction (Pucheu to Riofrio)	\$ 445,495.00
Option 2	4 Stamoules Street Reconstruction (7th to 9th)	\$ 361,316.00



# MENDOTA CFD FUND

## Proposed Budget for Fiscal Year 2016-17

Fund	Description	Average Past 3 Years	Approved Budget FY 14/15	FY 15/16 Actual as of Apr-16	Approved Budget FY 15/16	Proposed Budget FY 16/17
<b>Revenues</b>						
61-3000-3015	Mendota CFD / 2006 - 01	148,828	148,908	84,592	148,908	160,000
61-3400-3410	Interest Income	481	-	(3)	50	-
	<b>Total Revenues</b>	<b>149,310</b>	<b>148,908</b>	<b>84,589</b>	<b>148,958</b>	<b>160,000</b>
<b>Expenditures</b>						
61-6150-5010	Salaries, Regular	74,679	107,677	106,857	119,935	146,700
61-6150-5060	Overtime	3,963	6,000	7,387	6,000	6,000
61-6150-5850	Contract Services	4,015	3,000	3,112	3,000	3,000
61-6150-6050	Retirement	145	2,054	-	-	-
61-6150-6060	Health & life Insurance	22,250	16,950	15,650	22,407	33,386
61-6150-6070	F.I.C.A./Medicare	6,151	8,926	9,741	9,634	11,681
61-6150-6080	Workers Compensation	9,268	3,000	14,011	13,588	20,022
61-6150-6100	Disability Insurance	790	1,260	1,146	1,360	1,649
	<b>Total Expenditures</b>	<b>121,261</b>	<b>148,867</b>	<b>157,904</b>	<b>175,924</b>	<b>222,438</b>
	<b>FUND BALANCE:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,966</b>	<b>62,438</b>
	<b>Excess of Revenues over Expenditures</b>	<b>28,049</b>	<b>41</b>	<b>(73,315)</b>	<b>-</b>	<b>-</b>

- Fund Balance: \$33,983.00

# AVIATION

## Proposed Budget for Fiscal Year 2016-17

Fund	Description	Average Past 3 Years	Approved Budget FY 14/15	FY 15/16 Actual as of Apr-16	Approved Budget FY 15/16	Proposed Budget FY 16/17
<b>Revenues</b>						
05-3500-3600	State Allocation	6,667	10,000	-	10,000	10,000
05-3400-3410	Interest Income	-	-	-	-	-
05-3903-3903	Transfer In - General Fund	-	-	-	-	-
	<b>Total Revenues</b>	<b>6,667</b>	<b>10,000</b>	<b>-</b>	<b>10,000</b>	<b>10,000</b>
<b>Expenditures</b>						
05-7230-5010	Salaries, Regular	1,474	1,697	145	1,768	1,768
05-7230-5060	Overtime	144	196	-	200	-
05-7230-5150	Utilities	963	750	918	800	800
05-7230-5460	Facility Repair/Maintenance	422	634	-	501	501
05-7230-5800	Special Department Supplies	-	-	-	-	-
05-7230-5821	Engineering	-	-	-	-	-
05-7230-5850	Contract Services	597	-	-	-	-
05-7230-6050	Retirement	49	100	6	88	116
05-7230-6060	Health & Life Insurance	432	310	72	594	385
05-7230-6070	F.I.C.A./Medicare	117	146	10	151	136
05-7230-6080	Workers Compensation	204	116	17	98	232
05-7230-6100	Disability Compensation	15	20	1	21	19
05-7230-6150	Airport Insurance	5,585	5,490	5,490	5,490	5,490
05-7230-6400	Taxes & Assesments	282	289	296	289	289
05-7230-6500	Capital Outlay	-	-	-	-	-
	<b>Total Expenditures</b>	<b>10,284</b>	<b>9,748</b>	<b>6,955</b>	<b>10,000</b>	<b>9,736</b>
<b>Excess of Revenues over Expenditures</b>		<b>(3,617)</b>	<b>252</b>	<b>(6,955)</b>	<b>-</b>	<b>264</b>

# “COPS”

## Proposed Budget for Fiscal Year 2016-17

Fund	Description	Average Past 3 Years	Approved Budget FY 14/15	FY 15/16 Actual as of Apr-16	Approved Budget FY 15/16	Proposed Budget FY 16/17
<b>Revenues</b>						
23-3500-3560	COPS	104,748	100,000	54,612	100,000	100,000
23-3400-3410	Interest Income	107	-	-	-	-
	<b>Total Revenues</b>	<b>104,855</b>	<b>100,000</b>	<b>54,612</b>	<b>100,000</b>	<b>100,000</b>
<b>Expenditures</b>						
23-6150-5010	Salaries, Regular	77,120	57,478	67,445	72,161	78,861
23-6150-5060	Overtime	11,075	13,000	4,033	13,000	13,000
23-6150-5300	Advertisement & Publication	-	-	-	-	-
23-6150-6050	Retirement	452	-	-	2,447	-
23-6150-5850	Contract Service	-	-	-	-	-
23-6150-6060	Health & life Insurance	21,478	15,083	19,032	13,668	19,357
23-6150-6070	F.I.C.A./Medicare	6,916	5,392	5,853	6,515	7,027
23-6150-6080	Workers Compensation	10,234	3,546	8,829	8,516	14,386
23-6150-6100	Disability Insurance	892	761	689	920	992
	<b>Total Expenditures</b>	<b>128,166</b>	<b>95,260</b>	<b>105,881</b>	<b>117,227</b>	<b>133,623</b>
	<b>FUND BALANCE:</b>	<b>9,422</b>			<b>17,227</b>	<b>33,623</b>
	<b>Excess of Revenues over Expenditures</b>		<b>4,740</b>	<b>(51,269)</b>	<b>-</b>	<b>-</b>

- Fund Balance \$17,482.00

# DONATION FUND

## Proposed Budget for Fiscal Year 2016-17

Fund	Description	Proposed Budget FY 16/17
<b>Donation Fund</b>		
<b>Revenues</b>		
24-4000-4650	Donation Fund	1,188
	<b>Total Revenues</b>	<b>1,188</b>
<b>Expenditures</b>		
24-5090-5800	Special Department Supplies	1,188
	<b>Total Expenditures</b>	<b>1,188</b>
	<b>Excess of Revenues over Expenditures</b>	<b>(0)</b>

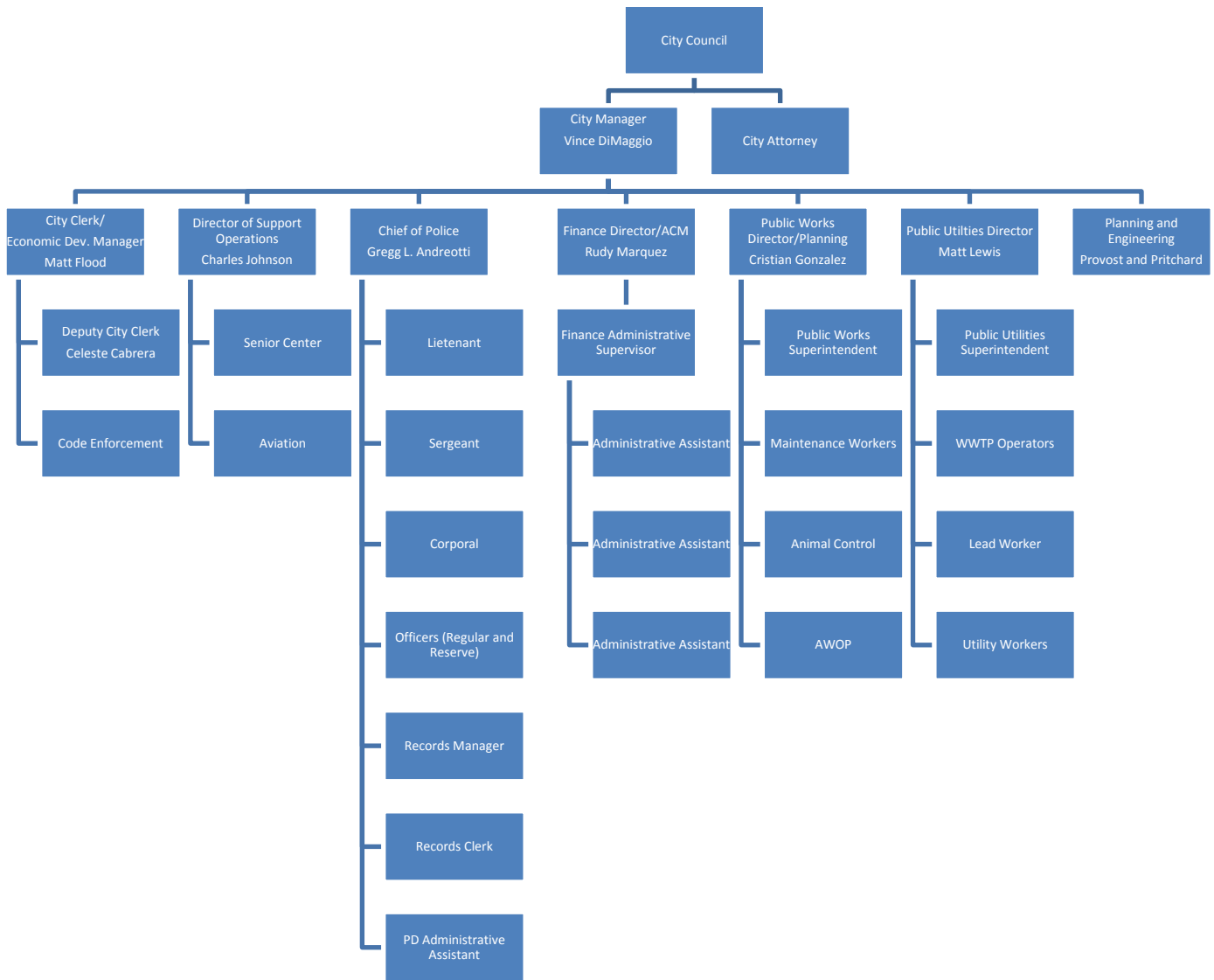
- National Night Out Event

# PUBLIC SAFETY CAPITAL IMPROVEMENT FUND

## Proposed Budget for Fiscal Year 2016-17

		Proposed Budget FY 16/17
Fund	Description	
<b>Public Safety Capital Improvement Fund</b>		
<b>Impact Fees</b>		
52 (Fund Balance)	Public Safety Capital Improvement Fund	32,600
	<b>Total Revenues</b>	<b>32,600</b>
<b>Expenditures</b>		
52-6150-6500	Capital Outlay	32,100
	<b>Total Expenditures</b>	<b>32,100</b>
	<b>Excess of Revenues over Expenditures</b>	<b>500</b>

# City of Mendota Organizational Chart



**A G E N D A   I T E M   -   S T A F F   R E P O R T**

**DATE:** June 28, 2016

**TO:** Honorable Mayor and City Council Members

**FROM:** Vince DiMaggio, City Manager  
John P. Kinsey, City Attorney

**SUBJECT:** First Amendment to Solar Power Services Agreement between the City of Mendota and Mendota Solar 1, LLC.

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**RECOMMENDATION:**

Approve First Amendment to Solar Power Services Agreement between the City of Mendota and Mendota Solar 1, LLC.

**BACKGROUND:**

The City owns certain land within the City that is utilized for the generation of solar energy to defray the City's energy costs. On October 13, 2015, the City Council approved Resolution No. 15-72, which authorized the execution of a Solar Power Services Agreement (the "Original Agreement") between the City and Mendota Solar 1, LLC, an entity affiliated with Borrego Solar ("Borrego"). A copy of the Original Agreement is attached as Exhibit "A."

Since October 13, 2015, Borrego and the City determined there was a need to (i) modify certain provisions of the Original Agreement to adjust, *inter alia*, the rates paid for solar production, the amount of fees payable for early termination, and the estimated annual production and guaranteed production by the facility, and (ii) extend the initial term of the agreement from 20 to 25 years.

Concurrently with such adjustments, the City Attorney's office performed a review of the Original Agreement, and recommended the following additional modifications to that document:

- Limiting the instances where the City would be obligated to make payments to Borrego where the system is not operating (see: definition of "Lost Provider Revenues" and Section 11.4);
- Limiting the adjustment of the "guaranteed production" rate where the system is not operating through acts that are not the fault of the City (see definition of "Guaranteed Production Adjustment Causes");

- Clarification of “Adjusted Annual Production” and true-up process (see Section 2.2(b)); and
- Other clarifying edits.

The City Attorney, in conjunction with staff, has negotiated a draft First Amendment to Solar Power Services Agreement (the “First Amendment”) with Borrego to effectuate the above edits. A copy of the draft First Amendment is attached as Exhibit “B.”

**DISCUSSION:**

Staff recommends that the City Council provide authorization to the City Manager to execute the proposed First Amendment. In exchange for the adjusted rates and extended term requested by Borrego, the proposed First Amendment includes the provisions requested by the City to clarify and enhance the Original Agreement.

Attachments

**Ex. “A”:** Solar Power Services Agreement

**Ex. “B”:** Proposed First Amendment to Solar Power Services Agreement



**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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- 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, 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 Insolation 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 ninety five 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. 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 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, 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 all test energy under the terms of this Agreement whether such test energy is produced before or after 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 perm it 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 22<sup>nd</sup> 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 not: (i) a Force Majeure Event; or (ii) caused by or related to any unexcused action or inaction of Provider, and 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, 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 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 [INSERT LOCAL ELECTRIC UTILITY NAME] [INSERT SERVICE CLASSIFICATION] rate tariff, effective as of [INSERT TARIFF EFFECTIVE DATE].

### 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, 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 and if Provider elects to do so then Customer shall elect one of the options provided in Section 11.4(a) or (b). 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

Except as expressly provided herein, Provider shall not sell, transfer or assign this Agreement or any right, interest or obligation therein (collectively, an "Assignment"), without the prior written consent of Customer; *provided, however, that*, without the prior consent of (but with notice to) Customer, Provider may (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, as described more fully below in Section 12.4; and make an Assignment to a Financing Party as part of a sale/leaseback financing. Otherwise, Provider may make an Assignment of Provider's rights and obligations hereunder only upon Customer's prior consent; *provided that* Customer shall not unreasonably withhold, condition or delay its consent to an Assignment of Provider's rights and obligations hereunder if Customer has been provided with 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. A direct assignee of Provider's obligations hereunder shall assume in writing, in form and content reasonably satisfactory to Customer, the due performance of all Provider's obligations under this Agreement. Customer will 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 22<sup>nd</sup> Street, Suite 600

Oakland, CA 94612

(888) 898-6273

[wbush@borregosolar.com](mailto: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: Mendota Solar 1 LLC, 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 PROPERTIES

The Property is located at **3699 Bass Avenue, Mendota CA 93640**

**[INSERT PROPERTY DEED; TBD]**

Schedule 2 – page 1  
SITE PLANS AND SYSTEM

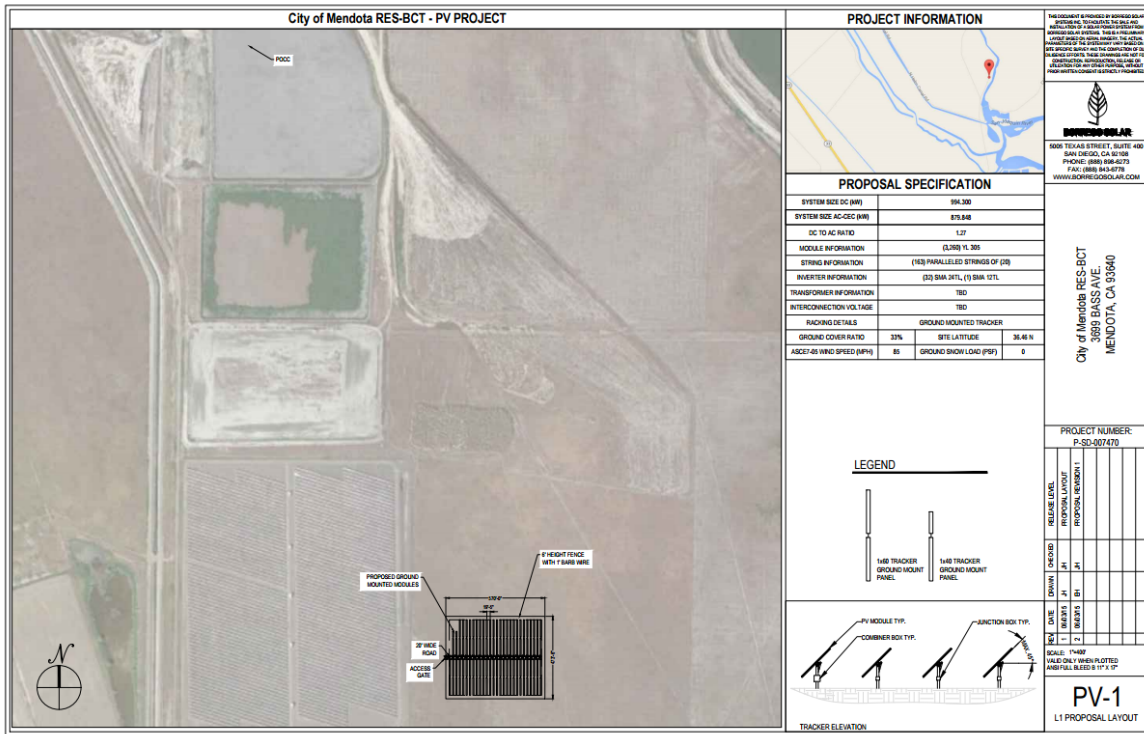
**Site Plan:**

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.

<b>Early Termination Occurs in Year:</b>	<b>ETF Component Payment</b>
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

<b>Year</b>	<b>Estimated Annual Production (kWh)</b>	<b>Guaranteed Production (%)</b>	<b>Guaranteed Production (kWh)</b>
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
11			
12			
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20			

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

**A RESOLUTION OF THE CITY COUNCIL  
OF THE CITY OF MENDOTA APPROVING  
FIRST AMENDMENT TO SOLAR POWER  
SERVICES AGREEMENT**

**RESOLUTION NO. 16-46**

**WHEREAS**, on October 13, 2015, the City Council for the City of Mendota adopted Resolution No. 15-72, which, *inter alia*, approved a Solar Power Services Agreement between the City of Mendota and Mendota Solar 1, LLC (the "Agreement"), and made certain findings in connection therewith; and

**WHEREAS**, following the adoption of Resolution 15-72, City of Mendota staff and Mendota Solar 1, LLC determined that certain provisions contained within the Agreement required modification and/or clarification, and have engaged in discussions concerning potential modifications to the Agreement; and

**WHEREAS**, following such discussions, City of Mendota staff and Mendota Solar 1, LLC prepared the proposed First Amendment to Solar Power Services Agreement, a copy of which is attached hereto as Exhibit "A"; and

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council of the City of Mendota approves the First Amendment to Solar Power Services Agreement, and authorizes the City Manager or his designee to execute the First Amendment to Solar Power Services Agreement, in the substantial for presented as Exhibit A, subject to such reasonable modifications, revisions, additions and deletions as he may approve prior to execution, and all other documents necessary for implementation of such services.

---

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 28<sup>th</sup> day of June, 2016, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

---

Matt Flood, City Clerk

## **FIRST AMENDMENT TO SOLAR POWER SERVICES AGREEMENT**

This **First Amendment to Solar Power Services Agreement** (this “Amendment”), dated as of June 28, 2016, is made by and between **Mendota Solar 1, LLC**, a Delaware limited liability company (“Provider”) and the **City of Mendota**, a California municipality (“Customer”).

### **R E C I T A L S**

A. Customer and Provider are party to that certain Solar Power Services Agreement effective as of October 16, 2015 (the “Agreement”) under which Provider intends to install, maintain, own and operate a solar photovoltaic system for the purpose of providing solar services to Customer.

B. Customer and Provider desire to amend certain provisions of the Agreement as set forth herein.

WHEREFORE, in consideration of the premises and the terms and conditions set forth herein, the parties hereto, intending to be legally bound, agree as follows:

1. Terms. Capitalized terms that are not otherwise defined herein shall be deemed to have the same meanings as are ascribed to such terms in the Agreement.

2. Amendment. The following provisions of the Agreement are hereby amended:

(a) The definition of “Guaranteed Production Adjustment Causes” is hereby deleted in its entirety, and the following sentence is hereby substituted in its place: **“Guaranteed Production Adjustment Causes’ means an adjustment to the Actual Annual Production of the System resulting from any of the following: (a) System failure or downtime attributable to damage to the System caused by third parties; (b) general utility outage or any failure of any electrical grid; (c) 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; (d) a Force Majeure Event; (e) acts or omissions of Buyer or the Local Electric Utility; or (f) variations between Standard Insolation Conditions and the actual Solar Insolation at the Property in any applicable Contract Year. Notwithstanding the foregoing, in no event shall the Actual Annual Production of the System be adjusted for any reason resulting from any negligent or willful act by Provider or as a result of Provider’s breach or failure to perform any obligation under this Agreement.”**

(b) The definition of “Lost Provider Revenues” is hereby deleted in its entirety, and the following sentence is hereby substituted in its place: **“Lost Provider Revenues’ means, for any period during which the System is not in operation due to any Guaranteed Production Adjustment Causes or prevented from delivery due to any Guaranteed Production Adjustment Causes or prevented from delivering energy to the Delivery Point due to no fault of Provider, 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.”**

(c) Section 2.2(a) is hereby deleted in its entirety, and the following is hereby substituted in its place: **“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-ninety-five~~ 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.”**

(d) Section 2.2(b) is modified by deleting the second sentence in its entirety, and the following sentence is hereby substituted in its place: **“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 the following formula:**

(i) **the difference between the applicable kWh Rate set forth in Schedule 3 hereto and the applicable PG&E RES-BCT Credit Value (which is \$0.152 per kWh for Contract Year 1)**

*times*

(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;**

**for the avoidance of doubt, for each year after Contract Year 1, the then current PG&E RES-BCT Credit Value (expressed in kWh) shall be used in subsection (i) of the formula.”**

(e) Section 4.4 is modified to insert the following language between the third and fourth sentences in that section: **“Within fifteen (15) days of the termination of this Agreement for any cause, Provider, if a memorandum of this Agreement has been recorded, shall deliver a Quitclaim Deed or Release acceptable to Customer that relinquishes any and all right, title, and interest that Provider may have in and to the Property to Customer.”**

(f) Section 6.6 is modified by replacing the term “Section 6.07” with “Section 6.7.”

(g) Section 7.1. The first sentence of Section 7.1 is hereby deleted in its entirety and the following sentence is hereby substituted in its place: **“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 twenty-fifth (25th) anniversary of the Commercial Operation Date of the System located on such Property (the "Initial Term"), unless terminated earlier pursuant to this Agreement."

(h) Section 11.4 is modified to insert the following language between the third and fourth sentences in that section: **"Except as otherwise provided in this Agreement, Customer shall not be required to pay any amount, including, without limitation, payment for any Lost Provider Revenues, to Provider during the period of time that the System is not producing Solar Services, including during the time that the System is being substantially altered, reconstructed or restored by Provider under this Section 11.4."**

(i) Section 14.14 is modified by replacing the word "patties" with "parties."

(j) Schedule 3. The original Schedule 3 is hereby deleted in its entirety and a revised Schedule 3 is hereby substituted in its place. A copy of the revised Schedule 3 is attached hereto as **Attachment 1**.

(k) Schedule 4. The original Schedule 4 is hereby deleted in its entirety and a revised Schedule 4 is hereby substituted in its place. A copy of the revised Schedule 4 is attached hereto as **Attachment 2**.

(l) Schedule 5. On page 1, in the Recitals section, the phrase "term of twenty (20) years" is hereby deleted and the following phrase is hereby substituted in its place: **"term of twenty-five (25) years"**.

(m) Schedule 7. The original Schedule 7 is hereby deleted in its entirety and a revised Schedule 7 is hereby substituted in its place. A copy of the revised Schedule 7 is attached hereto as **Attachment 3**.

3. Governing Law. This Amendment and the rights and obligations of the parties shall be governed by, and construed and interpreted in accordance with, the laws of the State of California.

4. Counterparts. This Amendment may be executed in any number of counterparts, facsimile signature or an e-mail of a PDF signature, each of which shall be deemed an original, but all of the separate counterparts shall constitute the same agreement.

5. All Other Provisions Remain Unchanged. Except as specifically set forth in this Amendment, all other provisions of the Agreement shall remain unchanged and in full force and effect.

**[SIGNATURE PAGE FOLLOWS]**

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed by their duly authorized representatives and acknowledge that this Amendment is effective as of the date first above written.

**CUSTOMER:**  
**CITY OF MENDOTA**

By: \_\_\_\_\_  
Name:  
Title:

**PROVIDER:**  
**MENDOTA SOLAR 1, LLC**

**By: 1115 Solar Development, LLC, its sole member and manager**  
**By: Borrego Solar Systems, Inc., its sole member and manager**

By: \_\_\_\_\_  
Name: William J. Bush  
Title: Chief Financial Officer

**ATTACHMENT 1**

**Revised Schedule 3**

Schedule 3

kWh RATE

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

<b>Year</b>	<b>PPA Rate (\$/kWh)</b>
1	\$0.105
2	\$0.108
3	\$0.111
4	\$0.115
5	\$0.118
6	\$0.122
7	\$0.125
8	\$0.129
9	\$0.133
10	\$0.137
11	\$0.141
12	\$0.145
13	\$0.150
14	\$0.154
15	\$0.159
16	\$0.164
17	\$0.168
18	\$0.174
19	\$0.179
20	\$0.184
21	\$0.190
22	\$0.195
23	\$0.201
24	\$0.207
25	\$0.213

After Year 25, during any Renewal Terms, the \$/kWh rate will escalate at the rate of 3% per annum.

**ATTACHMENT 2**

**Revised Schedule 4**

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.

<b>Early Termination Occurs in Year:</b>	<b>ETF Component Payment</b>
1	\$3,671,403
2	\$3,544,892
3	\$3,418,472
4	\$3,289,037
5	\$3,156,231
6	\$3,019,666
7	\$3,023,823
8	\$3,023,340
9	\$3,017,716
10	\$3,006,410
11	\$2,988,833
12	\$2,964,346
13	\$2,932,253
14	\$2,891,802
15	\$2,842,175
16	\$2,782,486
17	\$2,711,773
18	\$2,628,995
19	\$2,533,022
20	\$2,422,629
21	\$2,296,490
22	\$2,153,167
23	\$1,991,106
24	\$1,808,619
25	\$1,603,883

**ATTACHMENT 3**

**Revised Schedule 7**

Schedule 7

ESTIMATED ANNUAL PRODUCTION AND GUARANTEED PRODUCTION

<b>Year</b>	<b>Estimated Annual Production (kWh)</b>	<b>Guaranteed Production (%)</b>	<b>Guaranteed Production (kWh)</b>
1	1,981,035	95%	1,881,983
2	1,971,130	95%	1,872,573
3	1,961,274	95%	1,863,210
4	1,951,468	95%	1,853,894
5	1,941,710	95%	1,844,625
6	1,932,002	95%	1,835,402
7	1,922,342	95%	1,826,225
8	1,912,730	95%	1,817,094
9	1,903,167	95%	1,808,008
10	1,893,651	95%	1,798,968
11	1,884,182		
12	1,874,762		
13	1,865,388		
14	1,856,061		
15	1,846,780		
16	1,837,547		
17	1,828,359		
18	1,819,217		
19	1,810,121		
20	1,801,070		
21	1,792,065		
22	1,783,105		
23	1,774,189		
24	1,765,318		
25	1,756,492		

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

**AN ORDINANCE OF THE CITY COUNCIL  
OF THE CITY OF MENDOTA AUTHORIZING  
A CONTRACT BETWEEN THE CITY COUNCIL  
OF THE CITY OF MENDOTA AND THE BOARD  
OF ADMINISTRATION OF THE CALIFORNIA  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM**

**ORDINANCE NO. 16-06**

The City Council of the City of Mendota does ordain as follows:

SECTION 1. That the Contract Between the Board of Administration, California Public Employees' Retirement System and the City Council, City of Mendota, is hereby authorized and approved, a copy of said contract being attached hereto and marked as Exhibit "A," and such reference made a part hereof as though herein set out in full.

SECTION 2. The City Manager of the City of Mendota is hereby authorized, empowered, and directed to execute said contract for and on behalf of the City of Mendota.

SECTION 3. If any section, subsection, sentence, clause, phrase, or word of this ordinance is for any reason held to be unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance. The Mendota City Council hereby declares that it would have passed and adopted this ordinance and each and all provisions thereof irrespective of the fact that any one or more of said provisions be declared unconstitutional.

SECTION 4. Within fifteen (15) days of the adoption of this Ordinance, a summary thereof, including the names of the City Council Members voting for and against it, shall be prepared by the City Attorney for publication in the *Firebaugh-Mendota Journal*, and a certified copy of the Ordinance shall be posted in the office of the City Clerk.

SECTION 5. This ordinance shall become effective and in full force at 12:00 midnight on the 31<sup>st</sup> day following its adoption.

\* \* \* \* \*

The foregoing ordinance was introduced on the 7<sup>th</sup> day of June 2016 and duly passed and adopted by the City Council of the City of Mendota at a regular meeting thereof held on the 28<sup>th</sup> day of June, 2016 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

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Robert Silva, Mayor

ATTEST:

---

Matt Flood, City Clerk

APPROVED AS TO FORM:

---

John Kinsey, City Attorney

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## **PUBLIC WORKS REPORT**

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**TO:** HONORABLE MAYOR AND COUNCILMEMBERS  
**FROM:** CRISTIAN GONZALEZ, PUBLIC WORKS DIRECTOR  
**VIA:** VINCE DIMAGGIO, CITY MANAGER  
**SUBJECT:** PUBLIC WORKS MONTHLY REPORT  
**DATE:** JUNE 28, 2016

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### **STREETS AND ROADS**

- The City's street sweeper continues to operate on its normal schedule, Mondays, Wednesdays and Fridays.
- The LED is complete. Staff has noticed several lights experiencing faulty photo cells that cause the lights to turn on during daylight wasting electricity. The contractor has been informed and will replace the photocells shortly.
- City crews continue to address potholes and street patching. Crews will begin street striping, focusing on streets adjacent to schools to assure completion before the new school year.

### **PARKS AND PUBLIC BUILDINGS**

- Public Works continues to maintain the parks and the baseball diamond.

### **DRINKING WATER**

- Water usage has increased this month 16% compared to last year. Attached is a report of water usage. We are required to save 25% of water compared to 2013 calendar year.
- Meter reads are complete.
- Water plant is operating normal.
- Exchange wells are performing well.
- Consumer confidence report has been completed and will be posted online and distributed to all water users.



## **WASTE WATER**

- Public Works continues to perform sewer line maintenance with the City's vacuum truck and by using special chemicals that break down solids that stick to the sewer line pipe walls.
- Aerators (2) at the waste water plant have been repaired.

## **ANIMAL CONTROL**

- Animals impounded: 23
- Animals euthanized: 20
- Animals redeemed by owner: 4
- Graffiti abated: 3
- Citations issued: 4

## **ADULT OFFENDER WORK PROGRAM**

- AOWP working on public right of way and alley weed abatement including all tree-wells and City owned lots.
- The program also assists with maintenance of the Pool Park.

## **BUILDING PERMITS ISSUED**

- A list of new permits is attached to the report.

## **PLANNING**

- No new major projects

## **STAFFING FOR PUBLIC WORKS**

- 13 full time employees
- 4 part time employees
- 1 full time/part time (Proteus)

## **FUEL STOCK**

- Unleaded: 3,185 gallons
- Diesel: 3,772 gallons

## Permits Issued

Report Date Range : 05/06/2016 to 06/30/2016

Permit #	Type of Permit	Date Issued	Job Address
20160125	434(a) Replacing tub/ shower enclosure with tile; tile only with pan. 84 SQFT	5/6/2016	615 N Juanita St
20160126	437(a) Relocate Electrical Boxes	5/6/2016	1441 7th St
20160127	329(b) Solar: 5.8 Kw Solar System 26 modules; 26 micro inverters	5/9/2016	842 Pucheu St
20160128	329(b) SOLAR: PV SOLAR INSTALL16 PANELS: ROOFMOUNT	5/9/2016	635 I St
20160129	329(b) SOLAR: PV SOLAR INSTALL19 PANELS: ROOFMOUNT	5/9/2016	691 Peach Ave
20160130	329(b) SOLAR: PV SOLAR INSTALL 16 PANELS: ROOFMOUNT WITH EXISTING	5/9/2016	190 Sorensen Ave
20160131	329(b) SOLAR: PV SOLAR INSTALL; MAIN PANEL UPGRADE	5/9/2016	261 Espinoza St
20160132	329(b) SOLAR: PV SOLAR INSTALL; MAIN PANEL UPGRADE	5/9/2016	421 Oxnard St
20160133	329(b) SOLAR: PV SOLAR INSTALL 22 PANELS; ROOFMOUNT	5/9/2016	555 S Kate St
20160134	329(b) SOLAR: PV SOLAR INSTALL 16 PANELS; ROOFMOUNT	5/9/2016	890 Quince St
20160135	329(b) SOLAR: PV SOLAR INSTALL PANELS	5/9/2016	305 J St
20160136	329(b) SOLAR: PV SOLAR INSTALL 16 ROOFMOUNT PANELS	5/9/2016	260 Holmes Ave
20160137	329(b) SOLAR: PV SOLAR INSTALL PANELS	5/9/2016	251 Holmes Ave
20160138	329(b) SOLAR: PV SOLAR INSTALL PANELS	5/9/2016	262 J St
20160139	329(b) SOLAR: PV SOLAR INSTALL PANELS	5/9/2016	541 Oxnard St
20160140	329(b) SOLAR: PV SOLAR INSTALL PANELS	5/9/2016	287 Maldonado St
20160141	329(b) SOLAR: PV SOLAR INSTALL PANELS	5/9/2016	585 J St
20160142	329(b) SOLAR: PV SOLAR INSTALL 17 PANELS; ROOFMOUNT	5/9/2016	230 L St
20160143	329(b) SOLAR: PV SOLAR INSTALL 16 PANELS; ROOFMOUNT	5/9/2016	285 Espinoza St
20160144	329(b) SOLAR: PV PANELS INSTALL 16 PANELS; ROOFMOUNT	5/9/2016	619 Garcia St

## Permits Issued

Report Date Range : 05/06/2016 to 06/30/2016

Permit #	Type of Permit	Date Issued	Job Address
20160145	329(b) SOLAR: PV SOLAR INSTALL 17 PANELS; ROOFMOUNT	5/9/2016	250 Valenzuela St
20160146	329(b) SOLAR: PV SOLAR INSTALL; NEW MAIN PANEL UPGRADE	5/9/2016	503 I St
20160147	329(b) SOLAR: INSTALL 23 PV PANELS; ROOF MOUNT: COMP; 5.98KW	5/10/2016	241 Mccabe Ave
20160148	434(a) PATIO 192 SQFT	5/10/2016	217 Espinoza St
20160149	329(b) SOLAR: ROOFMOUNT PV SOLAR PANEL UPGRADE 200 AMPS 355 SQFT	5/10/2016	367 Divisadero St
20160150	329(b) ROOFTOP P.V INSTALLATION	5/11/2016	201 San Pedro St
20160151	329(b) SOLAR; ROOFTOP: P.V INSTALLATION	5/11/2016	379 J St
20160152	329(b) SOLAR: ROOFMOUNT INSTALL (3Kw)	5/11/2016	1909 Jenning St
20160153	329(b) SOLAR: ROOFMOUNT INSTALL (5Kw)	5/11/2016	636 Gaxiola St
20160154	329(b) SOLAR: ROOFMOUNT INSTALL (5Kw)	5/11/2016	618 Garcia St
20160155	329(b) SOLAR PV PANELS INSTALL	5/12/2016	651 De La Cruz St
20160156	329(b) SOLAR PV PANELS INSTALL	5/12/2016	1841 9th St
20160157	434(a) ELECTRICAL SERVICE CHANGE	5/20/2016	241 Mccabe Ave
20160158	434(a) ELECTRICAL PANEL CHANGE	5/20/2016	142 Elm Ave
20160159	645 DEMOLITION OF BURNED HOME 1250 SQ FT	5/23/2016	277 K St
20160160	329(b) ADDENDUM TO PERMIT 20160131 ( NO MAIN PANEL UPGRADE)	5/24/2016	261 Espinoza St
20160161	101 NEW CONSTRUCTION- SINGLE FAMILY 1095 SQFT; GARAGE 400 SQFT	5/24/2016	345 Silva Street
20160162	101 NEW CONSTRUCTION- SINGLE FAMILY 1420 SQFT; GARAGE 400 SQFT	5/24/2016	413 Martinez
20160163	434(a) OVERLAY; EXISTING ROOF TYPE: COMP 3 TAB; ROOFING MATERIAL TO USE: DIMENSIONAL 1250 SQFT PITCH OF ROOF: 4-12	5/24/2016	1208 5th St
20160164	434(a) REPLACING 6 FT FENCE ALONG BACK AND SIDES OF RESIDENCE: CHAIN LINK	5/24/2016	619 Rio Frio St R

**Permits Issued**

Report Date Range : 05/06/2016 to 06/30/2016

Permit #	Type of Permit	Date Issued	Job Address
20160165	437(a) Replacing (6) antennas, adding (6) radios, (1) full squid associated cabling (300 SQFT)	5/24/2016	450 Oller street
20160166	437(a) EXTERIOR FACE LIFT & INTERIOR UPGRADES PER APPROVED PLANS 2528 SQFT	5/25/2016	157 Derrick Ave
20160167	329(b) INSTALLATION OF A NEW SOLAR POWER SYSTEM	5/27/2016	601 N Kate St
20160168	329(b) SOLAR PANELS INSTALLATION: 2.86 KW SOLAR SYSTEM	6/1/2016	225 Valenzuela St
20160169	434(a) 370 SQFT PATIO	6/1/2016	220 Valenzuela St
20160170	434(a) REROOF: EXISTING; SHINGLE/ ROOFING MATERIAL TO USE: SHINGLE (4-12) 2 300 SQFT	6/1/2016	491 N Kate St
20160171	434(a) REROOF OVERLAY: SHINGLES 38 SQFT	6/1/2016	1190 Pucheu St
20160172	437(a) INSTALL TWO (2) NEW MICROWAVE DISHES	6/2/2016	468 Oller St
20160174	329(b) ADDENDUM ROOFTOP SOLAR: MPU TO 125 AMP INSTEAD OF 200 AMP	6/6/2016	421 Oxnard St
20160175	329(b) SOLAR: INSTALL 36 PV PANELS; ROOF MOUNT: COMP' 9.36 KW	6/6/2016	830 Quince St
20160176	329(b) SOLAR: INSTALL 8 PV PANELS; ROOFMOUNT: TILE 2.08 KW	6/6/2016	436 L St
20160177	329(b) SOLAR; ROOFTOP SOLAR INSTALL 4KW	6/6/2016	251 Black Ave
20160178	437(a) INSTALLATION OF NEW TRUCK SCALE 1200 SQ FT PER APPROVED PLANS	6/7/2016	1267 Oller Street
20160179	101 NEW CONSTRUCTION- SINGLE FAMILY 1275SQFT; GARAGE 400 SQFT LOT #189 PERMIT REQUIRED A PLANNING	6/9/2016	181 Petry Street

**Permits Issued**

Report Date Range : 05/06/2016 to 06/30/2016

Permit #	Type of Permit	Date Issued	Job Address
20160180	101 NEW CONSTRUCTION- SINGLE FAMILY 1435 SQFT; GARAGE 400 SQFT LOT #188 PERMIT REQUIRED A PLANNING	6/9/2016	189 Petry Street
20160181	101 NEW CONSTRUCTION- SINGLE FAMILY 1275 SQFT; GARAGE 400 SQFT LOT #212 PERMIT REQUIRED A PLANNING	6/9/2016	422 Martinez Court
20160182	437(a) INSTALLATION OF (4) LOGOS/ (1) SET OF CHANNEL LETTERS, (1) CLEARANCE BAR, CANOPIES, LIGHT BAN AND CUT OUT LETTERS	6/10/2016	157 Derrick Ave
20160183	MISC INSTALL 2 MONITORING WELLS; 1 SOIL VAPOR PROB & DESTROY 1 MONITORING WELL	6/13/2016	1599 5TH STREET/ PUCHL
20160184	434(a) RESIDENTIAL TEAR OFF: SHINGLES 4/12 EXISTING ROOF LAYERS: 1	6/16/2016	608 Juanita street
20160185	434(a) PANEL CHANGE OUT	6/16/2016	319 Divisadero St
20160186	434(a) PATIO 370 SQFT	6/16/2016	220 Valenzuela St
20160187	434(a) REROOF: OVERLAY/ COMP SHINGLES 4/12 15 SQFT (EXISTING LAYERS: 1) RED TAGGED FOR WORKING WITHOUT PERMIT**	6/16/2016	861 Tule St
20160188	434(a) REPAIR/ REMODEL	6/16/2016	748 Naples St
20160189	329(b) SOLAR; INSTALL A 2.92 KW ON COMP ROOF WITH A MAIN PANEL UPGRADE TO 11 MODULES	6/20/2016	1925 8th St

**Total Number of Permits List**                      64



# CITY OF MENDOTA WATER USAGE REPORT

## COMPLETE YEAR(S)

<u>2013</u>	MG	<u>2014</u>	MG	VARIANCE	<u>2015</u>	MG	VARIANCE	<u>2016</u>	MG	VARIANCE
Jan	28.1	Jan	22.38	-20%	Jan	24.57	-13%	Jan	28.01	0%
Feb	32.68	Feb	19.9	-39%	Feb	24.64	-25%	Feb	28.69	-12%
Mar	28.39	Mar	26.73	-6%	Mar	36.43	28%	Mar	32.3	14%
Apr	39.42	Apr	35.88	-9%	Apr	38.73	-2%	Apr	42.4	8%
May	32.17	May	46.92	46%	May	41.02	28%	May	48.83	52%
June	58.48	June	51.67	-12%	June	47.77	-18%	June	57.05	-2%
July	68.55	July	55.48	-19%	July	51.46	-25%	July		
Aug	63.99	Aug	54.79	-14%	Aug	51.52	-19%	Aug		
Sep	50.69	SEP	49.3	-2.74%	Sep	48.03	-5%	Sep		
Oct	40.35	OCT	40.26	-0.22%	Oct	39.95	-1%	Oct		
Nov	26.64	NOV	24.31	-8.75%	Nov	25.5	-4%	Nov		
DEC	22.74	DEC	24.56	8.00%	DEC	25.44	12%	DEC		
TARGET MG 369.14										
<b>TOTAL MG</b>	<b>492.2</b>		<b>452.18</b>	<b>-8%</b>		<b>455.06</b>	<b>-7.55%</b>		<b>237.28</b>	

## 6 MONTH USAGE COMPARISON

<u>2013</u>	MG	<u>2014</u>	MG	VARIANCE	<u>2015</u>	MG	VARIANCE	<u>2016</u>	MG	VARIANCE
Jan	28.1	Jan	22.38	-20%	Jan	24.57	-13%	Jan	28.01	0%
Feb	32.68	Feb	19.9	-39%	Feb	24.64	-25%	Feb	28.69	-12%
Mar	28.39	Mar	26.73	-6%	Mar	36.43	28%	Mar	32.3	14%
Apr	39.42	Apr	35.88	-9%	Apr	38.73	-2%	Apr	42.4	8%
May	32.17	May	46.92	46%	May	41.02	28%	May	48.83	52%
June	58.48	June	51.67	-12%	June	47.77	-18%	June	57.05	-2%
<b>TOTAL MG</b>	<b>219.2</b>		<b>203.48</b>	<b>-7%</b>		<b>213.16</b>	<b>-2.77%</b>		<b>237.28</b>	<b>8.23%</b>

**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 SALARY SCHEDULE FOR THE  
POSITION OF FINANCE DIRECTOR**

**RESOLUTION NO. 16-47**

**WHEREAS**, the Finance Director position is presently responsible for daily administration of the City's budget, preparation of the City's budget for both the General Fund and Enterprise Funds and to serve as City Manager in the absence of the City Manager; and

**WHEREAS**, it was discovered that Mendota's salary schedule for the Finance Director position was significantly lower when compared the salaries of the same position in other cities in Fresno County, (see Exhibit A attached hereto and made part hereof); and

**WHEREAS**, this issue was presented to the City Council during the City Council meeting to consider the City's budget; and

**WHEREAS**, staff analyzed similar positions in other organizations and established the following salary schedules:

**Finance Director Revised Salary Schedule**

Step	1	2	3	4	5
Hourly Rate	\$40.5400	\$42.5670	\$44.6953	\$46.9301	\$49.2766
Annually	\$84,323.20	\$88,539.36	\$92,966.22	\$97,614.60	\$102,495.32

**NOW, THEREFORE, BE IT RESOLVED**, by the City Council of the City of Mendota to hereby amend the salary schedule for the position of Finance Director as represented in the Table above and herein.

\_\_\_\_\_  
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 28<sup>th</sup> day of June, 2016, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

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Matt Flood, City Clerk



# EXHIBIT A

## Finance Director Salary Analysis

City Name	Low end	High End	Average
Kerman	\$36.21	\$48.54	\$42.38
Firebaugh	\$24.84	\$38.55	\$31.70
Sanger	\$38.18	\$46.41	\$39.83
Chowchilla	\$49.12	\$58.65	\$53.89
Coalinga	\$40.86	49.03	44.945
Kingsburg	\$39.08	\$46.90	\$42.99
Average	\$38.05	\$48.24	\$42.55

## Current Finance Director Salary

Mendota	33.35	40.54
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## Finance Director

### Suggested Salary Schedule

Step 1	\$40.5400
Step 2	\$42.5670
Step 3	\$44.6953
Step 4	\$46.9301
Step 5	\$49.2766