

The City of Hanford
CALIFORNIA



City Council Meeting Agenda

December 7, 2021
8:00 PM – Regular Meeting
Council Chambers
400 N. Douty St.

Council Members will meet in-person in the Council Chambers. The meeting will also be lived streamed on the City's website: <http://livestream.hanford.city/>

5:30 PM CALL TO ORDER STUDY SESSION:

ROLL CALL BY THE CITY CLERK :

PUBLIC COMMENT :

*Comments from the public are limited to items on the agenda (GC 54954.3a). A maximum of **three minutes** is allowed for each speaker. Please begin your comments by stating your name and providing your city of residence.*

STUDY SESSION :

- A. Council consideration of Park Capital Projects and direction on which project to submit to the State Department of Parks and Recreation for funding under the Prop 68 Per Capita Grant Program
- B. Presentation by Greg Burns of Thorn Run Partners, the City of Hanford's contracted federal lobbying firm, with updates on national legislative matters and discussion of potential uses for the City's remaining ARPA funding.

CALL TO ORDER REGULAR SESSION:

ROLL CALL:

INVOCATION:

Pastor Robert Lee, AME Howard Chapel Church of Zion

FLAG SALUTE:

STAFF COMMUNICATIONS:

COUNCIL REPORTS/COMMENTS:

PUBLIC COMMENT:

*This is the time for citizens to comment on subject matters not on the agenda and that are within the jurisdiction of the Hanford City Council. This is also the public's opportunity to request an item from the Consent Calendar be pulled for discussion purposes or to comment on any item on the agenda. Comments related to Public Hearing items will be heard at the time the item is discussed. A maximum of **three minutes** is allowed for each speaker. Please begin your comments by stating your name and providing your city of residence*

CONSENT CALENDAR:

Consent Calendar items are considered routine and will be enacted in one motion. There will be no separate discussion of these matters unless a request is made and then the item will be removed from the Consent Calendar to be discussed and voted upon by a separate motion.

- A. PROCEDURAL WAIVER: Waive reading in full of resolutions and ordinances and approval and adoption of same by reading title the only.
- B. City Clerk: Approval of the Minutes of the June 1, 2021 Meeting
- C. City Clerk: Approval of the Minutes of the June 3, 2021 Special Meeting
- D. Parks and Community Services: Consideration of an appropriations request from the City's General Fund, in the amount of \$39,613.33, to cover the cost Ice Rink Expenses not previously approved in the FY22 budget.
- E. Public Works: Award of a contract to HBC Enterprise of Clovis Ca, in the amount of \$64,256.60 for the FY 20/21 Hidden Valley Park Fitness Pad Project; Appropriate an additional 33,564.10 from the Park Impact Fees to fund the project; and Establish a construction contingency of \$4,500.00 for this project.
- F. Public Works: Approval of a payment to King's Petroleum, for the purchase of diesel fuel for Fleet Operations, in the amount is \$32,342.63.
- G. Public Works: Approval of the Notice of Completion for Tract No. 916 Pacific Grove Addition #2 and authorization for the Mayor to execute and the City Clerk to attest and file said Notice with the Kings County Recorder's Office. (12th Avenue & Bristol Lane).
- H. Public Works: Approval of a Notice of Completion for the FY 20/21 Pavement Resurfacing: Single & Double Fiberized Micro Treatment Project at a total construction cost of \$899,421.83 and authorization for the Mayor to execute and the City Clerk to attest and file said Notice with the Kings County Recorder's Office.

- I. Public Works: Approval of the Purchase of a 2022 Ford F-550 utilities service truck from Keller Ford, of Hanford, Ca., in the amount of \$112,851.02 to replace a 2009 utility service truck; Authorization of an additional appropriation of \$42,911.02 from Water Capital Reserve Funds to cover the cost of the purchase; and declare the 2009 unit as surplus.
- J. Fire: Approval of a contract with Fresno County for fire dispatch services, beginning March 1, 2022, and Approval of an appropriation from the General Fund of \$65,000 for FY22 and \$215,000 for FY23 to cover the cost of the Contract.

GENERAL BUSINESS:

- A. Finance: Authorization for the Issuance of One or More Series of Pension Obligation Bonds, Subject to Further Council Action, in order to Refinance Outstanding Obligations of the City to the California Public Employees' Retirement System with estimated principal amount of up to \$33,225,000, Authorizing a Judicial Validation Action, and Approving and Directing Related Matters (Resolution No. 21-55-R)
- B. Finance: Adoption of Resolution No. 21-54-R, thereby Adopting and Establishing a formal Debt Management Policy for the City of Hanford
- C. Council: Review and Approval of the 2022 Calendar of City Council Meetings

COUNCIL FUTURE AGENDA ITEMS:

Council Future Agenda Items

Upcoming Events and Important Dates:

December 1-10: Fire Department Toy Drive Drop-Off: Fire Station 1
December 11: Longfield Center Drive Thru Toy Giveaway 10:00am – 11:30am
December 11: Holiday Boutique in the Civic Auditorium 9:00am – 3:00pm
December 21: City Council Meeting
December 24: Holiday - City offices closed
December 31: Holiday - City offices closed

ADJOURNMENT:

Materials related to an item on this Agenda submitted to the City Council after distribution of the agenda packet are available to public inspection in the City Clerk's Office located at 319 N. Douty Street, Hanford, California 93230, during normal business hours. Such agendas are also available at the city's website, www.cityofhanfordca.com subject to staff's ability to post the agenda before the meeting.

If you need a disability-related modification or accommodation, including auxiliary aids or services, to participate in this meeting, please contact the City Clerk's office, 559-585-2515, 319 N. Douty Street, Hanford, California 93230, at least 2 days prior to the meeting {28 CFR 35.102.35.104 ADA Title II}



AGENDA STAFF REPORT

MEETING DATE: 12/7/2021

AGENDA SECTION: A

SUBJECT:

Parks and Community Services: Council consideration of Park Capital Projects and direction on which project to submit to the State Department of Parks and Recreation for funding under the Prop 68 Per Capita Grant Program

RECOMMENDATION:

That the City Council consider a recommended list of Park Capital Projects and provide direction , by motion, on which project the City shall submit to the State Department of Parks and Recreation for funding under the Prop 68 Per Capita Grant Program

BACKGROUND:

In June 2020, the California State Parks and Recreation Department notified the City had been awarded \$177,952 through the Proposition 68 Per Capita Grant. The grant guidelines indicated that projects must be capital outlay for recreational purposes.

On July 7, 2020, Parks and Community Services Director Albert offered four possible park projects for Council's consideration.

- Construction of six pickleball courts at Lacey Park
- Centennial Park playground replacement
- Earl F. Johnson Park playground replacement
- Installation of surveillance cameras at Centennial, Hidden Valley and Freedom Parks

At that time, the City Council gave staff direction to pursue the construction of six pickleball courts at Lacey Park. Accordingly, a request for proposals was released and bids were received for that project.

On June 1, 2021, staff returned to Council with six options for consideration. The bids for the pickleball courts construction came in averaging \$87,500 per court. After discussion, Council decided the pickleball courts were too costly and there were concerns with the amount of green space that would be lost in that park as a result of the project. Therefore, Council directed staff to move forward with Option 6, which was the demolition and installation of a new splash pad at Lacey Park.

Based on that direction, staff began working with Vortex Splashpads and a conceptual drawing and cost estimate was developed (see attached conceptual drawings and price quote). The Vortex price quote is \$66,909 for the splash pad materials only. Vortex also provided staff with a "worst case" estimate for an installation cost of approximately \$300,000. Therefore, the total cost of the proposed splash pad with a 10% contingency added is estimated at \$403,600. If Council were to authorize staff to move forward with the project, despite the high cost, the project would need \$225,648 from the Accumulated Capital Outlay (ACO) fund to fully fund the project..

Other programmed park capital projects, which have already been approved in the Five-Year Capital Plan, and were anticipated to be funded by the ACO fund include:

Project Title	2022	2023	2024	2025	2026
Cameras in parks and recreation facilities	\$16,489	\$12,215	\$35,100		
Youth Athletic Complex Concession build.	\$270,531				
Earl F. Johnson Park Renovation		\$252,001	\$217,000	\$432,250	
Centennial Park Lighting		\$351,201			
Park Restroom Replacement			4483,750	\$276,250	\$287,500

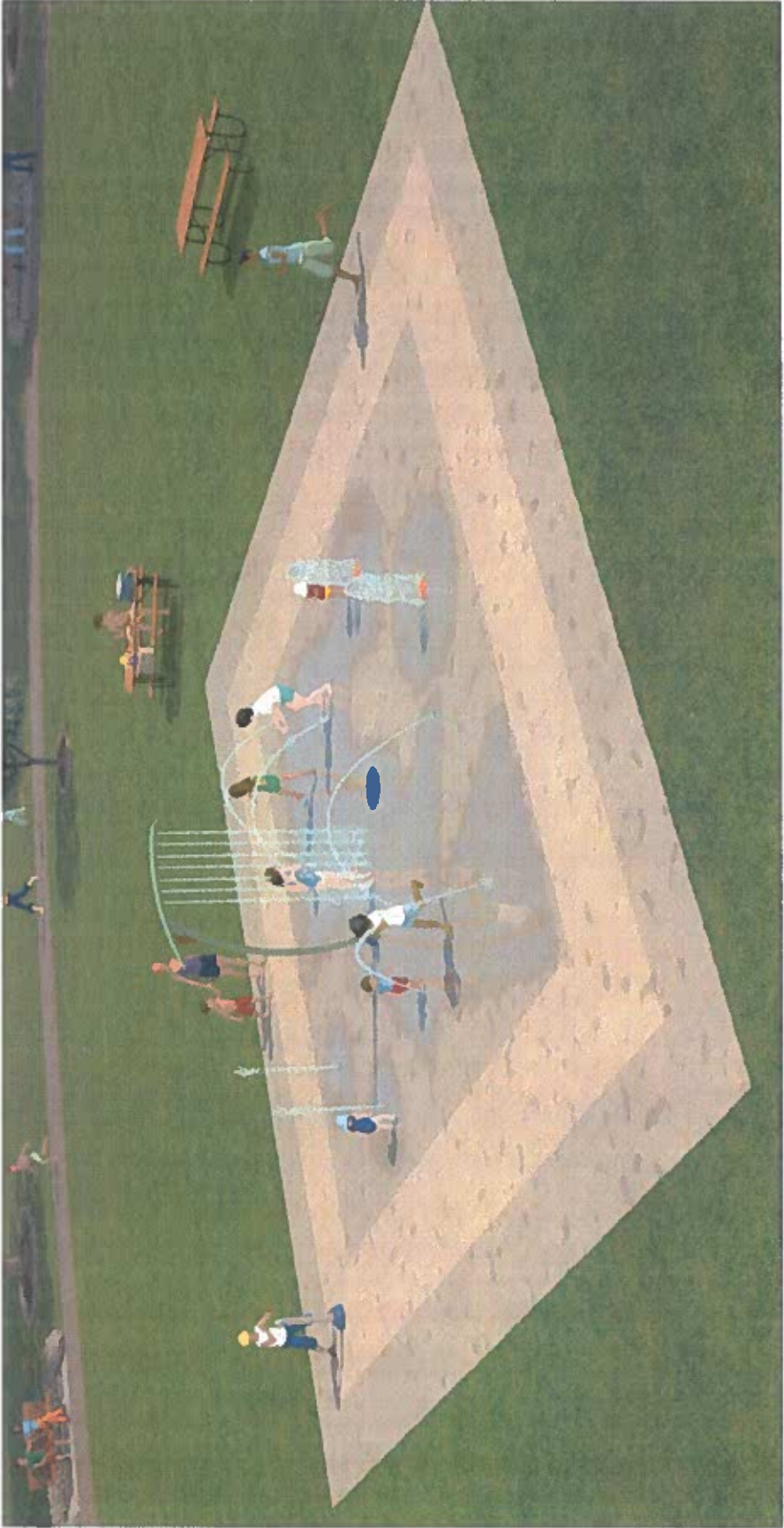
Staff is seeking Council direction on a preferred project with which to apply the Prop 68 Per Capita Grant funds. The final application and total project cost estimate is due to the State Department of Parks and Recreation by December 31, 2021.

FISCAL IMPACT:

ATTACHMENTS:

Lacey Splash Pad Concept Drawaing and Price Quote

Conceptual Drawing of Lacey Park Splash Pad



Conceptual Drawing of Lacey Park Splash Pad



Conceptual Drawing of Lacey Park Splash Pad



QUOTE



Account Name: City of Hanford
 Project Name: Lacey Park Splashpad
 Project ID: 37276
 Bill To Name: City of Hanford
 Bill To Address: 319 North Douty
 Hanford, CA 93230
 US

Created Date: 10/22/2021 3:23 PM
 Quote Number: QUO-11263-V8S8M1
 Quote Name: Version A (Percolation)
 Prepared By: Barbara Lapierre
 Email: blapierre@vortex-intl.com

Contact Name: Brad Albert
 Phone: +1 5595852527
 Email: balbert@cityofhanfordca.com

Product No.	Product Name	Description	QTY
7730	Bamboo Rain (SW, PC)		1
0611	Activator N°3(SW, PC)		1
0305	Directional Jet N°1 (EM)		4
8084	Foaming Geyser N°2 (EM)		2
7512	Jet Stream N°1 (EM)		2
1004	PlaySafe Drain No.4		1
	STRAINER FOR PLAYSAFE DRAIN No.4 - PASSIVATION		1
	Custom WDS	See Description Below	1
	Custom WCRS	See Description Below	1
19020	Embed Freight Fee	Embed Freight Fee	1
19030	Freight Fee	Freight Fee	1
18020	Packaging Fee	Packaging Fee	1
10010	WCRS Start-Up & Training Fees	Start-Up & Training Fees	1
13080	Stamped Drawings Fee	Stamped Drawings Fee	1
	M12 CONNECTION WIRE, 5-PIN, STRAIGHT CONNECTOR 75M LG 22AWG		1
	INSTALLATION KIT FOR GROUND EQUIPEMENT		24
55000	Safeswap N°1	Large Safeswap (Safeswap No. 1)	1
55000	Safeswap N°2	Medium Safeswap (Safeswap No. 2)	1
	TOOL KIT #0	TOOL KIT #0	1
	TOOL KIT #1 :SECURITY BITS (ALL)	TOOL KIT #1 :SECURITY BITS (ALL)	1
	TOOL KIT #28:RIV- VOZZLE TOOL	TOOL KIT #28:RIV-VOZZLE TOOL	1
	TOOL KIT #3 : 2 PIN KEY	TOOL KIT #3 : 2 PIN KEY	1
	TOOL KIT #2 :NOZZLE TOOL	TOOL KIT #2 :NOZZLE TOOL	1

QUOTE



Custom Description

Water Distribution System Serial Number: 37276D2110R00 Wall Mounted Command Center - Flow-Through Single 2" Inlet With Pressure Regulator; Backflow Preventer Installed Controller Remotely Located 0 Additional Output 1 Activation Device 3x 1-1/2" PVC Solenoid Valve Line 2x 1-1/2" PVC Solenoid Valve Line 1x MaestroPRO, Splashpad, 24 out / 12 in 120V 1x AT&T LTE Cell Module

Additional Information

Water Percolation Tank – Custom WCRS

Splashpad Sequence 70%
 Splashpad Operational Hours 10h
 Rate Ratio Run Time 70%

Number of Blocks Levels minimum 1 to maximum 5 2 level
 Reservoir width 39.0 ft
 Reservoir length 29.3 ft
 Reservoir height 2.9 ft
 Volume of Storage Reservoir 23,415 gall

Total Summary

Customer Signature:

Products:	50,934.00
Services:	8,600.00
Transport:	7,375.00
Subtotal:	66,909.00
Total:	66,909.00
Currency:	US Dollar

**Enquire about our cooperative purchasing programs.
 Thank you for doing business with us!**

Terms & Conditions

Products Payment Terms: Product <\$100K: 50% deposit at PO, 50% Net 45

Purchase Contract Terms & Conditions of Sales

The following terms and conditions (the "Terms and Conditions") form part of the Purchase Contract (the "Purchase Contract") between yourself (the "Customer, and Vortex Aquatic Structures International and/or Vortex USA Inc. ("Vortex"). The Customer's acceptance and understanding of these Terms and Conditions and all other supporting documentation provided as part of this package is evidenced by signing of the Purchase Contract.

Payment Terms



AGENDA STAFF REPORT

MEETING DATE: 12/7/2021

AGENDA SECTION: B

SUBJECT:

Presentation by Greg Burns of Thorn Run Partners, the City of Hanford's contracted federal lobbying firm, with updates on national legislative matters and discussion of potential uses for the City's remaining ARPA funding.

RECOMMENDATION:

Greg Burns, of Thorn Run Partners, will provide an overview of his firm, the work that they have completed for the City thus far, and an outlook of possible legislation and actions that Council should be aware of for the coming year.

BACKGROUND:

Greg Burns of Thorn Run Partners has been the City's federal lobbyist for almost a year now. Mr. Burns has worked with staff on several Federal matters but this is the first time that he has had the opportunity to travel to the West Coast since his firm was hired. He will address Council to present an overview of the previous legislative session, to discuss the activity of interest to the City, and to give an overview of the legislative and regulatory environment at the Federal level. Mr. Burns and Thorn Run Partners has been very responsive and proven to be valuable partners in our efforts to establish contacts and gain insights from various federal agencies and officials on matters affecting the City. The City Manager, Mario Cifuentez, works directly with Mr. Burns and Thorn Run staff on federal legislative matters.

FISCAL IMPACT:

ATTACHMENTS:



**AGENDA
STAFF REPORT**

MEETING DATE: 12/7/2021

AGENDA SECTION: B

SUBJECT:

City Clerk: Approval of the Minutes of the June 1, 2021 Meeting

Recommendation:

Approve the minutes of the June 1, 2021 Meeting.

FISCAL IMPACT:

ATTACHMENTS:

6.1.2021



**CITY COUNCIL MEETING
MINUTES**

**June 1, 2021 7:00 PM
Council Chambers
400 N. Douty St.**

4:00 PM CALL TO ORDER STUDY AND CLOSED SESSION:

Mayor Ramirez called the study and closed session to order at 4:00 p.m.

ROLL CALL BY THE CITY CLERK :

Present: Francisco Ramirez, Diane Sharp, Art Brieno, Kalish Morrow, John Draxler.

PUBLIC COMMENT:

*Comments from the public are limited to items on the agenda (GC 54954.3a). A maximum of **three minutes** is allowed for each speaker. Please begin your comments by stating your name and providing your city of residence.*

Bob Ramos commented on the closed session item [Public Employee Performance Evaluation for the City Attorney].

STUDY SESSION :

- A. Discussion and Direction on Establishing a Public Process for Redistricting, including the use of outside consultants to assist with the process and a plan for public outreach

City Attorney Mizote discussed the process for Redistricting. The Council discussed the options of forming a redistricting advisory commission. The Council directed staff to move forward with obtaining a consultant to assist staff with the redistricting process. Staff will present consultant proposals at future meeting for Council's review and consideration. City Attorney Mizote and City Manager Cifuentez answered questions from the Council.

- B. Receive, review and discuss the City of Hanford 2021/2022 and 2022/2023 two-year budget

Finance Director Chris Tavarez presented the draft budget for the Council's review. Each of the Director's presented an overview their departments budget and answered questions from the Council. The Council provided their feedback to staff. No formal action was required. With no further discussion, Mayor Ramirez adjourned to closed session at 5:28 p.m.

CLOSED SESSION FOR DISCUSSION OF THE FOLLOWING:

CONFERENCE WITH LEGAL COUNSEL - PUBLIC EMPLOYEE PERFORMANCE

EVALUATION (GC 54957(b)(1)):

Title: City Attorney

7:00 PM CALL TO ORDER REGULAR SESSION:

Mayor Ramirez called the meeting to order at 7:00 p.m.

ROLL CALL:

Attendee Name	Title	Status	Arrived
John Draxler	Council Member	Present	3:59 PM
Diane Sharp	Vice Mayor	Present	3:45 PM
Art Brieno	Council Member	Present	3:57 PM
Kalish Morrow	Council Member	Present	3:35 PM
Francisco Ramirez	Mayor	Present	3:30 PM

INVOCATION:

The invocation was led by Linda Carter Stevens.

FLAG SALUTE:

The flag salute was led by Mayor Ramirez.

CLOSED ACTION REPORT:

None.

STAFF COMMUNICATIONS:

City Manager Cifuentez provided an update on the American Rescue Plan Funding. He also discussed City Managers Conference that he attended.

Parks and Community Services Director Brad Albert announced the reopening of the Plunge, the Longfield Center and the Summer Camp.

Fire Chief Steve Pendergrass announced the upcoming events for the Fire Department.

COUNCIL REPORTS/COMMENTS:

Vice Mayor Sharp attended the KCAPTA and KCAG meetings. She also discussed the events she attended.

Council Member Morrow discussed the events she attended.

Council Member Brieno commented on the Carousel renovation.

Council Member Draxler had nothing to report.

Mayor Ramirez discussed the events he attended. He also commented on the Chamber of Commerce Business Round Table event that he participates in.

PUBLIC COMMENT:

This is the time for citizens to comment on subject matters not on the agenda within the jurisdiction of the Hanford City Council. This is also the public's opportunity to request an item from the Consent Calendar be pulled for discussion purposes or to comment on any item on the agenda. Comments related to Public Hearing items will be heard at the time the item is discussed.

*A maximum of **three minutes** is allowed for each speaker. Please begin your comments by stating your name and providing your city of residence.*

Jim Castleman, Teresa Diaz, Melissa Lynn, Mark Curts, Linda Carter Stevens, Shannon Miller, Linda Newberry, Linda Mahn, Tana Elizondo, Melanie Pulliam, and John Rand spoke in support of the Pickleball court project to be located at Lacey Park.

Ryan Boland commented on the security alarm registration fee.

Jack Schwartz provided an update for the Carnegie Museum and announced the upcoming events.

Ron Easley invited the City Manager and the City Attorney to attend a meeting with him.

Onan Champi commented the proposed pickleball courts at Lacey Park.

Bob Ramos commented on item F [Adoption of Resolution 21-22-R Declaring the Property Located at 426 W. Lacey Blvd. Surplus Property]. He also spoke in opposition of the proposed location of the pickleball courts project.

CONSENT CALENDAR:

Consent Calendar items are considered routine and will be enacted in one motion. There will be no separate discussion of these matters unless a request is made and then the item will be removed from the Consent Calendar to be discussed and voted upon by a separate motion.

Vice Mayor Sharp pulled item F [Adoption of Resolution 21-22-R Declaring the Property Located at 426 W. Lacey Blvd. Surplus Property].

Motion to approve the Consent Calendar except for the items pulled for separate consideration.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Diane Sharp, Vice Mayor
SECONDER:	Kalish Morrow, Council Member
AYES:	Draxler, Sharp, Brieno, Morrow, Ramirez

- A. PROCEDURAL WAIVER: Waive reading in full of resolutions and ordinances and approval and adoption of same by reading title the only.
- B. City Clerk: Approval of the Minutes of the March 16, 2021 Meeting
- C. Administration: Adoption of Resolution 21-20-R, stating the City of Hanford's support for S. 1465, which would establish a competitive grant, through the Department of Transportation, for highway-rail grade crossing improvement projects, and ask Rep. David Valadao (R-CA) to introduce a companion bill in the House to further support S. 1465.
- D. Administration: Approval of an Avigation and Clearance Easement from Humberto Raya-Cabrera and Maria Angelica Perez Cisneros, in conformance with the City's Airport land use policies, and authorization for the City Manager to sign and the City Clerk to notarize said easement and record said document with the Kings County Recorder's Office.
- E. Administration: License Agreement with the Carnegie Museum of Kings County

F. Adoption of Resolution 21-23-R Declaring the Property Located at 109 E. Eighth St. Surplus Property and Adoption of Notice of Exemption 2021-30

G. Finance: Acceptance of the Monthly Investment Transaction Report for April and May 2021

ITEMS PULLED:

1. Administration: Adoption of Resolution 21-22-R Declaring the Property Located at 426 W. Lacey Blvd. Surplus Property

[Item F]

Vice Mayor Sharp stated that she will not be voting on the item. City Manager Cifuentez answered questions from Council Member Brieno.

Motion to approve.

RESULT:	APPROVED [4 TO 0]
MOVER:	John Draxler, Council Member
SECONDER:	Art Brieno, Council Member
AYES:	Draxler, Brieno, Morrow, Ramirez
ABSTAIN:	Sharp

GENERAL BUSINESS:

- A. Parks and Community Services: RESOLUTION 21-06-R (REVISED) A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HANFORD APPROVING THE APPLICATION STATEWIDE PARK DEVELOPMENT AND COMMUNITY REVITALIZATION PROGRAM GRANT FUNDS FOR THE ACQUISITION AND DEVELOPMENT OF HEROES PARK

Parks and Community Services Director Brad Albert provided the background of the project and presented the revised resolution for the Council's review and consideration. Dir. Albert answered questions from the Council.

Motion to approve.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Art Brieno, Council Member
SECONDER:	Kalish Morrow, Council Member
AYES:	Draxler, Sharp, Brieno, Morrow, Ramirez

- B. Parks and Community Services: Review of the proposed Lacey Park Pickleball Project, Presentation of various options as requested by Council and Receive Direction from Council on the preferred project.

Parks and Community Services Director Brad Albert presented the Lacey Park Project with 5 options for the pickleball court location and placement. The 6th project presented was the installation of a splash pad at Lacey Park. He also presented several additional project options with funding details and invited questions from the Council. The Council shared their concerns regarding the presented locations budget for pickleball project. The Council provided staff with their feedback.

Motion to approve option 6 with the amendment to use excess funding for security cameras in the parks.

RESULT:	APPROVED [3 TO 2]
MOVER:	Francisco Ramirez, Mayor
SECONDER:	John Draxler, Council Member
AYES:	Draxler, Morrow, Ramirez
NAYS:	Sharp, Brieno

COUNCIL FUTURE AGENDA ITEMS:

Council Member Morrow expressed her concerns about the false alarm fees and permit alarm fees. She would like to bring the item back for review and discussion at a future City Council meeting. City Manager Cifuentes clarified that all comprehensive rates and fee packages will be presented to the Council for review at a future meeting following the budget adoption. With no further discussion Mayor Ramirez announced upcoming special meeting dates.

ADJOURNMENT:

Mayor Ramirez adjourned the meeting at the 8:42 p.m.

Respectfully submitted,

Natalie Corral
City Clerk



**AGENDA
STAFF REPORT**

MEETING DATE: 12/7/2021

AGENDA SECTION: C

SUBJECT:

City Clerk: Approval of the Minutes of the June 3, 2021 Special Meeting

Recommendation:

Approve the minutes of the June 3, 2021 Special Meeting.

FISCAL IMPACT:

ATTACHMENTS:

6.3.2021



**CITY COUNCIL MEETING
MINUTES
June 3, 2021 5:00 PM
Council Chambers
400 N. Douty St.**

5:00 PM CALL TO ORDER SPECIAL SESSION:

Mayor Ramirez called the meeting to order at 5:00 p.m.

ROLL CALL BY THE CITY CLERK:

Attendee Name	Title	Status	Arrived
John Draxler	Council Member	Present	4:55 PM
Diane Sharp	Vice Mayor	Present	4:45 PM
Art Brieno	Council Member	Present	4:58 PM
Kalish Morrow	Council Member	Present	4:55 PM
Francisco Ramirez	Mayor	Present	4:45 PM

FLAG SALUTE:

The flag salute was led by Mayor Ramirez.

PUBLIC COMMENT:

*Comments from the public are limited to items listed on the agenda (GC 54954.3a). A maximum of **three minutes** is allowed for each speaker. Please begin your comments by stating your name and providing your city of residence.*

Bob Ramos thanked Council Member Draxler for his service and asked that the Council to select an appropriate candidate to fill the vacancy in District A.

Kendra spoke in support of Amanda Saltray.

GENERAL BUSINESS:

A. City Council District A Council Candidate Interviews

City Manager Cifuentez presented the interview process. Four candidates were interviewed by the Council for approximately 30 minutes. The Council thanked the candidates for their participation and commented on their interviews. After Council discussion, Vice Mayor Sharp and Council Member Draxler spoke in favor of appointing Travis Paden, Mayor Ramirez and Council Member Morrow spoke in favor of appointing Amanda Saltray.

Motion to appoint Travis Paden, was introduced by Vice Mayor Sharp, seconded by Council Member Draxler. Motion failed with 2 yeses (Sharp, Draxler), and 3 noes (Brieno, Morrow, Ramirez).

Motion to appoint Amanda Saltray, was introduced by Council Member Morrow, seconded by Mayor Ramirez. Motion approved with 3 yeses (Ramirez, Morrow, Brieno) and 2 noes (Sharp, Draxler).

ADJOURNMENT:

Mayor Ramirez adjourned the meeting at 7:23 p.m.

Respectfully submitted,

Natalie Corral
City Clerk



AGENDA STAFF REPORT

MEETING DATE: 12/7/2021

AGENDA SECTION: D

SUBJECT:

Parks and Community Services: Consideration of an appropriations request from the City's General Fund, in the amount of \$39,613.33, to cover the cost Ice Rink Expenses not previously approved in the FY22 budget.

RECOMMENDATION:

I move that Council, by motion, approve additional allocations from the General Fund of \$34,613.33 to Fund 1721000-76110 (Ice Rink Expenses) and \$5,000 to fund 1721000-701300 (part-time employees).

BACKGROUND:

The planning, budget development and operations for the inaugural Winter Wonderland has exceeded the projection for both revenues and expenses.

REVENUE

Currently, the total revenues from the Winter Wonderland Event exceed the total budgeted revenue by over \$3,000 and there is still 5 weeks left of the Event run. The significant additional revenue due to conservative budgeting, greater than expected community support through sponsorships, negotiated vendor revenue splits and strong ticket sales. While it is too early to predict, ticket sale projections indicate that the financial goals of the Winter Wonderland Event will be met or exceeded.

EXPENSES

During the development of the FY 21/22 annual budget, staff projected the expense of creating the Winter Wonderland Event. Based on our knowledge at that time, we projected our ice rink expenses to be \$153,500. In preparation for the ice rink installation, electrical infrastructure was needed to supply the chiller unit with 480 volts (400 amps) - three phase power. This required

connecting to the existing courthouse switch gear and connecting it to the chiller unit, 400 feet away.

In addition to the electrical infrastructure, miscellaneous expenses such as lighting, plywood, lumber for the staging area benches, wood decking around the perimeter of the ice rink, fork lift rental, rental fencing, and other unforeseen costs. Much of these expenses were incurred to adapt Civic Park to the additional demands of operating an ice rink. Most of the infrastructure items listed above will be stored and reserved for future events.

To date, we have over expended this account by \$24,613.33. We are projecting additional expenses to this account not to exceed \$10,000, which includes the disassembly of the ice rink, infrastructure liabilities within the park, and other unforeseen repairs.

Staffing levels required to safely operate the Winter Wonderland Event have also exceeded the original budgeted amount. This includes the extra hours and overtime during the ice rink set-up. Based on current and projected part-time employee cost, an additional \$5,000 is needed.

Based on current financial data, staff is confident the Winter Wonderland Event will meet or exceed the 70% cost recovery requested by Council.

FISCAL IMPACT:

Allocation of \$39,613.33 from the General Fund to Account 1721000 (Winter Wonderland Event)

ATTACHMENTS:



AGENDA STAFF REPORT

MEETING DATE: 12/7/2021	AGENDA SECTION: E
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SUBJECT:

Public Works: Award of a contract to HBC Enterprise of Clovis Ca, in the amount of \$64,256.60 for the FY 20/21 Hidden Valley Park Fitness Pad Project; Appropriate an additional 33.564.10 from the Park Impact Fees to fund the project; and Establish a construction contingency of \$4,500.00 for this project.

RECOMMENDATION:

That the City Council, by motion:

1. Award a contract to HBC Enterprises of Clovis Ca, in the amount of \$64,256.60 for the FY 20/21 Hidden Valley Park Fitness Pad Project.
2. Approve an additional appropriation of \$33,564.10 to fully fund the project and
2. Establish a construction contingency of \$4,500.00 for this project

BACKGROUND:

The Fitness Court is a functional fitness circuit-training system featuring a series of full-body exercises that can be completed in just seven minutes. The Fitness Court is designed for adults of all ages and accommodates a variety of skill levels and abilities at each station, from beginning to expert. It is a powerful way to encourage physical activity and promote community wellness. Each Fitness Court is integrated with shock-resistant sports flooring and allows users a varying fitness levels to utilize the court.

On May 2, 2021, the City Council approved a contract with the National Fitness Campaign for the purchase of the Fitness Court and appropriated \$182,995 from the Park Impact Fee Reserve account to cover the cost of the Court, the concrete slab and the shade structure.

The construction of the Fitness Court requires a concrete slab 38'-0" x 37'-8" with a minimum of 4" of depth. Floor anchor bolts are installed at specific locations to secure flooring, wall unit, and exercise equipment. A 41' x 41' shade structure manufactured by USA Shade will be installed and require 4 independent footings. In addition to the slab installation, the site location will require access sidewalks to and from the fitness court from the adjacent parking lot. Two

park benches and one trash receptacles will be installed. The City has already received the Fitness Court equipment and the shade structure is expected to ship November 2021.

The contract stipulates that the project will be completed in (30) days from the date of Notice to Proceed. For each day of delay beyond the approved time, the Contractor shall be assessed \$1000.00 per day liquidated damages. If approved, work on this project is expected to begin Jan 2022.

FISCAL IMPACT:

The FY 21/22 Park Impact Fees budget allocated \$182,070.00 for this project. The Council has previously encumbered \$146,877.50 for purchase of the fitness equipment and shade structure, leaving a balance of \$35,192.50 in the account. An additional appropriation of \$33,564.10 is necessary from the Parks Impact Fee reserves to fully fund this project. There is approximately \$4,200,000 of available fund balance in the Parks Impact Fee Reserve account.

ATTACHMENTS:

FITNESS PAD LAYOUT

822642 Budget Admendment Rev1.



Packet Pg. 25



11/17/2021 08:33
dcaietti

City of Hanford, CA
YEAR-TO-DATE BUDGET REPORT

P
glytdbud 1

FOR 2022 13

ACCOUNTS FOR:				JOURNAL DETAIL 2022 4 TO 2022 4					
21800000	PARKS FACILITY IMPACT FEE	ORIGINAL APPROP	TRANFRS/ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENC/REQ	AVAILABLE BUDGET	PCT USED	
81 CAP ASSETS CIP									
822642	HIDDEN VALLEY PARK/FITNESS C	0	241,480	241,480	112,467.50	35,019.42	93,993.08	61.1%	
	TOTAL CAP ASSETS CIP	0	241,480	241,480	112,467.50	35,019.42	93,993.08	61.1%	
	TOTAL PARKS FACILITY IMPACT FEE	0	241,480	241,480	112,467.50	35,019.42	93,993.08	61.1%	

AVAILABLE BUDGET \$93,993.08
DEDUCT GRANT \$25,000.00
Grant was credited
on original invoice.

AVAILABLE BUDGET
(FINAL) : \$68,993.08



11/17/2021 08:33
dcaietti

City of Hanford, CA
YEAR-TO-DATE BUDGET REPORT

P
glytdbud 2

FOR 2022 13

JOURNAL DETAIL 2022 4 TO 2022 4

ORIGINAL
APPROP

TRANFRS/
ADJSTMTS

REVISED
BUDGET

YTD EXPENDED

ENC/REQ

AVAILABLE
BUDGET

PCT
USED

GRAND TOTAL	0	241,480	241,480	112,467.50	35,019.42	93,993.08	61.1%
-------------	---	---------	---------	------------	-----------	-----------	-------

** END OF REPORT - Generated by Debbie Caietti - Tyler **

11/17/2021 08:33
 dcaietti

 City of Hanford, CA
 YEAR-TO-DATE BUDGET REPORT

 P
 glytdbud 3

REPORT OPTIONS

Sequence	Field #	Total	Page Break
Sequence 1	9	Y	Y
Sequence 2	10	Y	N
Sequence 3	11	Y	N
Sequence 4	0	N	N

 Report title:
 YEAR-TO-DATE BUDGET REPORT

Includes accounts exceeding 0% of budget.

Print totals only: Y

Print Full or Short description: F

Print full GL account: N

Format type: 1

Double space: N

Suppress zero bal accts: Y

Include requisition amount: Y

Print Revenues-Version headings: N

Print revenue as credit: Y

Print revenue budgets as zero: N

Include Fund Balance: N

Print journal detail: Y

From Yr/Per: 2022/ 4

To Yr/Per: 2022/ 4

Include budget entries: Y

Incl encumb/liq entries: Y

Sort by JE # or PO #: J

Detail format option: 1

Include additional JE comments: N

Multiyear view: F

Amounts/totals exceed 999 million dollars: N

Year/Period: 2022/13

Print MTD Version: N

Roll projects to object: N

Carry forward code: 1

Find Criteria

Field Name	Field Value
Org	
Object	822642
Project	
Rollup code	
Account type	
Account status	



AGENDA STAFF REPORT

MEETING DATE: 12/7/2021

AGENDA SECTION: F

SUBJECT:

Public Works: Approval of a payment to King's Petroleum, for the purchase of diesel fuel for Fleet Operations, in the amount is \$32,342.63.

RECOMMENDATION:

That the City Council, by motion, approve a payment to King's Petroleum, for the purchase of diesel fuel for Fleet Operations, in the amount is \$32,342.63.

BACKGROUND:

Section 2.48.060 of the Hanford Municipal Code governs how the City must process the purchase of any goods or services that exceed \$20,000. As stated below, it requires that Council approve all purchases over that threshold. For the purpose of this invoice, it sets a different limit for Council's approval of fuels and other specific items:

Purchases exceeding twenty thousand dollars (\$20,000.00) may be made either on an informal basis or on a formal competitive basis as identified below. In either case, however, the decision as to the acceptance or rejection of any bid shall be the responsibility of the council. The provisions of this section 2.48.060 shall not apply to the purchase of fuels, bituminous materials, and aggregate base for street purposes and related delivery costs provided that any such purchase shall not exceed the sum of thirty thousand dollars (\$30,000.00).

With the implementation of new and updated Purchasing policies for the City, it is necessary for Council to individually approve this outstanding invoice. Due to the increase in fuel costs, this purchase exceeds the maximum \$30,000 threshold for fuel purchases referenced in the municipal code. Moving forward, staff will have Council approve annual contracts with vendors, based on negotiated prices, that will allow Council to approve "not to exceed" amounts for the Contract year.

FISCAL IMPACT:

Quotes were received from local vendors. There are sufficient funds available in the Fleet Operations account to fund this purchase.

ATTACHMENTS:

KING'S_PETROLEUM_INV#91225_W/QUOTES

PROpane • GASOLINE • DIESEL • OIL
559.733.4717 • VISALIA, CA

INVOICE

Customer #:	800350
Payment Terms:	Net 10
Invoice #:	91225
PO #:	22200485 Fuel
Invoice Date:	2021-11-10
Due Date:	Net 10th of the month
Total Due	\$32,342.63

Make Check Payable to: King's Petroleum LLC

Amount Enclosed: \$

Remit To:

King's Petroleum LLC
 PO BOX 841318
 LOS ANGELES, CA 90084-131

City Of Hanford Corp

900 S 10th Ave
 Hanford, CA 93230

00008003500000091225000323426300032342636

Customer Name		Delivery/Service Address		Cust #	Invoice #	Inv Date
City Of Hanford Corp		900 S 10th Ave - Hanford, CA 93230		800350	91225	2021-11-10
Quantity	Item Number	Description	Unit Price	TOTAL		
7965.00	Clear Diesel Ultra Low	Clear Diesel Ultra Low Sulfur Diesel #2 PO #: Delivered By: Chris G on 11/10/2021	\$3.2400	\$25,806.61		
1.00	Regulatory Compliance	Regulatory Compliance Fee	\$9.5000	\$9.51		
		AB 32 - .005/Gal:		\$39.8		
		California State - Diesel - 13%:		\$3363.2		
		California State Excise - Diesel - .389/Gal:		\$3098.3		
		Federal L.U.S.T - .001/Gal:		\$7.9		
		Kings County - Standard:		\$0.0		
		Spill Fee - Diesel - .00214/Gal:		\$17.0		

Tank/Equipment: Bulk Tank - Clear Diesel Tank - 910 S 10th Ave.

For Fuel or Service At:

900 S 10th Ave - Hanford, CA 93230

Sub Total	\$25,816.1
Charges	\$0.0
Tax Total	\$6,526.5
TOTAL DUE	\$32,342.6

City of Hanford - 11/10/21
 BOL #2699078

King's Petroleum LLC
 PO BOX 841318
 LOS ANGELES, CA 90084-131

Attachment: KING'S PETROLEUM_INV#91225_W/QUOTES (PW: Approve Fuel Purchase)



PROPANE • GASOLINE • DIESEL • OIL
559.733.4717 • VISALIA, CA

Date	11-10-21
BOL#	2699078
Ref#	
PO#	
Customer	

CIRCLE THE NUMBERS THAT APPLY

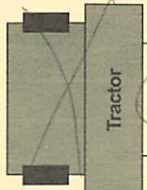
- #1 Excessive Load/Unload Time #4 Split Load
 #2 Split Delivery #5 Retain
 #3 Pump Out #6 Pump Charge

Loading Information

Arrival Time 1035
 Departure Time 1100
 Total Time _____
 Explanation _____

Unloading Information

Arrival Time 1150
 Departure Time 1215
 Total Time _____
 Explanation _____

	PRODUCT	PRODUCT	PRODUCT	PRODUCT
	CLP	/	CLP	/
	GALS LOADED	GALS LOADED	GALS LOADED	GALS LOADED
	2100		2400	3500

Date: _____ Truck No: 12 Trailer No: 12A

THANK YOU FOR YOUR BUSINESS!

Delivered To:

CITY OF HANFORD

Address:

HANFORD, CA

Product	Gallons		Before		After	
	Gross	Net	Inch	Gals	Inch	G
87						
89						
91						
Clear	8000	7965		3212		11
Red						
Total			Rack			
Gallon			FRESNO			

Retain/Diversion

From: _____

To: _____

Gallons: _____

Explanation of Additional Charges

489-1055-255

Drivers Printed Name:

CLP

Customer Signature:

Attachment: KING'S PETROLEUM INV#91225 W/QUOTES (PW: Approve Fuel Purchase)

HIGHWAY TRANSPORTATION RECEIPT

12.F.a

KINDER MORGAN 4149 S. Maple Ave, Fresno, CA, 93725

ORIGINAL BILL OF LADING - NOT NEGOTIABLE

(LOADING TICKET)

RECEIVED, THE PROPERTY DESCRIBED BELOW, IN APPARENT GOOD ORDER WHICH SAID TRANSPORTATION COMPANY (THE WORD "COMPANY" BEING UNDERSTOOD AS INCLUDING ANY PERSON OR CORPORATION IN POSSESSION OF THE PROPERTY) AGREES TO TRANSPORT AND DELIVER TO CONSIGNEE AT HIS USUAL PLACE OF DELIVERY (IF ON ITS OWN LONE ROUTE), OTHERWISE TO DELIVER TO ANOTHER CARRIER ON THE ROUTE TO SAID DESTINATION. IT IS MUTUALLY AGREED THAT THE TRANSPORTATION SERVICES HEREUNDER ARE SUBJECT TO ALL THE PRINTED TERMS AND CONDITIONS NOT PROHIBITED BY LAW, OF THE "TRANSPORTATION COMPANY'S" UNIFORM BILL OF LADING. "CONTRACT" OR "ANYWHERE-FOR-HIRE" SERVICES WILL BE SUBJECT TO THE TERMS AND CONDITIONS OF THE CONTRACT, SERVICE ORDER OR OTHER AGREEMENT EXECUTED OR AGREED TO BETWEEN PARTIES HERETO WHEN NOT IN CONTRAVENTION OF ANY EXISTING LAW. WHEN MOVEMENT IS IN A VEHICLE OPERATED BY SHIPPER, OR OWNER OF PRODUCT, THIS DOCUMENT SERVES ONLY AS A RECEIPT FOR PRODUCT LOADED.

STATE EXCISE TAX, IF ANY, ON MOTOR VEHICLE FUEL COVERED BY THIS LOADING TICKET HAS BEEN ASSUMED AND WILL BE PAID BY THE SHIPPER.

CARRIER CERTIFIES THAT THE CARGO TANK SUPPLIED FOR THIS SHIPMENT IS A PROPER CONTAINER FOR THE TRANSPORTATION OF THIS COMMODITY AND COMPLIES WITH THE DEPT. OF TRANSPORTATION SPECIFICATIONS AND REGULATIONS FOR THE TRANSPORTATION OF EXPLOSIVES AND OTHER DANGEROUS ARTICLES.

THIS IS TO CERTIFY THAT THE BELOW-NAMED MATERIALS ARE PROPERLY CLASSIFIED, DESCRIBED, PACKAGED, MARKED, AND LABELED, AND ARE IN PROPER CONDITION FOR TRANSPORTATION, ACCORDING TO THE APPLICABLE REGULATIONS OF THE DEPT. OF TRANSPORTATION.

NOTE: NET VOLUME HAS BEEN ADJUSTED TO 60° F

Destination 0000000255 Kings Petroleum LLC P O Box 508 Visalia, CA 93292						FOR PRODUCT EMERGENCY Spill, Leak, Fire, Exposure or Accident CALL CHEMTREC-DAY OR NIGHT 800-424-9300 KINDER MORGAN CCN12469	
TRUCK NO. 12	TRUCK LICENSE NO.	TRAILER 1 NO. 12A	TRAILER 1 LICENSE NO. 4CZ7069	TRAILER 2 NO.	TRAILER 2 LICENSE NO.		
TERM NO. FR	HTR. NO. 0002699078	TIME Card IN: 10:42 Card OUT: 11:02	DATE 11/10/2021	DRIVER NO. 11800011	CARRIER KINGS PETROLEUM	ORDER NO.	

SHIPPER 0000000489
SHIRALIAN ENTERPRISES, INC.
2491 W Shaw Ave #123
FRESNO, CA 93711

CONSIGNEE 0000001055
Kings Petroleum LLC
205 N Ben Daddox Way
Visalia, CA 93292

BAY NO: 5N

PRODUCT CODE	PRODUCT NAME	OCT.	TEMP.	GRAVITY	GROSS GALLONS	NET GALLONS
NA1993 DIESEL FUEL, 3, PG III / 1 CARGO TANK QQQ108	CARB ULS DIESEL	0.0	69.0	39.5	8000	7965

UNDYED CARB ULTRA LOW SULFUR DIESEL, 15 PPM OR LESS SULFUR, MAY CONTAIN UP TO 5% BIODIESEL

EPA DIESEL FACILITY ID - #4453-81834

SIGNATURE OF DRIVER:



CHRISTOPHER GIBSON

Packet Pg. 34

Attachment: KING'S PETROLEUM_INV#91225_W/QUOTES (PW: Approve Fuel Purchase)

FUEL QUOTE SHEET

12.F.a

Date: 11/10/2021

Quote For: Diesel

Company	Contact	Phone Number	FAX Number	Base Price		
				Unlead	Diesel	
G.V. Burrows Inc	Darryl	924-2064	924-9316	\$	Left Msg	/per gal
J C Lansdowne	Ryan ryan@jclansdowne.com	651-1760	651-8156	\$	3.359	/per gal
Buford Oil	John/Leah	582-9028 / 816-2637/ 816-2638	582-1902	\$	3.255	/per gal
Silvas Oil	Carl carl.mccain@silvasoil.com fueldispatch@silvasoil.com	Small Loads / Big Loads 582-0221 / 445-1908	445-1910		3.2596	/per gal
Interstate Oil	Roland	233-3221/ 349-8514	233-1532	\$	3.40	/per gal
Kings Petroleum	Shanoor shirani@kingspetro.com	909-6330		\$	3.24	/per gal
Gregs Petroleum Svc	Bob patricia@gregspetro.com	661-535-4900	661-535-4990	\$	3.27	/per gal

(Call Silva's Fresno number for truck/trailer loads (FLEET); Use the Hanford number for other Departments.)

REQUISITION NUMBER: _____

P.O. NUMBER: 22200485

Ordering Information

Company	Vendor No.	PO No.
G.V. Burrows, Inc	105591	
J C Lansdowne	105635	22100751
Buford Oil	105006	22100734
Silvas Oil	105011	22100766
Interstate Oil	104486	22100749
Kings Petroleum	105551	22200485
Gregs Petroleum	106520	

ORG	OBJECT
Fleet	20400000-743300
Utilities	20810000-778500
WWTP	20710000-778500

1 Load =
8,500 Gallons Unleaded
7,500 Gallons Diesel
2,000 WWTP Gallons

Road Tax:

Is added to every truck/trailer load as a separate entry.

(Do not add sales tax to road tax.)

(Do not add road tax to WWTP or Utilities.)

If they should ask:

\$.18 State Excise Tax (we pay)

\$.243 Federal Tax (we don't pay)

Locations: Tank 5 Grangeville / Centennial

Tank 6 Fargo / RR Tracks

Gas Type	Amount of Road Tax to Add
Diesel	\$1,265.40
Unleaded	\$1,504.80

ALWAYS ORDER:

- CLEAR DIESEL FOR FLEET
- RED DIESEL FOR GENERATORS

Attachment: KING'S PETROLEUM_INV#91225_W/QUOTES (PW: Approve Fuel Purchase)

CITY OF HANFORD
900 S. 10TH AVE.
HANFORD, CA. 93230
559-585-2553

NOV 10, 2021 7:21 AM

SYSTEM STATUS REPORT

ALL FUNCTIONS NORMAL

INVENTORY REPORT

T 1:UNLEADED

VOLUME = 8995 GALS
ULLAGE = 3037 GALS
90% ULLAGE= 1833 GALS
TC VOLUME = 8858 GALS
HEIGHT = 67.19 INCHES
WATER VOL = 15 GALS
WATER = 0.78 INCHES
TEMP = 81.8 DEG F

T 2:PREMIUM

VOLUME = 8317 GALS
ULLAGE = 3715 GALS
90% ULLAGE= 2511 GALS
TC VOLUME = 8198 GALS
HEIGHT = 62.65 INCHES
WATER VOL = 0 GALS
WATER = 0.00 INCHES
TEMP = 80.4 DEG F

T 3:DIESEL

VOLUME = 3271 GALS
ULLAGE = 8761 GALS
90% ULLAGE= 7557 GALS
TC VOLUME = 3291 GALS
HEIGHT = 30.39 INCHES
WATER VOL = 19 GALS
WATER = 0.93 INCHES
TEMP = 80.0 DEG F

* * * * * END * * * * *



AGENDA STAFF REPORT

MEETING DATE: 12/7/2021	AGENDA SECTION: G
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SUBJECT:

Public Works: Approval of the Notice of Completion for Tract No. 916 Pacific Grove Addition #2 and authorization for the Mayor to execute and the City Clerk to attest and file said Notice with the Kings County Recorder's Office. (12th Avenue & Bristol Lane).

RECOMMENDATION:

That the City Council, by motion, approve a Notice of Completion for Tract No. 916 Pacific Grove Addition #2 and authorize the Mayor to execute and the City Clerk to attest and file said Notice with the Kings County Recorder's Office.

BACKGROUND:

On August 20, 2019, the City Council approved the final map and subdivision agreement for Tract No. 916 Pacific Grove Addition #2, a 18-lot subdivision located as shown on the attached map. The subdivision is being developed by Daley Enterprises, Inc. The developer has completed all required public infrastructure improvements for the subdivision, and has deposited a 10% warranty bond with the city, which will remain in effect for a minimum of one year after the attached Notice of Completion is recorded.

FISCAL IMPACT:

No fiscal impact will result from approval of the attached Notice of Completion.

ATTACHMENTS:

Tract 916 Pacific Grove Addition #2 - Notice of Completion - Recording
Tract 916 Pacific Grove Addition #2 - Vicinity Map

RECORDING REQUESTED BY:
CITY OF HANFORD

When recorded return to:

City Clerk
City of Hanford
315 North Douty Street
Hanford, California 93230-3951

G.C. 27361.3 - Fee NIL

NOTICE OF COMPLETION

TO WHOM IT MAY CONCERN:

YOU ARE HEREBY NOTIFIED AS FOLLOWS:

1. The work of Improvement is located at: Tract No. 916, Pacific Grove Addition #2
2. The Improvement is particularly described as: Subdivision Infrastructure Improvements
3. The date of completion of the work of Improvement: August 20, 2020
4. The Owner of the work of Improvement: City of Hanford
5. The nature of the owner's interest or estate: Fee Simple
6. The name of the original contractor for the work of Improvement: Daley Enterprises, Inc.
7. The surety for the work of Improvement: Bank of the Sierra
8. Accepted by minute action of the City Council of the City of Hanford on: December 3, 2021.

I certify under penalty of perjury that the foregoing is true and correct.
Dated this 3rd day of December, 2021.

BY: _____
Francisco Ramirez, Mayor
City of Hanford, County of Kings, State of California

Attachment: Tract 916 Pacific Grove Addition #2 - Notice of Completion - Recording (PW: Notice of Completion, Tract 916 Pacific Grove

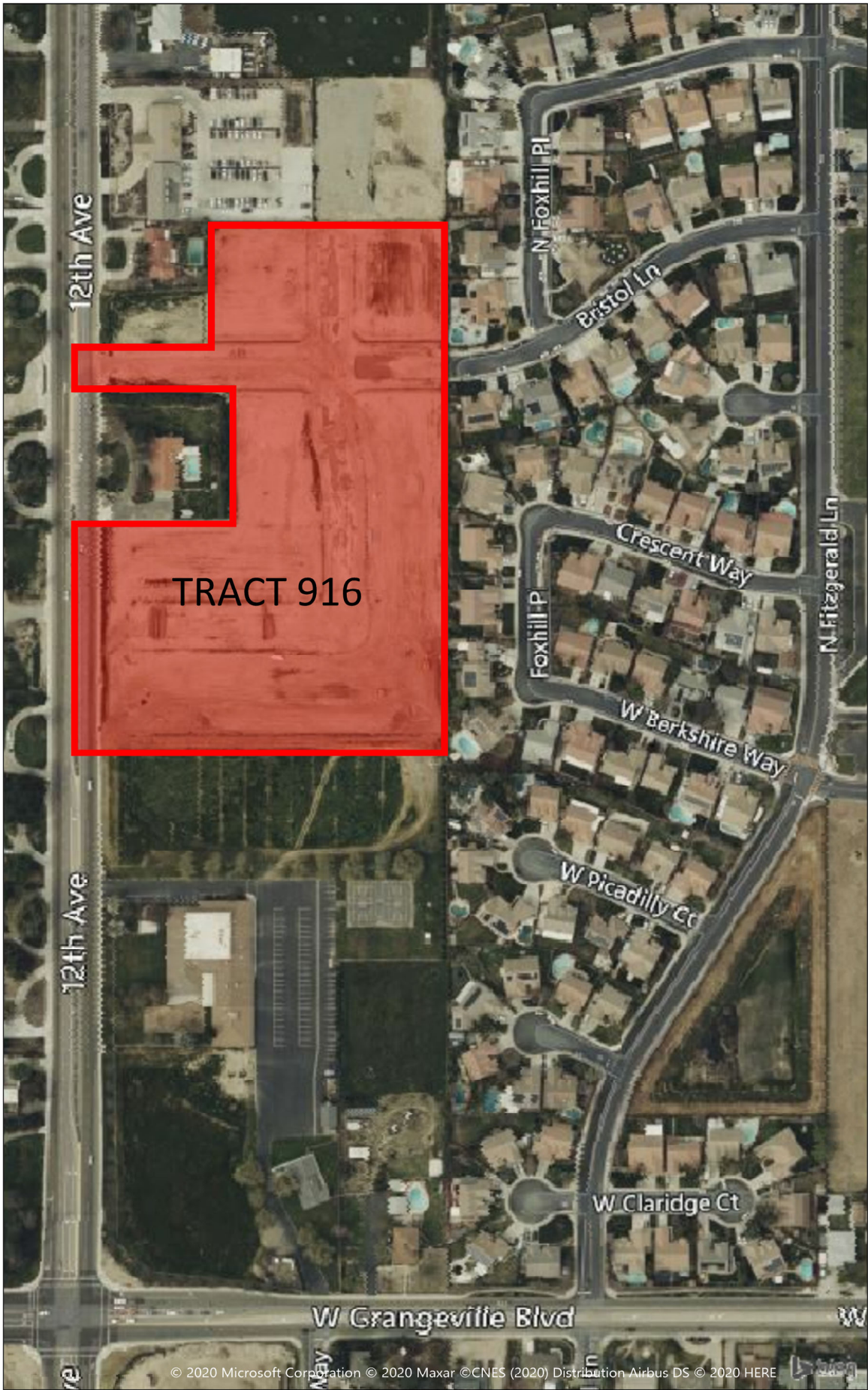
I, the undersigned, say I am the person who signed the foregoing notice. I have read the above notice and know its contents, and the facts stated therein are true of my own knowledge.

I declare under penalty of perjury that the foregoing is true and correct.

Executed at Hanford, California, this _____ day of _____ 2020.

BY: _____
Francisco Ramirez, Mayor
City of Hanford, County of Kings, State of California

Authority: Section 1181 Civil Code





AGENDA STAFF REPORT

MEETING DATE: 12/7/2021	AGENDA SECTION: H
--------------------------------	--------------------------

SUBJECT:

Public Works: Approval of a Notice of Completion for the FY 20/21 Pavement Resurfacing: Single & Double Fiberized Micro Treatment Project at a total construction cost of \$899,421.83 and authorization for the Mayor to execute and the City Clerk to attest and file said Notice with the Kings County Recorder's Office.

RECOMMENDATION:

That the City Council, by motion, approve of a Notice of Completion for the FY 20/21 Pavement Resurfacing Project at a total construction cost of \$899,421.83 and authorization for the Mayor to execute and the City Clerk to attest and file said Notice with the Kings County Recorder's Office

BACKGROUND:

On August 17, 2021, the Council awarded the FY 20/21 Pavement Resurfacing: Single & Double Fiberized Micro Treatment Project to VSS International, Inc. Of Sacramento, Ca.

This Project consists of applying a Single or Double Fiberized Micro Surfacing Treatment to existing streets in the City of Hanford where pavement maintenance had become necessary and raising of manholes as necessary. See attached location maps for specific streets.

A Single Fiberized Micro Surfacing Treatment is a surface protection and pavement preservation treatment for city streets where one layer of fiberized pavement is applied. A Double Fiberized Micro-Surfacing Treatment includes an additional layer of fiberized pavement overtop the previous layer. The process is used to extend the useful life of a road surface, thereby reducing maintenance costs.

There were (2) contract change orders on this project which included the balance of quantity adjustment for a net increase of \$34,248.69 However, the total project cost remained under budget.

Total Budget Funding**\$1,744.150.00****CONSTRUCTION COST:**

Original Contract – Total Bid Award	\$ 870,000.00
Contract Change Order No. 1	-\$4,826.86
Contract Change Order No. 2	\$34,248.69

Total Construction Cost	\$899,421.83
Balance (Credit)	<u>-\$844,728.17</u>

FISCAL IMPACT:

The FY 20/21 040 Gas Tax (2105), 050 Gas Tax (TDA Transportation) & 045 RMRA Gas Tax Budget provided \$1,744,150.00 for construction, including contingencies. The Final Project Construction and Finance History Report are attached for Council review.

ATTACHMENTS:

NOC - Recording Original with Maps PDF
 NOC - Recording Original WORD
 Construction and Finance History Report

RECORDING REQUESTED BY:
CITY OF HANFORD

When recorded return to:

City Clerk
City of Hanford
315 North Douty Street
Hanford, California 93230-3951

G.C. 27361.3 - Fee NIL

NOTICE OF COMPLETION

TO WHOM IT MAY CONCERN:

YOU ARE HEREBY NOTIFIED AS FOLLOWS:

1. The work of Improvement is located: Various locations within the City of Hanford (See attached maps for reference)
2. The Improvement is particularly described as: Pavement Resurfacing
3. The date of completion of the work of Improvement: 10/22/2021
4. The Owner of the work of Improvement: City of Hanford.
5. The nature of the owner's interest or estate: Fee Simple Title.
6. The name of the original contractor for the work of Improvement: VSS International, Inc.
7. The surety for the work of Improvement: Western Surety Company
8. All work for this project has been completed.
9. Accepted by minute action of the City Council of the City of Hanford on: December 07, 2021

I certify under penalty of perjury that the foregoing is true and correct.
Dated this 6th day of December 07, 2021

BY: _____
Francisco Ramirez, Mayor
City of Hanford, County of Kings, State of California

I, the undersigned, say:

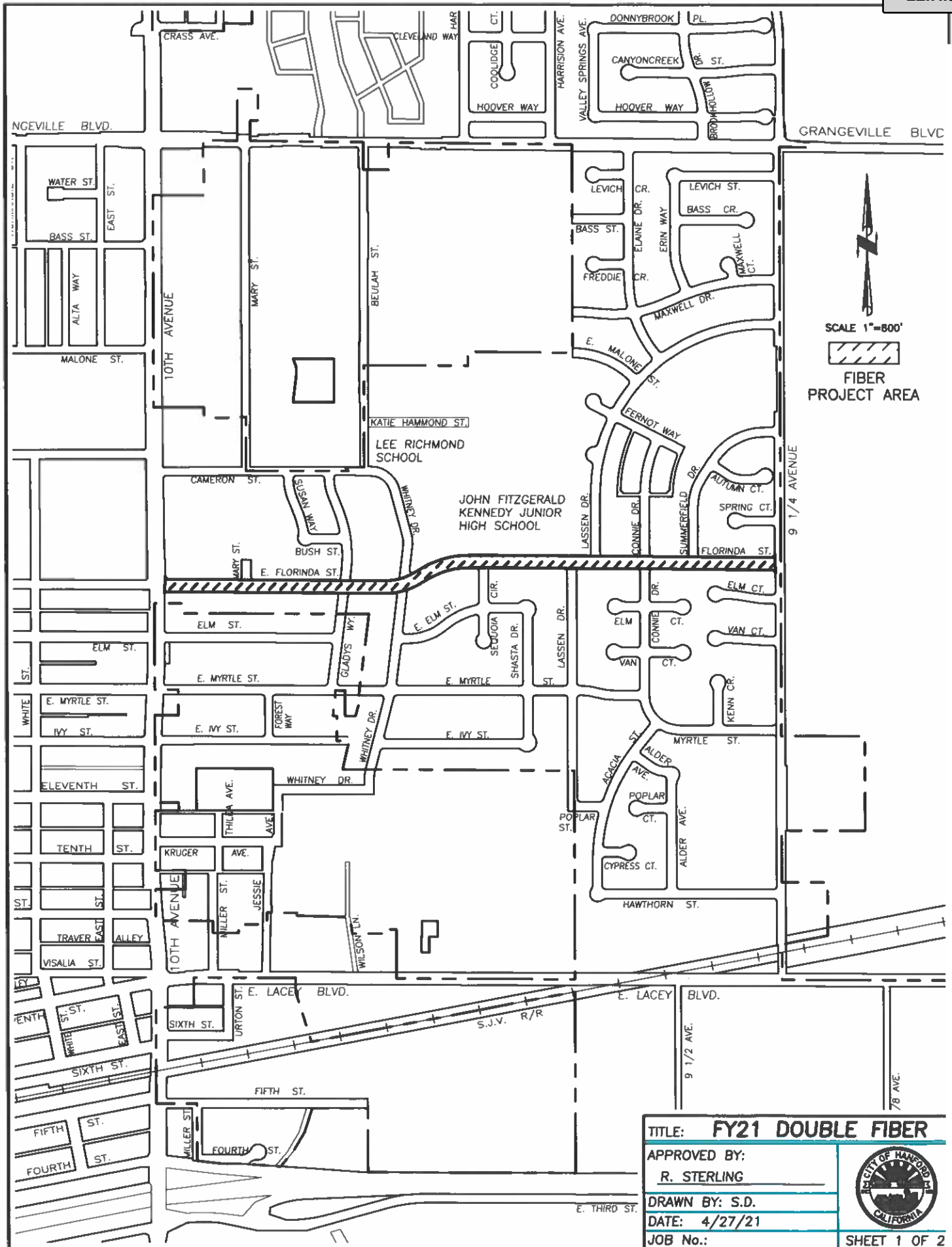
I am the person who signed the foregoing notice. I have read the above notice and know its contents, and the facts stated therein are true of my own knowledge.

I declare under penalty of perjury that the foregoing is true and correct.

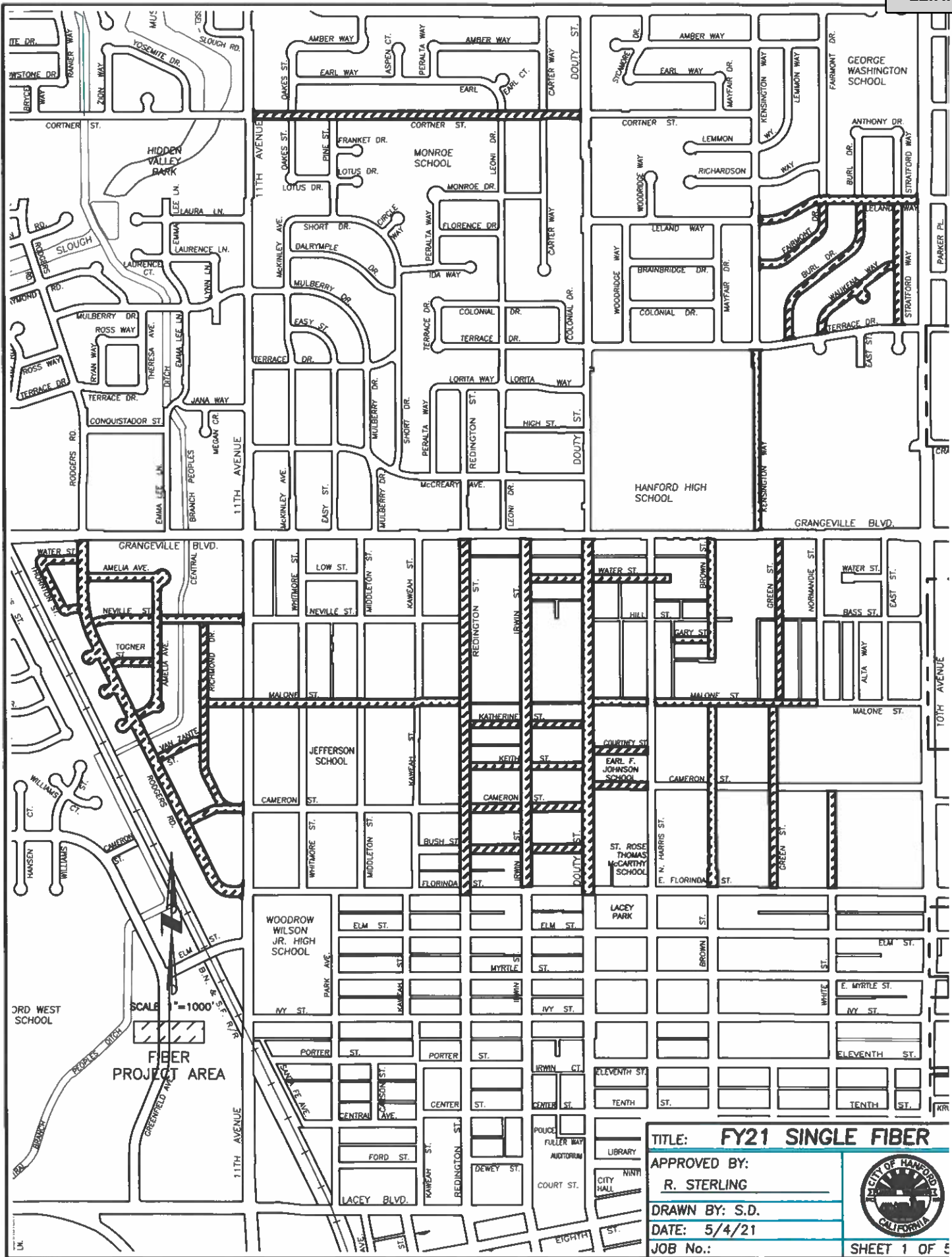
Executed at Hanford, California, this ____ day of _____, 2021.

BY: _____
Francisco Ramirez, Mayor
City of Hanford, County of Kings, State of California

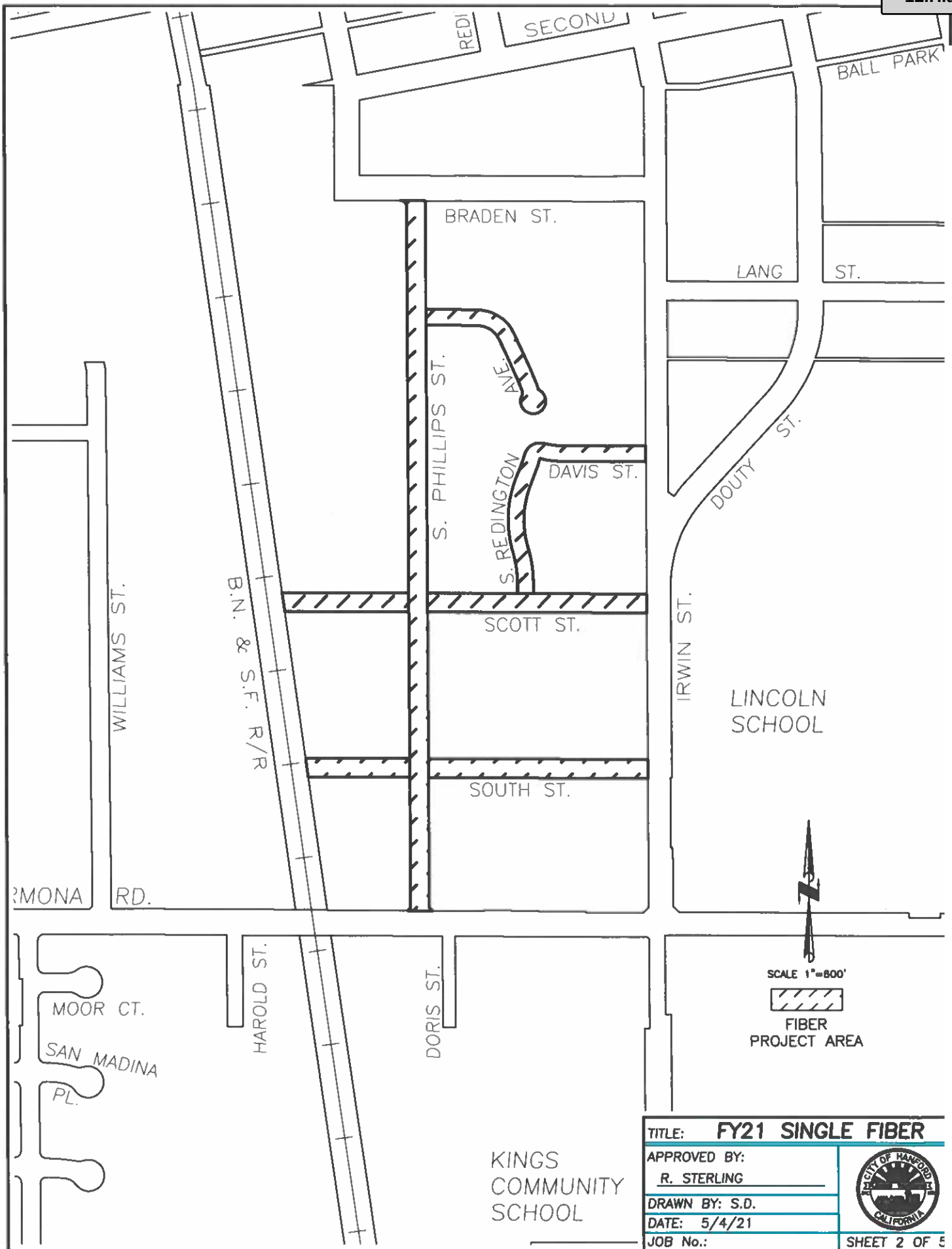
Authority: Section 1181 Civil Code

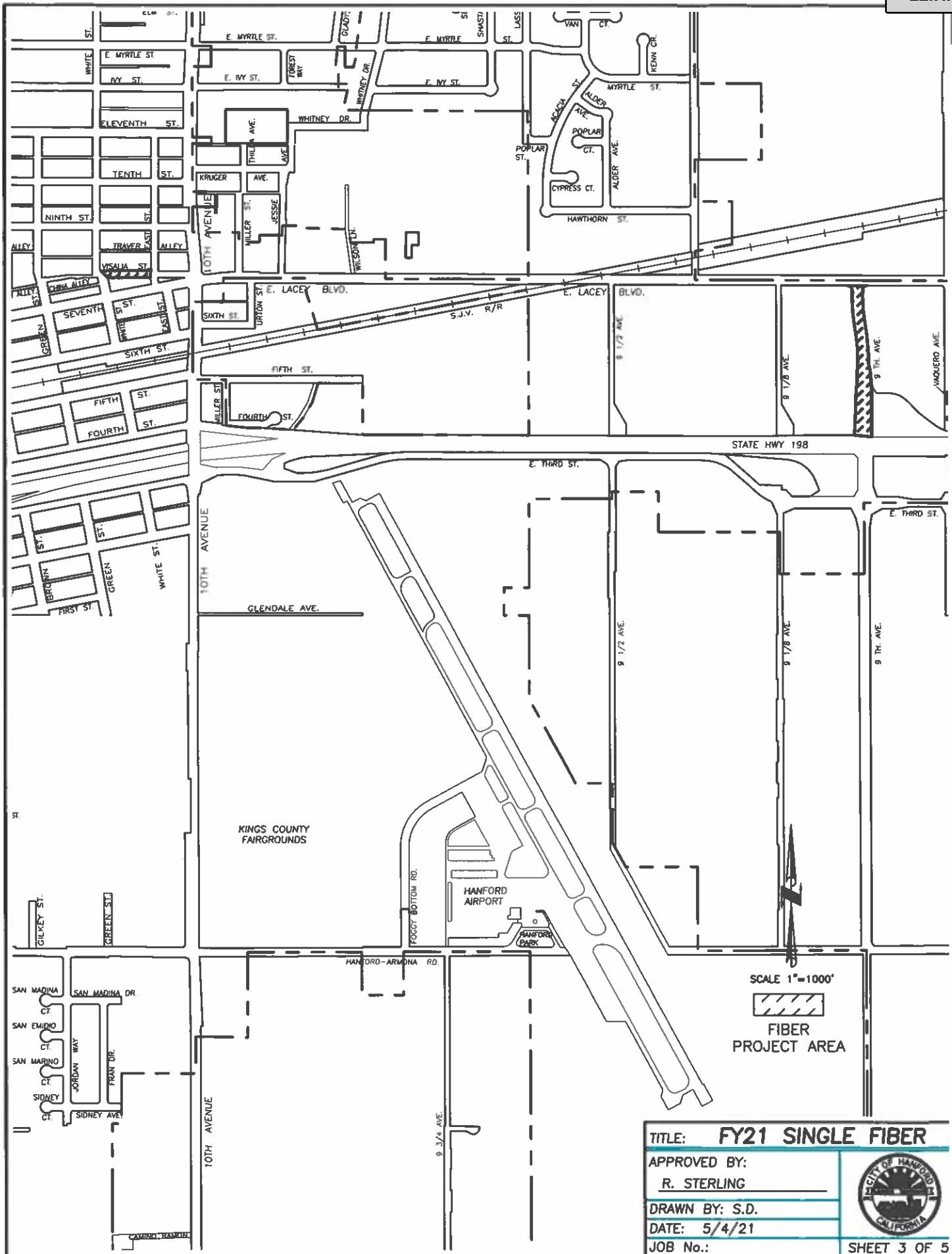




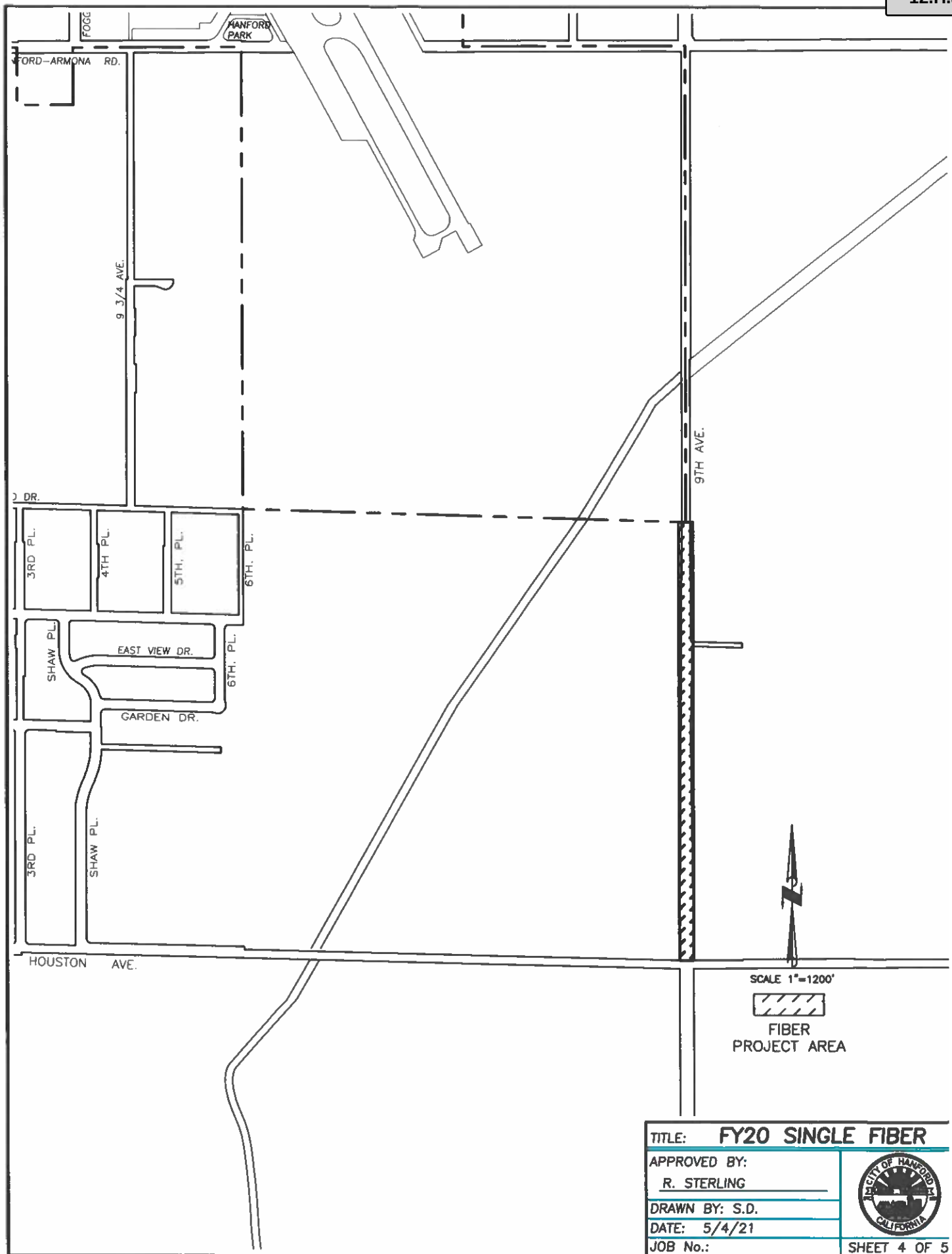


Attachment: NOC - Recording Original with Maps PDF (PW: NOC FY 20/21 Pavement Resurfacing: Single & Double Fiberized Micro Treatment



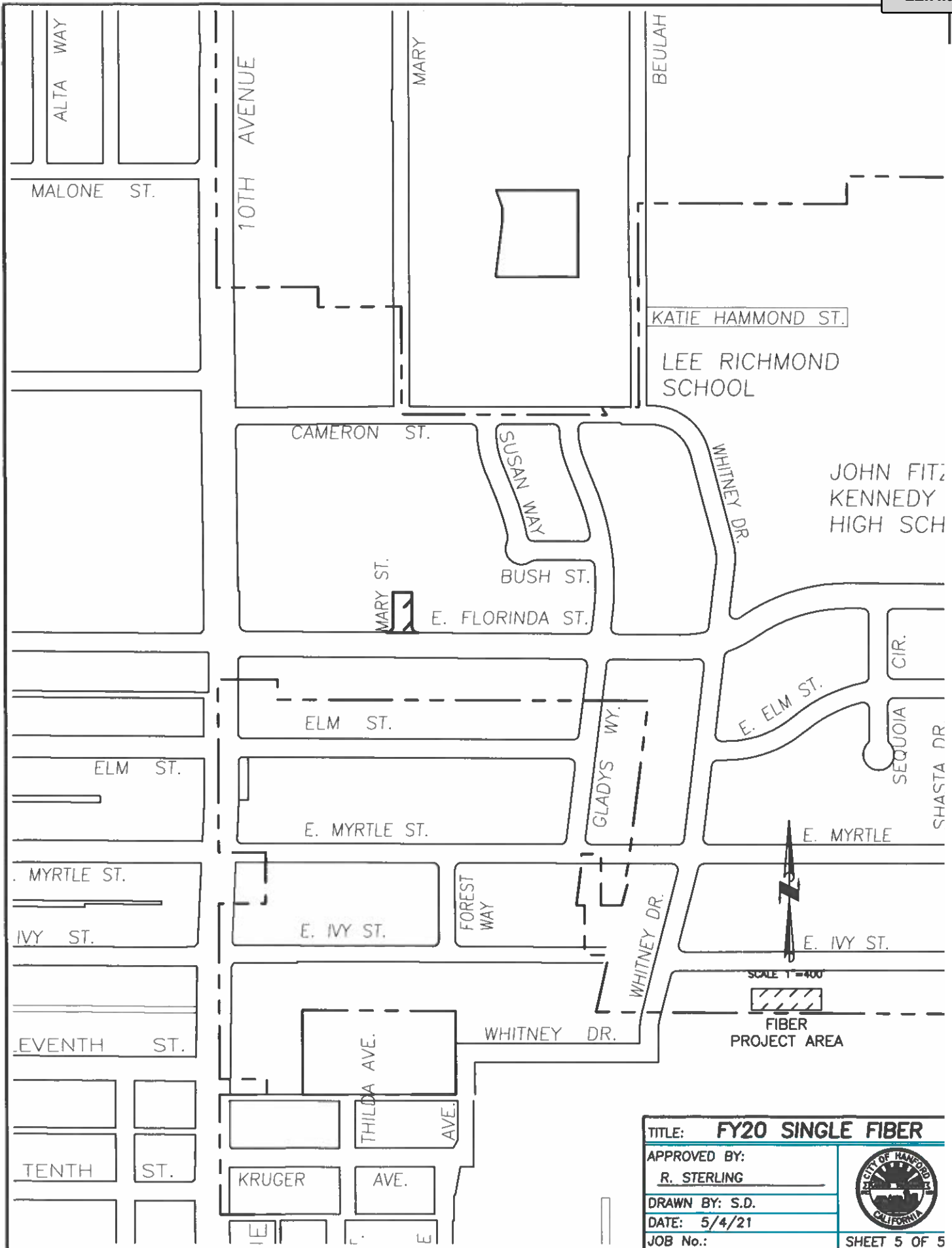


Attachment: NOC - Recording Original with Maps PDF (PW: NOC FY 20/21 Pavement Resurfacing: Single & Double Fiberized Micro Treatment



TITLE: FY20 SINGLE FIBER	
APPROVED BY:	<u>R. STERLING</u>
DRAWN BY:	<u>S.D.</u>
DATE:	<u>5/4/21</u>
JOB No.:	<u>SHEET 4 OF 5</u>





TITLE: FY20 SINGLE FIBER	
APPROVED BY: <u>R. STERLING</u>	
DRAWN BY: <u>S.D.</u>	
DATE: <u>5/4/21</u>	
JOB No.:	SHEET 5 OF 5



Attachment: NOC - Recording Original with Maps PDF (PW: NOC FY 20/21 Pavement Resurfacing: Single & Double Fiberized Micro Treatment

RECORDING REQUESTED BY:
CITY OF HANFORD

When recorded return to:

City Clerk
City of Hanford
315 North Douty Street
Hanford, California 93230-3951

G.C. 27361.3 - Fee NIL

NOTICE OF COMPLETION

TO WHOM IT MAY CONCERN:

YOU ARE HEREBY NOTIFIED AS FOLLOWS:

1. The work of Improvement is located: Various locations within the City of Hanford (See attached maps for reference)
2. The Improvement is particularly described as: Pavement Resurfacing
3. The date of completion of the work of Improvement: 10/22/2021
4. The Owner of the work of Improvement: City of Hanford.
5. The nature of the owner's interest or estate: Fee Simple Title.
6. The name of the original contractor for the work of Improvement: VSS International, Inc.
7. The surety for the work of Improvement: Western Surety Company
8. All work for this project has been completed.
9. Accepted by minute action of the City Council of the City of Hanford on: December 07, 2021

I certify under penalty of perjury that the foregoing is true and correct.
Dated this 6th day of December 07, 2021

BY: _____
Francisco Ramirez, Mayor
City of Hanford, County of Kings, State of California

Attachment: NOC - Recording Original WORD (PW: NOC FY 20/21 Pavement Resurfacing: Single & Double Fiberized Micro Treatment Project)

I, the undersigned, say:

I am the person who signed the foregoing notice. I have read the above notice and know its contents, and the facts stated therein are true of my own knowledge.

I declare under penalty of perjury that the foregoing is true and correct.

Executed at Hanford, California, this ____ day of _____, 2021.

BY: _____
Francisco Ramirez, Mayor
City of Hanford, County of Kings, State of California

Authority: Section 1181 Civil Code

FINAL PROJECT CONSTRUCTION AND FINANCE HISTORY

PROJECT: FY 20/21 Pavement Resurfacing: Single & Double Fiberized Micro Surface Treatment Project

CONTRACTOR: VSS International, Inc.
3785 Channel Drive
West Sacramento Ca 95691

CONTRACT DATES:	Council Pre Auth. to Award	July 6, 2021
	Bid Opening	August 17, 2021
	Contractor Started Work	September 20, 2021
	Contract Time of Completion	October 19, 2021
	Contractor Completed Work	October 22, 2021

CONTRACT CHANGE ORDERS:

1. Contract Change Order No. 1:

- Remove from scope – Double Fiberized Micro
- Remove from scope – Single Fiberized Micro
- Add – Single Fiberized from scope

For a net decrease of -\$4,826.86

2. Contract Change Order No. 2:

- Balance of Quantities

For a net Increase of \$34,248.69

FINANCIAL HISTORY:

SOURCE OF BUDGET FUNDING

AMOUNT

040 Gas Tax (2105)	\$381,533
050 Gas Tax (TDA Transportation)	\$327,028
045 RMRA Gas Tax	\$1,035,589.00

Total Budget Funding

\$1,744.150.00

CONSTRUCTION COST:

Original Contract – Total Bid Award	\$ 870,000.00
Contract Change Order No. 1	-\$4,826.86
Contract Change Order No. 2	\$34,248.69

Total Construction Cost	\$899,421.83
Balance (Credit)	<u>-\$844,728.17</u>



AGENDA STAFF REPORT

MEETING DATE: 12/7/2021

AGENDA SECTION: I

SUBJECT:

Public Works: Approval of the Purchase of a 2022 Ford F-550 utilities service truck from Keller Ford, of Hanford, Ca., in the amount of \$112,851.02 to replace a 2009 utility service truck; Authorization of an additional appropriation of \$42,911.02 from Water Capital Reserve Funds to cover the cost of the purchase; and declare the 2009 unit as surplus.

RECOMMENDATION:

That the City Council, by motion:

1. Approve the purchase of one 2022 Ford F-550 utilities service truck from Keller Ford, of Hanford, Ca., in the amount of \$112,851.02; and
2. Authorize an additional appropriation of \$42,911.02 from Water Capital Reserve Funds; and
3. Declare one existing 2009 utilities service truck as surplus and authorize the sale of this vehicle.

BACKGROUND:

The Fleet Replacement Reserve Budget provides funds to replace one service truck that has outlived its useful life. The vehicle that is scheduled to be replaced has exceeded the City's established replacement lifecycle criteria of a minimum ten years of service and is showing signs of advanced wear as documented by fleet maintenance records. Maintenance costs have steadily increased over the years and the vehicle has become unreliable for everyday use. In the last 24 months, the cost to repair this vehicle, beyond preventative maintenance, was \$21,233.31. This unit will be used by staff to service the city's water systems.

As of October 29th, Ford has officially cut off all fleet orders for 2022 vehicles. This was confirmed with our contact at Will Tiesiera Ford. Keller's is willing to order the truck under their retail allocation. Ordering through Keller's now would save the city 2023 model year price increases.

Bids to purchase one 2022 Ford F-550 service truck were requested from three (3) vendors with bid results summarized as follows:

Keller Ford of Hanford	\$112,851.02
Keller Motors of Hanford	\$125,497.66
Will Tiesiera of Tulare	No Bid

FISCAL IMPACT:

The FY 21/22 Fleet Replacement Reserve Budget provided \$69,940.00 for the purchase of one utilities service truck which is the total collected through the City's fleet replacement program. The total purchase price for the new utilities vehicle is \$112,851.02, including tax and delivery. An additional appropriation of \$42,911.02 from Water Capital Reserve Fund is needed to complete the purchase of this vehicle. There are sufficient Water Capital Reserves to fund the additional appropriation request without impacting budgeted purchases in FY 21/22. The Keller's Ford service truck quote and maintenance records of the unit to be replaced have been attached for Council review.

ATTACHMENTS:

KELLER_FORD_FY22_SERVICE_TRUCK_QUOTE
#233_EQUIP_DETAIL-MAINTENANCE_RECORDS



1073 W. Cadillac Lane • Hanford, CA 93230

(559) 584-5531 • www.kellerdeal.com

9-10-21

TRUCK PRICE..... \$105,183.00
SALES TAX..... 7,625.77
TIRE FEE..... 12.25
DMV FEES 30.00

TOTAL..... \$112,851.02 **

** QUOTE INCLUDES SCELZI BODY AS PER SPECS. ON WORK ORDER #228513 **

** ORDER TO DELIVERY TIME ESTIMATED AT 180-300 DAYS FROM P.O. DATE. **

*** BUYER ***

CITY OF HANFORD
315 N. DOUTY ST.
HANFORD, CA.93230
(559) 585-2554

*** PURCHASE ***

STOCK# T.B.D.
VIN# T.B.D.
YEAR: 2022
MAKE: FORD
MODEL: F550 REG. CAB SERVICE BODY
COLOR: WHITE
TRIM: CLOTH
ODOMETER: TBD

CHRIS HILL



FLEET MANAGER

Attachment: KELLER_FORD_FY22_SERVICE_TRUCK_QUOTE (PW: Purchase of One 2022 Ford F-550 Service Truck)



Vehicle: [Fleet] 2022 Ford Super Duty F-550 DRW (F5G) XL 2WD Reg Cab 169" WB 84" CA (☒ Complete)

Window Sticker

SUMMARY

[Fleet] 2022 Ford Super Duty F-550 DRW (F5G) XL 2WD Reg Cab 169" WB 84" CA

MSRP:\$42,040.0

Interior:Medium Earth Gray, Cloth 40/20/40 Split Bench Seat

Exterior 1:Oxford White

Exterior 2:No color has been selected.

Engine: 7.3L 2V DEVCT NA PFI V8 Gas

Transmission: TorqShift 10-Speed Automatic

OPTIONS

CODE	MODEL	MSR
F5G	[Fleet] 2022 Ford Super Duty F-550 DRW (F5G) XL 2WD Reg Cab 169" WB 84" CA	\$42,040.0
OPTIONS		
153	Front License Plate Bracket	\$0.0
18B	Platform Running Boards	\$320.0
1S	Medium Earth Gray, Cloth 40/20/40 Split Bench Seat	\$100.0
44G	Transmission: TorqShift 10-Speed Automatic	\$0.0
512	Spare Tire, Wheel & Jack	\$350.0
52B	Trailer Brake Controller	\$270.0
61J	6-Ton Hydraulic Jack	Inc.
660A	Order Code 660A	\$0.0
68M	GVWR: 19,500 lb Payload Plus Upgrade Package	\$1,155.0
76C	Exterior Backup Alarm (Pre-Installed)	\$140.0
872	Rear View Camera & Prep Kit	\$415.0
99N	Engine: 7.3L 2V DEVCT NA PFI V8 Gas	\$0.0
TGM	Tires: 225/70Rx19.5G BSW Traction	\$190.0
X8L	Limited Slip w/4.88 Axle Ratio	\$360.0
Z1	Oxford White	\$0.0
—	Fleet Advertising Credit	\$0.0
SUBTOTAL		\$45,340.0

This document contains information considered Confidential between GM and its Clients uniquely. The information provided is not intended for public disclosure. Prices, specifications, and availability are subject to change without notice, and do not include certain fees, taxes and charges that may be required by law or vary by manufacturer or region. Performance figures are guidelines only, and actual performance may vary. Photos may not represent actual vehicles or exact configurations. Content based on report preparer's input is subject to the accuracy of the input provided.

Data Version: 14655. Data Updated: Sep 9, 2021 1:01:00 AM PDT.



Vehicle: [Fleet] 2022 Ford Super Duty F-550 DRW (F5G) XL 2WD Reg Cab 169" WB 84" CA (☒ Complete)

Adjustments Total	\$0.0
Destination Charge	\$1,695.0
TOTAL PRICE	\$47,035.0

FUEL ECONOMY

Est City:N/A
Est Highway:N/A
Est Highway Cruising Range:N/A

Attachment: KELLER_FORD_FY22_SERVICE_TRUCK_QUOTE (PW: Purchase of One 2022 Ford F-550 Service Truck)

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Data Version: 14655. Data Updated: Sep 9, 2021 1:01:00 AM PDT.

2286 E. Date Ave.
Fresno, CA 93706
Phone: 559-237-5541
Fax: 559-237-5554
www.SEINC.com

Quotation

12.I.a

228513

Date: 9/9/2021, 11:28:55 AM

User: Parsons, Julie

Bill To: KELLER FORD
End User: CITY OF HANFORD
Attn: HILL, CHRIS
1073 W. CADILLAC LANE
HANFORD, CA 93270
559-582-1000

Ship To: Fresno Will Call
End User: CITY OF HANFORD
Attn: Scelzi Enterprises
2316 E Annadale Ave.
Fresno, CA 93706

Quote Date:	09/09/2021	Salesman:	Carpenter, Glenn
Expiration Date:	10/09/2021	Ship Via:	WILL CALL, Fresno, CA - Sales Office
Sales Tax	Fresno* @ 8.350%	Terms:	Net 10
		PO Number:	

Notes:

MOUNT IN FRESNO
PAINT BODY WHITE
REAR MOUNTED FUEL TANK

CHASSIS ETA:

Qty	Part Number	Description	Total	Tax
1	CUSTOMER TRUCK	2022 FORD F-550, 2WD, REG CAB, DRW, GAS, WHITE, 84"CA VIN#	\$0.00	
1	SBD-132-94-49-38-VO-V	1EA - ALL LIGHTS L.E.D. 1EA - 24" WIDE FRONT WORK DECK WITH ACCESS DOORS WITH A SECOND BULKHEAD 2EA - DOUBLE DOORS ON DRIVER SIDE AND PASSENGER SIDE SECOND 34" WIDE COMPARTMENT 1EA - MOUNT SERVICE BODY BEACON PEDESTAL OFF FRONT BULKHEAD ON DRIVER SIDE, PART# SE192031 1EA - WHELEN RB-6 TAP AMBER BEACON DRIVER SIDE JUST BEHIND THE CAB ON PEDESTAL WIRED TO A LABELED SWITCH IN DASH 1EA - REINFORCE TOP 6 INCHES OF BACKWRAPPER WITH 10 GAUGE IN FRONT AND HORIZONTAL COMPARTMENT ON PASSENGER SIDE		

1EA - 24" REAR WORK DECK WITH ACCESS DOORS SET-UP FOR MANUAL D-STYLE OUTRIGGERS

2EA - VISE PLATES ON TOP OF WORK DECK FOR CUSTOMER TO MOUNT THEIR VISES ON (1EA) ON DRIVER SIDE AND (1EA) ON PASSENGER SIDE (12" X 12" PLATES)

2EA - WELD (2) STAKE POCKETS TO REAR OUTSIDE OF WORK DECK 53"OC BETWEEN POCKETS.

NOTE: CUSTOMER USING THEIR STAKES WITH SLATS WHILE HAULING DIRT OR ROCK ON TOP OF WORK DECK

2EA - WELD (2) STAKE POCKETS AT TOP OF PASSENGER SIDE BACKWRAPPER AT THE TOP 26 1/4" OC FROM 2ND BULKHEAD THEN 53"OC BETWEEN POCKETS

1EA - POLYUREA BED FLOOR, BACKWRAPPERS, TOP OF FRONT WORK DECK, FRONT BULKHEAD, BOTH SIDES OF 2ND BULKHEAD AND TOP ONLY OF REAR WORK DECK

1EA - POLYUREA TOP OF REAR STEP BUMPER WITH 28 GRIT ALUMINUM OXIDE

2EA - PERFORATED CABLE STEPS UNDER REAR WORK DECK (1EA) PER SIDE

2EA - CHROME GRAB HANDLES ON REAR END PANELS (1EA) PER SIDE

1EA - CRANE REINFORCE PASSENGER SIDE REAR COMPARTMENT FOR A 4,000LB CRANE

1EA - AUTO CRANE EHC-4 HARDWIRED CONTROL, HYD. BOOM EXTENSION TO 16' MANUAL EXTENSION TO 20'. MOUNT CRANE PASSENGER SIDE REAR PART# 404240020

1EA - MANUAL #190510 D-STYLE OUTRIGGERS

1EA - BOOM REST CLOSED TOP PASSENGER SIDE

1EA - AUXILIARY BATTERY 12 VOLT DEEP CYCLE SET-UP FOR ELECTRIC CRANE, INCLUDES BATTERY BOX AND SEPARATOR

1EA - INSTALL ON CRANE A HORN, HORN BUTTON, LEVELING BUBBLES ON OUTRIGGERS, ALL WARNING STICKERS AND A 5LB ABC FIRE EXTINGUISHER

1EA - SPTING PACKAGE TO BRING TRUCK TO LEVEL

1EA - CLASS 5 RECEIVER HITCH

1EA - 7 PRONG FLAT RV PLUG #12707

1EA - 6 PIN ROUND PLUG #1235

2286 E. Date Ave.
Fresno, CA 93706
Phone: 559-237-5541
Fax: 559-237-5554
www.SEINC.com

Quotation

12.I.a

228513

Date: 9/9/2021, 11:28:55 AM

User: Parsons, Julie

1EA - ADJUSTABLE DOUBLE POLE LIGHTS, ROM CORP #KR-SB-200-W2 WITH
(2EA) 4.5 X 5 OPTRONICS TLL70FB WIRED TO A LABELED SWITCH IN DASH.
MOUNT LIGHT TO PASSENGER SIE FRONT END PANEL TO 10 GAUGE
CHANNEL

1EA - CHAMPION #HGR7-3H AIR COMPRESSOR WITH 30 GALLON TANK.
MOUNT TO FRONT WORK DECK ON DRIVER SIDE

NOTE: ON BACK ORDER FILL UNTIL MID NOVEMBER

1EA - LINCOLD WELDER ENGINE DRIVEN RANGER 225 DC CC/CV 210A/25V
#LINK2857-1

2EA - TERMINAL 2-AF TWECO-STYLE FEMALE 45 DEGREE ANGLE ACCEPTS
MALE END 2-MPC OR 4-MPC #RAD64002123

2EA - CONNECTOR CABLE 1-MPC-1 MALE HALF 4-2-1 #TWE9425-1110

1EA - HOLDER ELECTRODE AF-3 300 AMP HEAVY DUTY SHOCK PROOF
NYLON HANDLE 1/4" 2/0 GROOVED JAW INCLUDES ALLEN WRENCH AND
CABLE CONNECTION FERRULE

1EA - CLAMP GROUND EG-500, 500 AMP BOLT AND NUT WITH SUPPORT 2"
OPENINGS

2EA - CABLE WELDING SIZE 1/0 BLACK FLEX 100' COIL HEAVY DUTY
SHRINK WRAPPED COIL 48LB

1EA - INSTALL FACTORY REAR VIEW CAMERA

1	WEIGHT CERTIFICATE	WEIGHT CERTIFICATE OF COMPLETED UNIT	
1	WILL CALL	CUSTOMER TO PICK-UP COMPLETED UNIT IN FRESNO, CA	\$0.00
Sub Total			
Sales Tax			\$0.00
Total			

Equipment Detail

Equip 233	Type 5713: UTILITY SERVICE TRUCK	Location:Dept 201000-PUBLIC UTILITIES 20810000-WATER	Year Make Model 2009 FORD F-550	Lic Plate No. VIN 1255672 1FDAF56Y19EA14370	Meter 120,693.7 Miles 434.0 Engine	Fuel Type UNL: Unleaded
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Equipment Life Cycle - Percent of Maintenance

<u>Equipment</u>	<u>Purchase Cost</u>	<u>Upfitting Cost</u>	<u>Total Cost</u>	<u>Maintenance Expense</u>	<u>Percent</u>
233: 2009 FORD F-550	\$58,669.00	\$0.00	\$58,669.00	\$50,819.80	87%
Grand Total:	\$58,669.00	\$0.00	\$58,669.00	\$50,819.80	87%

Attachment: #233 EQUIP_DETAIL-MAINTENANCE RECORDS (PW: Purchase of One 2022 Ford F-550 Service Truck)

Work Order History

<u>Equipment</u>	<u>WO #</u>	<u>Meter</u>	<u>Closed Date</u>	<u>Work Code</u>
233: 2009 FORD F-550	16928	120,693.7		08: FLAT TIRE Labor: 10471 - Vallejo, Reuben
233: 2009 FORD F-550	16888	120,533.1 Miles, 11/23/2021		08: FLAT TIRE Labor: DELRAY TECH
233: 2009 FORD F-550	16555	119,553.4 Miles, 10/11/2021		WB: Wiper Blades Part: Main: 31-22: WIPERBLADE Labor: 10364 - Potter, Jay
233: 2009 FORD F-550	16228	118,207.0 Miles, 08/27/2021		BATT: Battery Part: Main: 65P: BATTERY (GROUP 65) 750CCA Labor: 10471 - Vallejo, Reuben
233: 2009 FORD F-550	15926	119,349.0 Miles, 10/12/2021		01: AIR CONDITIONING Part: 604-224 - BLEND DOOR ACTUATOR Part: 9W7Z 19B596 A - KIT Part: DL3Z 19B596 B - O RING KIT Part: Main: 409559: A/C SCHRADER CORE Part: Main: 705-1011: #8 HOSE CLAMP Part: Main: EN91: AA BATTERY Part: Main: R134A: REFRIGERANT 134A (30LBS. CYLINDERS) Labor: 10070 - Flores, Anthony Labor: 10364 - Potter, Jay 02: ENGINE Part: 7C3Z6038BA - TRANS MOUNT Part: 7C3Z6038BC - TRANS MOUNT Part: Main: 1372: OIL FILTER MP Part: Main: 460: GLASS CLEAN Part: Main: 46100: DISPOSABLE GLOVES (LARGE) Part: Main: 7018: FRIGI-QUIET OIL Part: Main: MOTOR OIL: 5W20 SUPER SYN BLEND: 5W20 Labor: 10070 - Flores, Anthony Labor: 10364 - Potter, Jay Labor: 10364 - Potter, Jay Labor: 10471 - Vallejo, Reuben 03: BRAKE Part: 5C3Z 2C026 CA - ROTOR Part: 5C3Z 1125 CA - ROTOR Part: F81Z 1001 BA - RING SEAL Part: 9C3Z 2001 A - BRAKE PADS Part: 5C3Z 1S175 GA - SEAL Part: Main: 404CC: BRAKE CLEANER Part: Main: L-40 18 PACK CASE (CHARGE PER BUNDLE): WYPALL SHOP TOWELS Labor: 10364 - Potter, Jay Labor: 10364 - Potter, Jay Labor: 10364 - Potter, Jay Labor: 10364 - Potter, Jay Labor: 10364 - Potter, Jay 05: BODY Labor: 10364 - Potter, Jay Labor: 10364 - Potter, Jay 05: BODY Labor: 10471 - Vallejo, Reuben

Attachment: #233 EQUIP DETAIL-MAINTENANCE RECORDS (PW: Purchase of One 2022 Ford F-550 Service Truck)

Work Order History

Equipment	WO #	Meter	Closed Date	Work Code
				Labor: 10507 - Matthews, Khalifer Labor: 10545 - Avila, Emmanuel 09: TIRE REPLACEMENT Part: 225/70R195 - TIRES Part: 765-1142 - THREADLOCKER Labor: 10364 - Potter, Jay Labor: 10364 - Potter, Jay 13: CRANE/HOIST Part: Main: GREASE: MULTIPLEX RED #2 (DRUM): BULK GREASE Labor: 10070 - Flores, Anthony Labor: 10507 - Matthews, Khalifer 24: GENERATOR SERVICE Labor: 10070 - Flores, Anthony DIAG: Diagnostic Part: UNLOADER VALVE / PARTS FOR SERVICE DIAG: Diagnostic Labor: TECH #48 Lights: Light Check Part: Main: 194: MINI LAMP Part: Main: 3157NA: MINI LAMP Labor: 10364 - Potter, Jay LOF: Lube, Oil & Filter Part: Main: 1056: OIL FILTER Part: Main: 1372: OIL FILTER MP Part: Main: 2297: AIR FILTER Part: Main: 9822: WINDSHIELD CLEANER CONCENTRATE Part: Main: 9883: AIR FILTER Part: Main: GREASE: MULTIPLEX RED #2 (DRUM): BULK GREASE Part: Main: MOTOR OIL: 15W40 ECT: BULK MOTOR OIL Part: Main: MOTOR OIL: 5W20 SUPER SYN BLEND: 5W20 Labor: 10364 - Potter, Jay Labor: 10364 - Potter, Jay PUMP: Pump Repair Labor: ASSOCIATED COMPRESSOR SUSP: Suspension Part: N620485 S441 - NUT Part: 3C3Z 5776 AB - SHACKLE ASSEMBLY Part: W714456 S439 - BOLT Labor: 10364 - Potter, Jay Labor: 10364 - Potter, Jay Labor: 10364 - Potter, Jay Labor: 10364 - Potter, Jay SUSP: Suspension Part: TIE RODS & DRAG LINK Labor: HANFORD ALIGNMENT
233: 2009 FORD F-550	15155	115,863.2 Miles,	04/12/2021	02: ENGINE Part: F81Z 11V002 AARM - STARTER MOTOR Labor: 10364 - Potter, Jay Labor: 9659 - Lohse, Chris
233: 2009 FORD F-550	14907	115,082.3 Miles,	03/12/2021	ELE: Electrical Part: 11293 - ALTERNATOR Part: 728005 - HOLE LUG

Attachment: #233 EQUIP_DETAIL-MAINTENANCE RECORDS (PW: Purchase of One 2022 Ford F-550 Service Truck)

Work Order History

Equipment	WO #	Meter	Closed Date	Work Code
				Part: 784572 - RING TERMINAL Labor: 10364 - Potter, Jay Lights: Light Check Labor: 10364 - Potter, Jay LOF: Lube, Oil & Filter Part: Main: 1056: OIL FILTER Part: Main: 1372: OIL FILTER MP Part: Main: 2297: AIR FILTER Part: Main: 3243: FUEL FILTER Part: Main: 9822: WINDSHIELD CLEANER CONCENTRATE Part: Main: 9883: AIR FILTER Part: Main: GREASE: MULTIPLEX RED #2 (DRUM): BULK GREASE Part: Main: MOTOR OIL: 15W40 ECT: BULK MOTOR OIL Part: Main: MOTOR OIL: 5W20 SUPER SYN BLEND: 5W20 Labor: 10364 - Potter, Jay Labor: 10364 - Potter, Jay Labor: 10471 - Vallejo, Reuben
233: 2009 FORD F-550	14801	114,621.3 Miles,	02/22/2021	CRANE CERT: ANNUAL CRANE CERTIFICATION Part: BRAD
233: 2009 FORD F-550	13854	111,509.7 Miles,	11/09/2020	01: AIR CONDITIONING Labor: 10471 - Vallejo, Reuben
233: 2009 FORD F-550	13762	111,242.0 Miles,	09/29/2020	02: ENGINE Part: Main: 208: 44K 12OZ. Labor: 10070 - Flores, Anthony 04: TRANSMISSION Labor: 10070 - Flores, Anthony
233: 2009 FORD F-550	13487	110,878.0 Miles,	08/31/2020	01: AIR CONDITIONING Labor: 10364 - Potter, Jay 01: AIR CONDITIONING Part: A/C COMPRESSOR Labor: KELLER FORD TECH 05: BODY Labor: 10364 - Potter, Jay
233: 2009 FORD F-550	13253	110,860.9 Miles,	08/05/2020	01: AIR CONDITIONING
233: 2009 FORD F-550	13096	110,600.0 Miles,	07/17/2020	01: AIR CONDITIONING Part: 7006 A/C KIT Labor: KELLER FORD TECH 01: AIR CONDITIONING 05: BODY Part: 819-5561 SUPPORT SHOCK
233: 2009 FORD F-550	12767	109,926.0 Miles,	06/22/2020	01: AIR CONDITIONING Labor: 10471 - Vallejo, Reuben Labor: 10507 - Matthews, Khalifer Labor: 10507 - Matthews, Khalifer Labor: 10507 - Matthews, Khalifer Labor: 10545 - Avila, Emmanuel 01: AIR CONDITIONING Part: A/C EVAPORATOR Labor: KELLER FORD TECH 02: ENGINE

Attachment: #233_EQUIP_DETAIL-MAINTENANCE_RECORDS (PW: Purchase of One 2022 Ford F-550 Service Truck)

Work Order History

<u>Equipment</u>	<u>WO #</u>	<u>Meter</u>	<u>Closed Date</u>	<u>Work Code</u>
				Part: 7C3Z 6750 A DIP STICK Labor: 9659 - Lohse, Chris Lights: Light Check Labor: 10364 - Potter, Jay LOF: Lube, Oil & Filter Part: Main: 115: EXTENDED LIFE MOA Part: Main: 1372: OIL FILTER MP Part: Main: 2297: AIR FILTER Part: Main: 782-2023: FUSE HOLDER (IN LINE MAXI) Part: Main: 9822: WINDSHIELD CLEANER CONCENTRATE Part: Main: 9883: AIR FILTER Part: Main: MOTOR OIL: 15W40 ECT: BULK MOTOR OIL Part: Main: MOTOR OIL: 5W20 SUPER SYN BLEND: 5W20 Labor: 10364 - Potter, Jay Labor: 10364 - Potter, Jay
233: 2009 FORD F-550	12510	108,761.0 Miles, 05/22/2020		01: AIR CONDITIONING Part: 7C3Z 19805 B BLOWER MOTOR Labor: 10364 - Potter, Jay 02: ENGINE Part: 7C3Z 8005 RADIATOR Part: 8C3Z 8286 RADIATOR HOSE Part: 8C3Z 8286 H RADIATOR HOSE Part: 8C3Z 8260 RADIATOR HOSE Part: 7C3Z 18472 HEATER HOSE Part: 7C3Z 18472 P HEATER HOSE Part: VC 7 B ANTI FREEZE Part: 8C3Z 8075 F HOSE ASSY Part: DIST WATER Part: SL22133 COMP OIL Labor: 10364 - Potter, Jay Labor: 10364 - Potter, Jay Labor: 10364 - Potter, Jay Labor: 10364 - Potter, Jay 05: BODY Labor: 10364 - Potter, Jay Labor: 10364 - Potter, Jay Labor: 10364 - Potter, Jay Labor: 10364 - Potter, Jay Labor: 10364 - Potter, Jay
233: 2009 FORD F-550	12076	106,472.0 Miles, 02/11/2020		02: ENGINE Part: F81Z 11V002 STARTER Labor: 10070 - Flores, Anthony 09: TIRE REPLACEMENT Part: 225/70R195 TIRE
233: 2009 FORD F-550	11960	105,725.0 Miles, 02/11/2020		03: BRAKE Part: BR 1066 B BRAKE LINING KIT Part: Main: BRF-5: BRAKE PADS Labor: 10070 - Flores, Anthony 05: BODY Part: 819-5561 SHOCK Labor: 10070 - Flores, Anthony 07: EMISSIONS Labor: 10070 - Flores, Anthony 21: STEERING Part: 3A116 ABUSHING

Attachment: #233 EQUIP DETAIL-MAINTENANCE RECORDS (PW: Purchase of One 2022 Ford F-550 Service Truck)

Work Order History

<u>Equipment</u>	<u>WO #</u>	<u>Meter</u>	<u>Closed Date</u>	<u>Work Code</u>
				Part: 3050 C BALL JOINT ASSY Labor: 10070 - Flores, Anthony GR: Grease Part: Main: GREASE: MULTIPLEX RED #2 (DRUM): BULK GREASE Labor: 10070 - Flores, Anthony Lights: Light Check Labor: 10070 - Flores, Anthony LOF: Lube, Oil & Filter Part: Main: 1372: OIL FILTER MP Part: Main: 9883: AIR FILTER Part: Main: MOTOR OIL: 5W20 SUPER SYN BLEND: 5W20 Labor: 10070 - Flores, Anthony
233: 2009 FORD F-550	12189	106,838.0 Miles,	01/06/2020	CRANE CERT: ANNUAL CRANE CERTIFICATION Labor: BRIAN FROM TEREX
233: 2009 FORD F-550	11400	102,706.0 Miles,	10/17/2019	LT: Lights Part: Main: BP1210H3: SPOTLIGHT BULB Labor: 9659 - Lohse, Chris
233: 2009 FORD F-550	11241	101,913.0 Miles,	10/17/2019	05: BODY Part: AIR PSI GUAGE FOER #233 Part: AIR HOSE FOR #233 Labor: 9659 - Lohse, Chris
233: 2009 FORD F-550	11122	101,153.0 Miles,	10/17/2019	ELE: Electrical Labor: 9659 - Lohse, Chris
233: 2009 FORD F-550	10876	99,992.0 Miles,	07/25/2019	07: EMISSIONS Labor: 10364 - Potter, Jay ELE: Electrical Labor: 10364 - Potter, Jay Lights: Light Check Labor: 10364 - Potter, Jay LOF: Lube, Oil & Filter Part: Main: 1372: OIL FILTER MP Part: Main: 9883: AIR FILTER Part: Main: MOTOR OIL: 5W20 SUPER SYN BLEND: 5W20 Labor: 10364 - Potter, Jay
233: 2009 FORD F-550	10832	99,696.0 Miles,	07/19/2019	SB: Seat Belt Part: 8C3Z 25611B60 SEAT BELT Labor: 9659 - Lohse, Chris
233: 2009 FORD F-550	10575	98,049.0 Miles,	06/12/2019	05: BODY Part: Main: 8.5" ROUND (BLUE) CITY DOOR STICKER: 8.5" ROUND (BLUE) CITY DOOR STICKER Part: Main: CA # DECAL: CA49574 DECAL Labor: 10364 - Potter, Jay Labor: 10364 - Potter, Jay 05: BODY Part: REPLACEMENT DOOR SHELL Labor: ANTHONY'S * MARCO 07: EMISSIONS Part: PFS511 SENDER & PUMP FOR

Attachment: #233 EQUIP DETAIL-MAINTENANCE RECORDS (PW: Purchase of One 2022 Ford F-550 Service Truck)

Work Order History

<u>Equipment</u>	<u>WO #</u>	<u>Meter</u>	<u>Closed Date</u>	<u>Work Code</u> #233
				Labor: 10364 - Potter, Jay Labor: 10364 - Potter, Jay
233: 2009 FORD F-550	10350	96,665.0 Miles,	04/30/2019	07: EMISSIONS Part: Main: 203: CF 5 MI 3000 PLUS Part: Main: 208: 44K 12OZ. Labor: 9659 - Lohse, Chris
233: 2009 FORD F-550	10316	96,665.0 Miles,	04/22/2019	ELE: Electrical Labor: 10364 - Potter, Jay
233: 2009 FORD F-550	10248	96,435.0 Miles,	04/18/2019	01: AIR CONDITIONING Part: Main: R134A: REFRIGERANT 134A (30LBS. CYLINDERS) Labor: 10069 - Morado, Gustavo 04: TRANSMISSION Part: TRANSMISSION FILTER FOR #233 Part: Main: ATF: VERSA TRANS: BULK TRANSMISSION OIL Labor: 10069 - Morado, Gustavo Labor: 10428 - Longoria, Justin 09: TIRE REPLACEMENT Part: TIRES FOR #233 11: ALIGNMENT DIAG: Diagnostic Labor: 10070 - Flores, Anthony GR: Grease Part: Main: GREASE: MULTIPLEX RED #2 (DRUM): BULK GREASE Labor: 10069 - Morado, Gustavo Lights: Light Check Labor: 10069 - Morado, Gustavo LOF: Lube, Oil & Filter Part: Main: 1372: OIL FILTER MP Part: Main: 9883: AIR FILTER Part: Main: MOTOR OIL: 5W20 SUPER SYN BLEND: 5W20 Labor: 10069 - Morado, Gustavo SUSP: Suspension Part: 7C3Z 3281 TIE ROD Part: AC3Z 3A131 TIE ROD END Part: HC3Z 3A131-H TIE ROD END Labor: 10069 - Morado, Gustavo
233: 2009 FORD F-550	9825	93,337.0 Miles,	01/09/2019	CRANE CERT: ANNUAL CRANE CERTIFICATION Labor: BRAD * TEREX
233: 2009 FORD F-550	9671	93,603.0 Miles,	01/18/2019	02: ENGINE Labor: 10364 - Potter, Jay Labor: 9659 - Lohse, Chris 02: ENGINE Part: CAMSHAFT & LIFTERS Labor: KELLER FORD Lights: Light Check Labor: 10364 - Potter, Jay LOF: Lube, Oil & Filter Part: Main: 9883: AIR FILTER Part: Main: GREASE: MULTIPLEX RED #2 (DRUM): BULK GREASE

Attachment: #233_EQUIP_DETAIL-MAINTENANCE_RECORDS (PW: Purchase of One 2022 Ford F-550 Service Truck)

Work Order History

<u>Equipment</u>	<u>WO #</u>	<u>Meter</u>	<u>Closed Date</u>	<u>Work Code</u>
				Labor: 10364 - Potter, Jay LT: Lights Part: Main: 7160A: STROBE LIGHT Labor: 10364 - Potter, Jay WB: Wiper Blades Part: Main: 31-22: WIPERBLADE Labor: 10364 - Potter, Jay
233: 2009 FORD F-550	8386	87,823.0 Miles,	07/03/2018	BATT: Battery Labor: 9575 - Fagundes, Michael Labor: 9659 - Lohse, Chris Labor: 9659 - Lohse, Chris Labor: 9659 - Lohse, Chris ELE: Electrical Part: 782-3939 CIRCUIT BREAKER Part: 77082 CIRCUIT BREAKER Labor: 9659 - Lohse, Chris
233: 2009 FORD F-550	8224	87,501.0 Miles,	05/31/2018	02: ENGINE Labor: 9575 - Fagundes, Michael BATT: Battery Part: Main: 7565: BATTERY (GROUP 65) Labor: 10070 - Flores, Anthony Labor: 9575 - Fagundes, Michael ELE: Electrical Part: MPA 11293 ALTERNATOR Labor: 9575 - Fagundes, Michael SMOG: BIENNIAL Labor: BRADS * TECH Labor: 9575 - Fagundes, Michael
233: 2009 FORD F-550	8188	87,224.0 Miles,	05/23/2018	ELE: Electrical Part: HEAT SHRINK LIGHTS Labor: 9659 - Lohse, Chris Labor: 9659 - Lohse, Chris
233: 2009 FORD F-550	7904	86,641.0 Miles,	05/01/2018	02: ENGINE Part: Main: 25-061010: MICRO-V Labor: 10070 - Flores, Anthony 03: BRAKE Part: Main: 404CC: BRAKE CLEANER Part: Main: BRF-5: BRAKE PADS Labor: 10070 - Flores, Anthony 13: CRANE/HOIST Labor: 10070 - Flores, Anthony INT: Interior Labor: 10070 - Flores, Anthony Labor: 10398 - Sapien, Brian Lights: Light Check Labor: 10070 - Flores, Anthony LOF: Lube, Oil & Filter Part: Main: 1056: OIL FILTER Part: Main: 1372: OIL FILTER MP Part: Main: 2297: AIR FILTER Part: Main: 2374: AIR FILTER Part: Main: 2443: AIR FILTER Part: Main: 3031: FUEL FILTER (1/4" METAL) Part: Main: 3243: FUEL FILTER Part: Main: 9883: AIR FILTER Part: Main: MOTOR OIL: 5W20 SUPER SYN BLEND: 5W20

Attachment: #233 EQUIP DETAIL-MAINTENANCE RECORDS (PW: Purchase of One 2022 Ford F-550 Service Truck)

Work Order History

Equipment	WO #	Meter	Closed Date	Work Code
				Labor: 10070 - Flores, Anthony LT: Lights Part: Main: 194: MINI LAMP Labor: 10070 - Flores, Anthony SMOG: BIENNIAL Labor: 10069 - Morado, Gustavo Labor: 10070 - Flores, Anthony
233: 2009 FORD F-550	7990	85,276.0 Miles,	02/09/2018	CRANE CERT: ANNUAL CRANE CERTIFICATION
233: 2009 FORD F-550	7432	86,641.0 Miles,	04/13/2018	13: CRANE/HOIST Part: 680065000 PENDANT Part: 404207000 LOAD CHART Part: 040529000 ELECTRICAL HAZARD DECAL Labor: 10369 - Noble, Erik Labor: 9575 - Fagundes, Michael BATT: Battery Part: 7558 BATTERY Labor: 9575 - Fagundes, Michael INT: Interior Part: 8C3Z 2506024 AA GLOVE BOX Part: 8C3Z 2513562 AD HOLDER Labor: 10070 - Flores, Anthony
233: 2009 FORD F-550	6968	83,308.0 Miles,	12/04/2017	02: ENGINE Part: 9C3Z 10346 A ALTERNATOR ASS. Part: 9C3Z 10346 A-C CORE Part: Main: 782-1130: ATM 10 FUSE Labor: 9575 - Fagundes, Michael BATT: Battery Part: Main: 31-950T: BATTERY Labor: 9575 - Fagundes, Michael ELE: Electrical Part: 782-3039 CIRCUIT BREAKER 150AMP Labor: 10369 - Noble, Erik GR: Grease Part: Main: GREASE: MULTIPLEX RED #2 (DRUM): BULK GREASE Labor: 10369 - Noble, Erik Lights: Light Check Labor: 10369 - Noble, Erik LOF: Lube, Oil & Filter Part: Main: 1372: OIL FILTER MP Part: Main: 9883: AIR FILTER Part: Main: MOTOR OIL: 5W20 SUPER SYN BLEND: 5W20 Labor: 10369 - Noble, Erik NTR: New Tire Part: 225/70R195 TIRE Part: TRUCK TIRE VALVE STEM BRASS Part: ALIGATOR CAP Labor: 10070 - Flores, Anthony
233: 2009 FORD F-550	6216	80,103.0 Miles,	12/12/2017	05: BODY Part: W60 TOOL BOX LOCKS Part: 7702702 RIVET GUN Labor: 9079 - Elliott, Marty
233: 2009 FORD F-550	6002	79,080.0 Miles,	07/17/2017	BATT: Battery

Attachment: #233 EQUIP_DETAIL-MAINTENANCE RECORDS (PW: Purchase of One 2022 Ford F-550 Service Truck)

Work Order History

<u>Equipment</u>	<u>WO #</u>	<u>Meter</u>	<u>Closed Date</u>	<u>Work Code</u>
				Part: 213-8880 ALTERNATOR Part: 213-8880 CORE Labor: 10070 - Flores, Anthony Labor: 9575 - Fagundes, Michael
233: 2009 FORD F-550	5533	77,202.0 Miles,	05/12/2017	LT: Lights Part: Main: 50-40202R-3: 4" ROUND STOP/TURN, RED Labor: 9575 - Fagundes, Michael
233: 2009 FORD F-550	5339	76,569.0 Miles,	04/20/2017	05: BODY Labor: 9575 - Fagundes, Michael CRANE CERT: ANNUAL CRANE CERTIFICATION ELE: Electrical Labor: 9575 - Fagundes, Michael Lights: Light Check Labor: 9575 - Fagundes, Michael LOF: Lube, Oil & Filter Part: Main: 1372: OIL FILTER MP Part: Main: 9883: AIR FILTER Part: Main: L-40 18 PACK CASE (CHARGE PER BUNDLE): WYPALL SHOP TOWELS Part: Main: MOTOR OIL: 5W20 SUPER SYN BLEND: 5W20 Labor: 9575 - Fagundes, Michael
233: 2009 FORD F-550	5215	75,592.0 Miles,	04/07/2017	05: BODY Part: Main: 460: GLASS CLEAN Labor: 9659 - Lohse, Chris
233: 2009 FORD F-550	5672	73,524.0 Miles,	03/31/2017	CRANE CERT: ANNUAL CRANE CERTIFICATION
233: 2009 FORD F-550	3880	71,600.0 Miles,	11/17/2016	05: BODY Labor: 9575 - Fagundes, Michael 05: BODY Labor: 9575 - Fagundes, Michael DIAG: Diagnostic Labor: 9575 - Fagundes, Michael ELE: Electrical Labor: 9575 - Fagundes, Michael INT: Interior INT: Interior
233: 2009 FORD F-550	3561	70,311.0 Miles,	09/26/2016	01: AIR CONDITIONING Part: 7C3Z 19712 B A/C CONDENSER Part: Main: R134A: REFRIGERANT 134A (30LBS. CYLINDERS) Labor: 10069 - Morado, Gustavo Lights: Light Check Labor: 10069 - Morado, Gustavo LOF: Lube, Oil & Filter Part: Main: 1372: OIL FILTER MP Part: Main: 9883: AIR FILTER Part: Main: MOTOR OIL: 5W20 SUPER SYN BLEND: 5W20 Labor: 10069 - Morado, Gustavo
233: 2009 FORD F-550	3438	69,933.0 Miles,	08/22/2016	09: TIRE REPLACEMENT Part: 225/70R195

Attachment: #233_EQUIP_DETAIL-MAINTENANCE_RECORDS (PW: Purchase of One 2022 Ford F-550 Service Truck)

Work Order History

<u>Equipment</u>	<u>WO #</u>	<u>Meter</u>	<u>Closed Date</u>	<u>Work Code</u>
				Part: BRASS VALVE STEM Labor: 9079 - Elliott, Marty
233: 2009 FORD F-550	3217	69,009.0 Miles,	07/20/2016	05: BODY Labor: 9659 - Lohse, Chris 09: TIRE REPLACEMENT Part: 225/70R195 Part: BRASS VALVE STEM Part: ALLIGATOR CAP Labor: 9659 - Lohse, Chris 11: ALIGNMENT PUMP: Pump Repair Labor: 9659 - Lohse, Chris
233: 2009 FORD F-550	2553	66,593.0 Miles,	04/29/2016	05: BODY Labor: 10070 - Flores, Anthony 10: TUNE-UP Part: SP 509 SPARK PLUG Labor: 9575 - Fagundes, Michael 10: TUNE-UP Labor: 9575 - Fagundes, Michael DIAG: Diagnostic Labor: 9575 - Fagundes, Michael Lights: Light Check Labor: 10070 - Flores, Anthony LOF: Lube, Oil & Filter Part: Main: 1372: OIL FILTER MP Part: Main: MOTOR OIL: 5W20 SUPER SYN BLEND: 5W20 Labor: 10070 - Flores, Anthony Labor: 9575 - Fagundes, Michael
233: 2009 FORD F-550	2192	65,306.0 Miles,	03/07/2016	LT: Lights Part: Main: 50-40202R-3: 4" ROUND STOP/TURN, RED Labor: 9659 - Lohse, Chris
233: 2009 FORD F-550	2171	65,306.0 Miles,	03/04/2016	05: BODY Labor: 9351 - Rhodes, Randall SMOG: BIENNIAL Labor: BRAD'S SMOG
233: 2009 FORD F-550	2166	65,306.0 Miles,	03/07/2016	SMOG: BIENNIAL Labor: 10070 - Flores, Anthony
233: 2009 FORD F-550	1824	64,300.0 Miles,	01/19/2016	CRANE CERT: ANNUAL CRANE CERTIFICATION
233: 2009 FORD F-550	1571	63,655.0 Miles,	12/22/2015	03: BRAKE Part: Main: 5C3Z-2001-BB: BRAKE Labor: 10069 - Morado, Gustavo 06: FRAME Labor: 10069 - Morado, Gustavo Labor: 9351 - Rhodes, Randall Lights: Light Check Labor: 10069 - Morado, Gustavo LOF: Lube, Oil & Filter Part: Main: 1372: OIL FILTER MP Part: Main: GREASE: MULTIPLEX RED #2 (DRUM): BULK GREASE Part: Main: MOTOR OIL: 5W20 SUPER SYN BLEND: 5W20

Attachment: #233 EQUIP DETAIL-MAINTENANCE RECORDS (PW: Purchase of One 2022 Ford F-550 Service Truck)

Work Order History

Equipment	WO #	Meter	Closed Date	Work Code
				Labor: 10069 - Morado, Gustavo
233: 2009 FORD F-550	2394	63,560.0 Miles,	12/10/2015	13: CRANE/HOIST
233: 2009 FORD F-550	780	61,367.0 Miles,	10/08/2015	ELE: Electrical Part: MPA 11293 ALTERNATOR CORE Part: MPA 11293 ALTERNATOR Part: Main: 665MF: BATTERY Labor: 10069 - Morado, Gustavo Labor: 10070 - Flores, Anthony
233: 2009 FORD F-550	645	60,985.0 Miles,	10/08/2015	01: AIR CONDITIONING Labor: 9575 - Fagundes, Michael Labor: 9575 - Fagundes, Michael
233: 2009 FORD F-550	223	59,428.0 Miles,	08/10/2015	A/C,STROBE ,FIRE EXT,BOOM INOP Labor: 10070 - Flores, Anthony 01: AIR CONDITIONING Part: 7C37 19805 B : FAN AND MOTOR ASSEMBLY 38 KELLER Labor: 10070 - Flores, Anthony Labor: 9351 - Rhodes, Randall ELE: Electrical Part: 755-1561 NAPA ADAPTER 6 TO 4 TRAILER PLUG Part: 730-4962 NAPA STEERING WHEEL COVER Part: 782-1133 ATM-25 NAPA MINI FUSE Part: Main: 3057: MINI LAMP Labor: 10070 - Flores, Anthony Labor: 9351 - Rhodes, Randall Lights: Light Check Labor: 10070 - Flores, Anthony LOF: Lube, Oil & Filter Part: Main: 1372: OIL FILTER MP Part: Main: 3243: FUEL FILTER Part: Main: 9883: AIR FILTER Part: Main: GREASE: MULTIPLEX RED #2 (DRUM): BULK GREASE Part: Main: MOTOR OIL: 15W40 ECT: BULK MOTOR OIL Labor: 10070 - Flores, Anthony WB: Wiper Blades Part: 1C3Z 17603 AA : KIT - JET KELLER Labor: 10070 - Flores, Anthony

Attachment: #233_EQUIP_DETAIL-MAINTENANCE_RECORDS (PW: Purchase of One 2022 Ford F-550 Service Truck)



AGENDA STAFF REPORT

MEETING DATE: 12/7/2021	AGENDA SECTION: J
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SUBJECT:

Fire: Approval of a contract with Fresno County for fire dispatch services, beginning March 1, 2022, and Approval of an appropriation from the General Fund of \$65,000 for FY22 and \$215,000 for FY23 to cover the cost of the Contract.

RECOMMENDATION:

That the City Council, by motion, approve a contract with Fresno County for fire dispatch services, beginning March 1, 2022, and approve an appropriation from the General Fund of \$65,000 for FY22 and \$215,000 for FY23 to cover the cost of the services.

BACKGROUND:

On November 2, 2021, during a Study Session item, the Fire department made a presentation to Council regarding the outsourcing of fire dispatch services in an effort to increase efficiency while decreasing risk and exposure to the City of Hanford. Final numbers have been secured from Fresno County (a draft contract is attached) and cost estimates for 100 MHz data have been provided at a rate of \$600 per month.

The Hanford Fire Department (HFD) has been dispatched by the same dispatch that provides services to the Hanford Police Department for more than 20 years. The City's current dispatchers are highly trained professionals and competent in their duties. However, their primary discipline and training is in Police dispatch. The City's dispatch center is not an accredited Emergency Medical Dispatch (EMD) center, therefore, the Emergency Medical Services Authority (EMSA) does not allow them to provide medical direction to a caller. While the current dispatchers have received training and information in dispatching fire resources to all risk incidents, the rarity of specific incidents prevents fluency in the practice when compared to the tens of thousands of police calls for service (CFS).

Central CA Emergency Medical Services Agency (CEMSA), in Fresno County, is the regulatory body for prehospital medicine, including EMD, for our region. Their authority is derived from the State Emergency Medical Services Authority (EMSA) through a variety of

government codes. Emergency Communications Specialists are certified through Peace Officers Standards and Training (POST) for law enforcement dispatch and/or IAED or the National Academies of Emergency Dispatch (NAED) for EMD and EFD. As dispatch has grown and improved, a clear delineation of the disciplines has evolved to provide for safety, improved customer service, and program efficiency.

A 911 caller can only be transferred twice in the course of their call. The primary Public Safety Answering Point (PSAP) will always be local or state law enforcement. The secondary PSAP must therefore be an accredited dispatch center in EMD to begin prearrival instructions to the caller. As our regulatory agency, CCEMSA dictates that all medical calls will receive a full response from the fire department until the call has been EMD'd by a certified dispatch center. Once the call has been deemed "Code 2, Ambulance Only", fire resources are cancelled to the call. This has already occurred more than 1000 times this year, with estimate of nearly 1500 for by the end of 2021.

The City's current police and fire dispatch center receives over 70,000 calls for service per year. Of those CFS, approximately 10% are fire department calls. Therefore, the City's dispatchers do not have the time to become trained in multiple disciplines and maintain proficiency in them all. National turnover rates for dispatchers floats between 15% and 20%, contributing to the increased stress and need to specialize. Adding additional accreditation and certification to the dispatch center and dispatchers just isn't feasible.

Fresno County's dispatch center currently provides EMD and EFD to numerous agencies in Fresno, Tulare, Madera, and Kings Counties. Because the service that they provide would provide improvements to Hanford's emergency medical response, staff reached out to them to look at options to reduce the CFS handled by the City's dispatch center and increase service to the citizens of Hanford. While Fresno County owns and manages the dispatch center, American Ambulance provides the dispatchers and supervisors for daily operations, which greatly reduces the costs to member agencies that employ public employees with pension costs. Currently Fresno County dispatches for Fresno City, Clovis, Selma, Sanger, Laton, North Central, and many other surrounding fire departments and ambulance service in Fresno, Madera, and Kings County. Aside from the EMD and EFD benefit, all these resources are now dispatched via automatic vehicle locator (AVL) to guarantee the closest resource is always sent to the call, regardless of the department that they are providing service for. AVL utilizes tracking software in the mobile data terminal (MDT) assigned to each resource. Through AVL and the MDT, radio communications are reduced creating additional efficiency.

EMD is a requirement to triage calls and provide prearrival medical direction to the caller. This value alone is critical to reduce morbidity and mortality for those we serve. EMD's remain in contact with the caller until help arrives. As information is gathered, it is immediately passed along to the responders through data terminals or over the radio. It is also a requirement in order to provide any definitive prearrival care.

EFD provides for proper incident classification for fire response. The dispatcher is able to quickly identify special hazards and provide direction to the caller, specific to the incident. This establishes the appropriate response and creates a more efficient use of resources. Scripted protocols and flow charts prevent lost information.

HFD have been exploring Fresno County as a dispatch option for several months. In doing so, it was discovered that there are significant benefits for the City of Hanford to make this change.

HFD has responded to nearly 7,000 calls in 2021. Of those calls, we have already been cancelled on over 1000 EMS calls, but only after leaving the station and incurring costs of operating. Switching to an EMD service would reduce call volumes up to 20%; reduce exposure for the city, firefighters, and drivers from code 3 driving; and reduce wear on apparatus, stations, and personnel. Additionally, overlapping calls will be reduced in accordance with the reduction in call volume. Allowing dispatchers to focus on a primary discipline will enhance efficiency and improve customer service on the Police response side.

Contracting services with Fresno County to meet all the needs for EMS and fire dispatch is the most cost effective and efficient option. The total annual cost to contract with Fresno County for FY22 is \$60,454 plus \$600 per month for 100 MHz data services from Fresno to Hanford. FY23 is \$205,639 plus \$600 per month for 100 MHz data services from Fresno to Hanford. The requested allocation addresses the actual contractual costs, data services, and an additional five percent for the first year and one percent for future years for unknown, miscellaneous expenses.

FISCAL IMPACT:

General Fund: Increase Fire Department Budget for FY22 = \$75,000 and FY23 \$212,000.

ATTACHMENTS:

Hanford City dispatch Agreement DRAFT 11.15.21
Chief- Handford Fire

DRAFT**AGREEMENT**

THIS AGREEMENT is made and entered into this ____ day of _____, 2021, by and between the **COUNTY OF FRESNO**, a Political Subdivision of the State of California, hereinafter referred to as "COUNTY," and the **CITY OF HANFORD**, a California Municipal Corporation, whose address is 315 N Douty Street, Hanford, California 93230, hereinafter referred to as "CITY". Both COUNTY and CITY may hereinafter be referred to collectively as "Parties," or individually, a "Party".

WITNESSETH:

WHEREAS, CITY desires to establish this Agreement with COUNTY, and COUNTY has the capability and capacity to provide certain dispatching services for fire suppression calls, which may include dispatching of non-transport first responder services from COUNTY's EMS Communications Center; and

WHEREAS, it is to the mutual benefit and in the best interest of the Parties to have a combined EMS and CITY's FIRE Dispatching Service for the purpose of providing improved services to the public; and

WHEREAS, it is a goal of the Parties to maintain consolidated dispatching services in Kings County, and the Parties have determined that there is a need to provide EMS dispatching services and CITY FIRE Dispatching Services through a centralized and combined effort by COUNTY's EMS Communications Center and CITY FIRE; and

WHEREAS, COUNTY's EMS Communications Center is staffed and operated by K.W.P.H. Enterprises, doing business as American Ambulance, a California corporation ("PROVIDER"), through that certain Emergency Medical Services Provider Agreement for Emergency Ambulance Services (Fresno County Agreement No. A-17-218), dated May 16, 2017 (the "EMS PROVIDER Agreement"), including amendments, by and between COUNTY and PROVIDER.

NOW, THEREFORE, in consideration of their mutual covenants and conditions hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. SERVICES

A. COUNTY shall provide to CITY dispatching services for fire suppression calls

Attachment: Hanford City dispatch Agreement DRAFT 11.15.21 (Fire: Dispatch Contract)

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requesting or otherwise requiring response by CITY FIRE apparatuses, which may include dispatching of non-transport first responder services, (collectively, the “CITY FIRE Dispatching Services”). COUNTY shall provide CITY FIRE Dispatching Services in accordance with the terms and subject to the conditions set out in this Agreement and using personnel of required skill, experience and qualifications.

B. COUNTY shall:

(1) Select, configure, install, and maintain all dispatching equipment, hardware, software (including software licenses), and other technologies, except for radio infrastructure purchased by CITY, which will be utilized for triage and entry of information for CITY FIRE Dispatching Services in COUNTY’s EMS Communications Center computer-aided dispatch (“CAD”) system. All dispatching equipment, hardware, software (including software licenses), and other technologies purchased and/or obtained under this Agreement shall be the sole property of COUNTY. The Parties hereby acknowledge that COUNTY’s provision of CITY FIRE Dispatching Services does not include any COUNTY provision of fire suppression services, and that COUNTY is providing CITY FIRE Dispatching Services to CITY on a non-exclusive basis.

(2) Provide all CITY FIRE Dispatching Services through COUNTY’s EMS Communication Center through CITY FIRE’s radios and electronic communications in accordance with CITY FIRE’s Policies and Procedures *related to dispatch only* (“CITY FIRE’s Policies and Procedures”) and as reviewed and accepted by COUNTY’s EMS Director or designee (the “COUNTY’s Representative”), as further provided in Section 1.C.(3) herein.

(3) Provide approved pre-arrival instructions to callers requesting CITY FIRE Dispatch Services.

(4) Provide inter-agency coordination regarding requests for fire suppression service, mutual aid and auto aid services, and order specialized fire equipment from CITY or other agencies (*e.g.*, hazardous materials equipment, or rescue) which may be needed to manage an incident, and perform other related duties, all in accordance with CITY FIRE’s Policies and Procedures.

(5) Track all activity of CITY FIRE’s apparatuses utilizing the COUNTY’s EMS Communications Center CAD system.

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Attachment: Hanford City dispatch Agreement DRAFT 11.15.21 (Fire: Dispatch Contract)

(6) Develop and maintain processes which assist in dispatching signatories to CITY automatic aid agreements to include those agencies outside the COUNTY's EMS Communications Center. Such processes include Automatic Vehicle Location ("AVL"), unit status and some form of CAD to CAD process where call information is automatically shared between agencies regardless of dispatch center location. In the event an automatic aid agency outside COUNTY's EMS Communications Center is unable to provide unit AVL and unit status, the Parties agree to meet and confer on how to implement and determine cost sharing to receive this information.

(7) Provide notification to chief officers and duty officers as needed for applicable emergency incidents using phone, email, text or other contemporary method of messaging according to CITY FIRE's Policies and Procedures.

(8) Provide CAD software which is capable of tracking CITY's closest fire unit, real-time call data/updates, GIS, radio channel, incident location, and resources.

(9) Provide the ability to send response-time data or additional required CAD data to the fire reporting software known as Fire Records Management System ("Fire RMS"). The Fire RMS data shall include date and time call received in the secondary Public Safety Answering Point ("PSAP") (i.e., EMS Communications phone pickup), unit alert, unit enroute, unit arrival and unit available, for all units assigned to the call. In addition, it shall send incident location, grid and call nature.

(10) Record all telephone and radio transmissions and provide instant playback as needed. COUNTY shall retain recordings for a minimum of four (4) years from the date of recording.

(11) Provide any and all reports at the request of CITY; provided, however, COUNTY must be given reasonable time to develop custom ad hoc reports or reports that are not already developed.

(12) Provide a radio operator to dispatch CITY FIRE's apparatuses twenty-four (24) hours a day, seven (7) days a week, meeting the one hundred and twenty (120) second total Alarm Handling (TAH) as outlined below. All radio operators and call-takers must be certified by the National Academy of Emergency Dispatch at the Emergency Fire Dispatcher level, or substitute

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1 training with prior approval of CITY. COUNTY shall provide a radio operator, who is able to dispatch
2 CITY FIRE's apparatuses twenty-four (24) hours a day, seven (7) days a week. Under this Agreement,
3 CITY shall compensate COUNTY for a dedicated radio operator to CITY'S radio channel twelve (12)
4 consecutive hours each day. The intent of the COUNTY is to combine dispatch services of CITY FIRE
5 with dispatch services of another fire department that also has a 12-hour dedicated radio operator to
6 create a dedicated 24-hour radio operator that is committed to both departments. In the event that
7 CITY or the other department no longer desires this arrangement, CITY will revert to a dedicated 12-
8 hour radio operator, which CITY shall determine the specific start and end times. The remaining 12
9 hours will be combined with other departments on a non-dedicated basis.

10 (13) Provide a minimum of one (1) dispatch supervisor who shall be on duty
11 at COUNTY's EMS Communications Center twenty-four (24) hours a day, seven (7) days a week and
12 available to CITY's on-duty fire administration as needed.

13 (14) Maintain an up-to-date manual of CITY FIRE's Policies and Procedures
14 (subject to review by COUNTY's Representative, as provided in Section 1.C.2 herein) for all dispatch
15 staff, and provide training and continuing education of dispatch staff as needed.

16 (15) It is the intent of both parties to achieve the recommendations outlined in
17 the National Fire Protection Association ("NFPA") Standard 1221 for the immediate dispatch of a fire
18 apparatus. The Total Alarm Handling (TAH) time will be measured from the time the telephone is
19 answered by the call taker at EMS Communications Center to the time that the first fire apparatus is
20 alerted to the incident either by radio, telephone, station alerting device or any other mutually agreed
21 upon method of alerting. The TAH times shall be one hundred and twenty (120) seconds or less in a
22 minimum of ninety percent (90%) of incidents. The TAH time measurement will exclude reassigned
23 responses and other situations beyond the COUNTY's EMS Communications Center control. COUNTY
24 shall review all cases in which dispatches are over one hundred and twenty (120) seconds, and results will
25 be evaluated for improvement opportunities by the Fire Dispatch Continuous Quality Improvement
26 ("CQI") Committee. The Parties agree to meet and confer to refine the list of situations stated
27 hereinabove where one hundred and twenty (120) second call processing may not be achievable.

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Attachment: Hanford City dispatch Agreement DRAFT 11.15.21 (Fire: Dispatch Contract)

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1 Modifications may be made to said list of situations upon written mutual
2 agreement between COUNTY's EMS Director or designee, and CITY's Fire Chief or designee.

3 (16) Provide monthly reports on CITY key performance measures and other
4 areas as agreed upon by the Parties.

5 (17) Provide necessary support staff to respond within ten (10) days of a CITY
6 request for changes in CAD system, including GIS updates, response criteria, update of street layers,
7 CAD/mobile software updates, protocols and CAD/RMS interface(s).

8 (18) Develop a formal quality improvement process that identifies problems
9 by the field, formalizes a tracking mechanism, provides feedback to the sender, determines solutions,
10 establishes timelines for correction, shares the information with all dispatch personnel and formalizes a
11 CQI review of dispatcher performance.

12 C. CITY shall:

13 (1) Provide all fire suppression services for all fire suppression calls
14 dispatched by COUNTY's EMS Communications Center requiring CITY FIRE apparatuses. During
15 specific CITY events (i.e., Fourth of July, times of local disaster, or a large-scale emergency), CITY
16 may assign a Command Officer to serve as a Temporary Dispatch Liaison to direct the assignment of
17 CITY FIRE resources, at which time deviation from routine dispatch procedures outlined herein will be
18 granted.

19 (2) Allow CITY Radio frequencies to be used by COUNTY for the purpose
20 of CITY Fire Dispatching Services.

21 (3) Consult with COUNTY's Representative in developing and adopting
22 CITY FIRE's Policies and Procedures relating to dispatch only. CITY must provide its CITY FIRE's
23 Policies and Procedures to COUNTY's Representative for review and acceptance that such policies and
24 procedures are substantially consistent with the COUNTY's EMS Communication Center's Policies
25 and Procedures, and do not create additional workload for staff or impact other programs in the
26 COUNTY's EMS Communications Center.

27 (4) Provide continuing education and training to COUNTY's EMS
28 Communications Center radio operators and staff regarding the dispatching and management of CITY

Attachment: Hanford City dispatch Agreement DRAFT 11.15.21 (Fire: Dispatch Contract)

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1 FIRE resources.

2 (5) Immediately transfer all calls to CITY for CITY FIRE calls for service to COUNTY's
3 EMS Communications Center.

4 (6) Participate in an internal quality improvement program, which includes
5 the participation of COUNTY and PROVIDER.

6 (7) Provide operation and maintenance of all radio and computer equipment
7 in CITY FIRE apparatuses and fire stations.

8 **2. TERM**

9 A. The term of this Agreement shall be for a period of two (2) years and four (4)
10 months, commencing on March 14, 2022 through and including June 30, 2024 unless sooner terminated
11 under Section 3.

12 B. Upon the expiration or termination of this Agreement, CITY shall compensate or
13 provide funding to COUNTY for any services performed or costs incurred under this Agreement, and
14 COUNTY shall promptly provide CITY with the data generated through the CITY FIRE Dispatching
15 Services provided herein in a commonly usable electronic format.

16 **3. TERMINATION**

17 A. Non-Allocation of Funds. The terms of this Agreement, and the services to be
18 provided hereunder, are contingent on the approval of funds by the appropriating governmental agency;
19 provided however, should sufficient funds not be allocated, (i) the services provided may be modified
20 at any time upon the Parties' mutual written agreement, or (ii) this Agreement may be terminated at any
21 time by CITY by providing at least ninety (90) days advance written notice of an intention to terminate
22 to COUNTY.

23 B. Termination Without Cause. This Agreement may be terminated by either Party
24 by providing at least ninety (90) days advance written notice of an intention to terminate to the other
25 Party.

26 C. Material Breach. Either Party may terminate this Agreement at any time for
27 cause for the other Party's material breach of its obligations herein if not less than thirty (30) days
28 advance written notice has been given to the other Party and such breach remains uncured within that

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thirty (30) day period. The Party receiving such notice may respond to said notice and any charges contained therein within that thirty (30) day period.

4. COMPENSATION FOR SERVICES

A. For COUNTY'S performance of CITY FIRE Dispatching Services herein, CITY agrees to pay COUNTY and COUNTY agrees to receive compensation pursuant to Schedule A, attached hereto and incorporated herein by this reference. The maximum total annual compensation for COUNTY'S performance of CITY FIRE Dispatching Services under this Agreement is as follows:

(1) For the period of March 1, 2022 through June 30, 2022, the amount of this Agreement shall not exceed Sixty Thousand, Four Hundred Fifty-Four Dollars and 00/100 Dollars (\$60,454.00).

(2) For the period of July 1, 2022 through June 30, 2023, the amount of this Agreement shall not exceed Two Hundred and Five Thousand, Six Hundred Thirty-Nine and 00/100 Dollars (\$205,639.00).

(3) For the period of July 1, 2023 through June 30, 2024, the amount of this Agreement shall not exceed Two Hundred and Eight Thousand, Seven Hundred Twenty-Two and 00/100 Dollars (\$208,722.00).

B. In the event COUNTY fails to comply with the performance standards identified within this Agreement, CITY may begin to withhold Two Hundred Fifty and 00/100 Dollars (\$250.00) per day until such time as the non-compliance has been corrected to the satisfaction of the CITY Fire Chief and the COUNTY EMS Director. CITY must provide COUNTY EMS Director with a written notice of non-compliance. Said withholdings may begin thirty (30) days after receipt of notice if non-compliance has not been cured.

C. Payments by CITY shall be paid in arrears, for services provided during the preceding month, and payable within forty-five (45) days after receipt and verification by CITY of an invoice from COUNTY accompanied by documentation reasonably requested by CITY evidencing all charges. All payments shall be remitted to COUNTY at the following address: County of Fresno, Department of Public Health – Emergency Medical Services Division, P.O. Box 11867, Fresno, California, 93775.

Attachment: Hanford City dispatch Agreement DRAFT 11.15.21 (Fire: Dispatch Contract)

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DRAFT**5. INVOICING**

COUNTY shall invoice CITY monthly, addressed to City of Hanford Fire Dept, 350 W Grangeville Blvd, Hanford, California 93230, Attention: Fire Chief.

6. INDEPENDENT CONTRACTOR:

In performance of the work, duties and obligations assumed by CITY under this Agreement, it is mutually understood and agreed that CITY, including any and all of the CITY'S officers, agents, and employees will at all times be acting and performing as an independent contractor, and shall act in an independent capacity and not as an officer, agent, servant, employee, joint venturer, partner, or associate of the COUNTY. Furthermore, COUNTY shall have no right to control or supervise or direct the manner or method by which CITY shall perform its work and function. However, COUNTY shall retain the right to administer this Agreement so as to verify that CITY is performing its obligations in accordance with the terms and conditions thereof.

CITY and COUNTY shall comply with all applicable provisions of law and the rules and regulations, if any, of governmental authorities having jurisdiction over matters the subject thereof.

Because of its status as an independent contractor, CITY shall have absolutely no right to employment rights and benefits available to COUNTY employees. CITY shall be solely liable and responsible for providing to, or on behalf of, its employees all legally-required employee benefits. In addition, CITY shall be solely responsible and save COUNTY harmless from all matters relating to payment of CITY'S employees, including compliance with Social Security withholding and all other regulations governing such matters. It is acknowledged that during the term of this Agreement, CITY may be providing services to others unrelated to the COUNTY or to this Agreement.

7. MODIFICATION

Any matters of this Agreement may be modified from time to time by the written consent of all the Parties without, in any way, affecting the remainder.

8. NON ASSIGNMENT

Neither Party shall assign, transfer or subcontract this Agreement nor their rights or duties under this Agreement without the prior written consent of the other Party.

9. HOLD-HARMLESS**DRAFT**

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Attachment: Hanford City dispatch Agreement DRAFT 11.15.21 (Fire: Dispatch Contract)

1 A. CITY agrees to indemnify, save, hold harmless, and at COUNTY's request,
 2 defend the COUNTY, its officers, agents, and employees, from any and all costs and expenses
 3 (including attorneys' fees and costs), damages, liabilities, claims, and losses occurring or resulting to
 4 COUNTY in connection with the performance, or failure to perform, by CITY, including its officers,
 5 agents, or employees under this Agreement, and from any and all costs and expenses (including
 6 attorneys' fees and costs), damages, liabilities, claims, and losses occurring or resulting to any person,
 7 firm, or corporation who may be injured or damaged by the performance, or failure to perform, of
 8 CITY, including its officers, agents, or employees under this Agreement.

9 B. COUNTY agrees to indemnify, save, hold harmless, and at CITY's request,
 10 defend CITY, including its officers, agents, and employees from any and all costs and expenses
 11 (including attorneys' fees and costs), damages, liabilities, claims, and losses occurring or resulting to
 12 CITY in connection with the performance, or failure to perform, by COUNTY, including its officers,
 13 agents, or employees, or PROVIDER, under this Agreement, and from any and all costs and expenses
 14 (including attorneys' fees and costs), damages, liabilities, claims, and losses occurring or resulting to
 15 any person, firm, or corporation who may be injured or damaged by the performance, or failure to
 16 perform, of COUNTY, including its officers, agents, or employees, or PROVIDER under this
 17 Agreement including, but not limited to, the COUNTY's selection, configuration, installation, and
 18 maintenance of all dispatching equipment, hardware, software, and other technologies, as well as the
 19 operation of the COUNTY's EMS Communication Center.

20 C. In the event of concurrent negligence on the part of COUNTY or any of its
 21 officers, agents or employees, or PROVIDER, and of CITY or any of its officers, agents, or employees,
 22 the liability for any and all such claims, demands and actions in law or equity for such costs and
 23 expenses (including attorneys' fees and costs), damages, and losses shall be apportioned under the State
 24 of California's theory of comparative negligence as presently established or as may be modified
 25 hereafter.

26 D. The provisions of this Section 9 shall survive termination of this Agreement.

27 **10. INSURANCE**

28 Without limiting the COUNTY's right to obtain indemnification from CITY or any third parties,

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CITY, at its sole expense, shall maintain in full force and effect, the following insurance policies or a program of self-insurance, including but not limited to, an insurance pooling arrangement or Joint Powers Agreement (JPA) throughout the term of the Agreement:

A. Commercial General Liability

Commercial General Liability Insurance with limits of not less than Two Million Dollars (\$2,000,000.00) per occurrence and an annual aggregate of Four Million Dollars (\$4,000,000.00). This policy shall be issued on a per occurrence basis. COUNTY may require specific coverages including completed operations, products liability, contractual liability, Explosion-Collapse-Underground, fire legal liability or any other liability insurance deemed necessary because of the nature of this contract.

B. Automobile Liability

Comprehensive Automobile Liability Insurance with limits of not less than One Million Dollars (\$1,000,000.00) per accident for bodily injury and for property damages. Coverage should include any auto used in connection with this Agreement.

C. Professional Liability

Professional Liability Insurance with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence, Three Million Dollars (\$3,000,000.00) annual aggregate. CITY agrees that it shall maintain, at its sole expense, in full force and effect for a period of three (3) years following the termination of this Agreement, one or more policies of professional liability insurance with limits of coverage as specified herein.

D. Worker's Compensation

A policy of Worker's Compensation insurance as may be required by the California Labor Code.

E. Molestation

Sexual abuse/molestation liability insurance with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence. Two Million Dollars (\$2,000,000.00) annual aggregate. This policy shall be issued on a per occurrence basis.

Additional Requirements Relating to Insurance

CITY shall obtain endorsements to the Commercial General Liability insurance naming the County of Fresno, its officers, agents, and employees, individually and collectively, as additional insured, but only

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1 insofar as the operations under this Agreement are concerned. Such coverage for additional insured shall
2 apply as primary insurance and any other insurance, or self-insurance, maintained by COUNTY, its
3 officers, agents and employees shall be excess only and not contributing with insurance provided under
4 CITY policies herein. This insurance shall not be cancelled or changed without a minimum of thirty (30)
5 days advance written notice given to COUNTY.

6 CITY hereby waives its right to recover from COUNTY, its officers, agents, and employees any
7 amounts paid by the policy of worker's compensation insurance required by this Agreement. CITY is
8 solely responsible to obtain any endorsement to such policy that may be necessary to accomplish such
9 waiver of subrogation, but CITY's waiver of subrogation under this paragraph is effective whether or not
10 CITY obtains such an endorsement.

11 Within Thirty (30) days from the date CITY signs and executes this Agreement, CITY shall
12 provide certificates of insurance and endorsement as stated above for all of the foregoing policies, as
13 required herein, to the County of Fresno, Attention Daniel Lynch, 1221 Fulton Street, Fresno, California
14 93721, stating that such insurance coverage have been obtained and are in full force; that the County of
15 Fresno, its officers, agents and employees will not be responsible for any premiums on the policies; that for
16 such worker's compensation insurance the CITY has waived its right to recover from the COUNTY, its
17 officers, agents, and employees any amounts paid under the insurance policy and that waiver does not
18 invalidate the insurance policy; that such Commercial General Liability insurance names the County of
19 Fresno, its officers, agents and employees, individually and collectively, as additional insured, but only
20 insofar as the operations under this Agreement are concerned; that such coverage for additional insured
21 shall apply as primary insurance and any other insurance, or self-insurance, maintained by COUNTY, its
22 officers, agents and employees, shall be excess only and not contributing with insurance provided under
23 CITY 's policies herein; and that this insurance shall not be cancelled or changed without a minimum of
24 thirty (30) days advance, written notice given to COUNTY.

25 In the event CITY fails to keep in effect at all times insurance coverage as herein provided, the
26 COUNTY may, in addition to other remedies it may have, suspend or terminate this Agreement upon the
27 occurrence of such event.

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Attachment: Hanford City dispatch Agreement DRAFT 11.15.21 (Fire: Dispatch Contract)

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1 All policies shall be issued by admitted insurers licensed to do business in the State of California,
2 and such insurance shall be purchased from companies possessing a current A.M. Best, Inc. rating of A
3 FSC VII or better.

11. CONFIDENTIALITY

4 All services performed by COUNTY under this Agreement shall be in strict
5 conformance with all applicable Federal, State of California and/or local laws and regulations relating
6 to confidentiality.

12. NON-DISCRIMINATION

7 During the performance of this Agreement, the Parties shall not unlawfully discriminate
8 against any employee or applicant for employment, or recipient of services, because of race, religious
9 creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic
10 information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or
11 military status or veteran status pursuant to all applicable State of California and Federal statutes and
12 regulations.

13. RECORDS

13 Each Party shall maintain its records in connection with the respective services and
14 obligations referred to under this Agreement. Such records must be maintained for a minimum of three
15 (3) years after the expiration or termination of this Agreement. The Party generating the records shall
16 maintain ownership of its records.

14. AUDITS AND INSPECTIONS

17 Each Party shall, at any time during business hours, and as often as the other Party may
18 deem necessary, make available to the other Party for examination all records and data with respect to
19 the matters covered by this Agreement. Each Party shall, upon request by the other Party, permit the
20 other Party to audit and inspect all such records and data necessary to ensure compliance with the terms
21 of this Agreement.

22 The COUNTY is subject to the examination and audit of the State Auditor for a period
23 of three (3) years after final payment under contract under Government Code Section 8546.7.

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DRAFT**15. PROVIDER**

The Parties acknowledge that PROVIDER, or its replacement, if any during the term of the PROVIDER Agreement, will carry out COUNTY's provision of dispatching services herein. In the event of any such replacement of PROVIDER, the replacement EMS Provider Agreement will be on substantially the same terms as the EMS Provider Agreement to the extent that it concerns this Agreement, as provided herein.

16. FORCE MAJEURE

A. If either party hereto is rendered unable, wholly or in part, by Force Majeure to carry out its obligations under this Agreement, that party shall give to the other party hereto prompt written notice of the Force Majeure with full particulars relating thereto. Thereupon, the obligations of the party giving the notice, so far as they are affected by the Force Majeure, shall be suspended during, but no longer than, the continuance of the Force Majeure, except for a reasonable time thereafter required to resume performance.

B. During any period in which either party hereto is excused from performance by reason of the occurrence of an event of Force Majeure, the party so excused shall promptly, diligently, and in good faith take all reasonable action required in order for it to be able to promptly commence or resume performance of its obligations under this Agreement. Without limiting the generality of the foregoing, the party so excused from performance shall, during any such period of Force Majeure, take all reasonable action necessary to terminate any temporary restraining order or preliminary or permanent injunctions to enable it to so commence or resume performance of its obligations under this Agreement.

C. The party whose performance is excused due to the occurrence of an event of Force Majeure shall, during such period, keep the other party hereto notified of all such actions required in order for it to be able to commence or resume performance of its obligations under this Agreement.

D. "Force Majeure" is defined as an Act of God, act of public enemy, war, and other extraordinary causes not reasonably within the control of either of the parties hereto.

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DRAFT**17. NOTICES**

The persons having authority to give and receive notices under this Agreement and their addresses include the following:

COUNTYCITY

Director, County of Fresno
Department of Public Health
P.O. Box 11867
Fresno, CA 93775

City of Hanford
Attention: Fire Chief
350 W Grangeville Boulevard
Hanford, CA 93230

All notices between the COUNTY and CITY provided for or permitted under this Agreement must be in writing and delivered either by personal service, by first-class United States mail, by an overnight commercial courier service, or by telephonic facsimile transmission. A notice delivered by personal service is effective upon service to the recipient. A notice delivered by first-class United States mail is effective three COUNTY business days after deposit in the United States mail, postage prepaid, addressed to the recipient. A notice delivered by an overnight commercial courier service is effective one COUNTY business day after deposit with the overnight commercial courier service, delivery fees prepaid, with delivery instructions given for next day delivery, addressed to the recipient. A notice delivered by telephonic facsimile is effective when transmission to the recipient is completed (but, if such transmission is completed outside of COUNTY business hours, then such delivery shall be deemed to be effective at the next beginning of a COUNTY business day), provided that the sender maintains a machine record of the completed transmission. For all claims arising out of or related to this Agreement, nothing in this section establishes, waives, or modifies any claims presentation requirements or procedures provided by law, including but not limited to the Government Claims Act (Division 3.6 of Title 1 of the Government Code, beginning with section 810).

18. GOVERNING LAW

The Parties agree, that for the purposes of venue, performance under this Agreement is to be in Fresno County, California. The rights and obligations of the Parties and all interpretation and performance of this Agreement shall be governed in all respects by the laws of the State of California.

19. SEVERABILITY

The provisions of this Agreement are severable. The invalidity or unenforceability of any

Attachment: Hanford City dispatch Agreement DRAFT 11.15.21 (Fire: Dispatch Contract)

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one provision in the Agreement shall not affect the other provisions.

20. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all previous agreement negotiations, proposals, commitments, writings, advertisements, publications, and understandings of any nature whatsoever unless expressly included in this Agreement. This Agreement may be executed in several counterparts by the Parties hereto, in which case, all of such executed duplicate counterpart originals thereof, taken together, shall be deemed to be one and the same legal instrument.

21. NO THIRD-PARTY BENEFICIARIES

Notwithstanding anything stated to the contrary in this Agreement, there shall not be any intended third-party beneficiaries to this Agreement, and nothing in this Agreement, expressly or implied, confers on any third party any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement.

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IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first hereinabove written.

COUNTY OF FRESNO**CITY OF HANFORD:**

 Steve Brandau, Chairman of the
 Board of Supervisors of the County of Fresno

 Francisco Ramirez, Mayor

ATTEST:

Bernice E. Seidel
 Clerk of the Board of Supervisors
 of the County of Fresno

 Mario Cifuentez, City Manager

By: _____
 Deputy

Mailing Address:
 Attention: Fire Chief
 350 W Grangeville Blvd
 Hanford, CA 93230

Fund/Subclass: 0001/10000
 Organization: 56201693
 Account: 5039

Attachment: Hanford City dispatch Agreement DRAFT 11.15.21 (Fire: Dispatch Contract)

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SCHEDULE A

Payment	Period	Invoice Amount
1	Mar-2022	\$9,803.32
2	Apr-2022	\$16,883.56
3	May-2022	\$16,883.56
4	Jun-2022	\$16,883.56
5	Jul-2022	\$17,136.58
6	Aug-2022	\$17,136.58
7	Sep-2022	\$17,136.58
8	Oct-2022	\$17,136.58
9	Nov-2022	\$17,136.58
10	Dec-2022	\$17,136.58
11	Jan-2023	\$17,136.58
12	Feb-2023	\$17,136.58
13	Mar-2023	\$17,136.58
14	Apr-2023	\$17,136.58
15	May-2023	\$17,136.58
16	Jun-2023	\$17,136.58
17	Jul-2023	\$17,393.50
18	Aug-2023	\$17,393.50
19	Sep-2023	\$17,393.50
20	Oct-2023	\$17,393.50
21	Nov-2023	\$17,393.50
22	Dec-2023	\$17,393.50
23	Jan-2024	\$17,393.50
24	Feb-2024	\$17,393.50
25	Mar-2024	\$17,393.50
26	Apr-2024	\$17,393.50
27	May-2024	\$17,393.50
28	Jun-2024	\$17,393.50

Attachment: Hanford City dispatch Agreement DRAFT 11.15.21 (Fire: Dispatch Contract)



County of Fresno
DEPARTMENT OF PUBLIC HEALTH
 David Luchini, Director
 Dr. Rais Vohra, Interim Health Officer

November 4, 2021

Steve Pendergrass, Fire Chief
 City of Hanford Fire Department
 350 W Grangeville Blvd
 Hanford, CA 93230

Chief Pendergrass,

The purpose of this letter is to provide you with the cost proposal for the dispatching of the City of Hanford Fire Department at the Fresno County Communications Center. This proposal provides the cost of a "half-time" radio operator that is 12 hours of 24 hour / 7 days a week dedicated dispatcher that would be in combination with the North Central Fire Protection District who has committed to funding the remaining 12 hours each day. This model provides a 24/7 dedicated radio operator that is responsible for Hanford City Fire and the North Central Fire Protection District.

As you know, Fresno County's Communications Center currently is responsible for the receipt and dispatch of all medical 9-1-1 calls in Fresno, Kings, and Madera Counties. In addition, it is the primary dispatch center for the fire departments in the cities of Fresno, Clovis, Kingsburg, Sanger, Selma, and the Laton Community Services District. This combination of EMS and fire dispatch has proven beneficial in allowing for simultaneous dispatch of EMS and first responders. This model also allows the benefit for each department to manage the types of calls and method of response that may be unique to its department.

The proposed costs includes operational costs of the County of Fresno and staffing costs from American Ambulance. Under our Communications Center staffing model, Fresno County requires American Ambulance, in accordance with its Fresno County exclusive ambulance agreement, to provide all dispatch staffing. Each fire department contracts directly with the County of Fresno and a subcontract is developed between the County of Fresno and American Ambulance in order to pass through their portion of each payment.

The proposed agreement is scheduled to expire on June 30, 2024 to coincide with the North Central Fire Department Agreement. Costs are based on a fiscal year schedule from July 1 to June 30. The first year cost for a "half-time" dedicated radio operator is \$202,600. Since we will potentially begin the provision of services in mid-year, we will prorate the annual cost to the remaining months of the fiscal year. Additional contract years would include a 1.5% annual increase. The included draft agreement includes the proposed costs. These costs do not include

Promotion, preservation and protection of the community's health

1221 Fulton Street / P. O. Box 11867, Fresno, CA 93775
 (559) 600-3200 • FAX (559) 600-7687

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www.co.fresno.ca.us • www.fcdph.org

Attachment: Chief- Hanford Fire (Fire: Dispatch Contract)

the technology or costs for the Communications Center to access the Hanford City Fire radio channels, radio equipment, or the computer hardware within each vehicle.

I appreciate the opportunity to provide you with this brief letter and proposed costs for dispatch services. The included draft dispatch agreement will provide you with more specific details as it relates to the scope of work, performance and the expectations of the Communications Center.

If you have any questions, please do not hesitate to email or contact me at (559) 600-6460 or Matt Myers at (559) 600-7425.

Sincerely,



Daniel J. Lynch
EMS Director



AGENDA STAFF REPORT

MEETING DATE: 12/7/2021

AGENDA SECTION: A

SUBJECT:

Finance: Authorization for the Issuance of One or More Series of Pension Obligation Bonds, Subject to Further Council Action, in order to Refinance Outstanding Obligations of the City to the California Public Employees' Retirement System with estimated principal amount of up to \$33,225,000, Authorizing a Judicial Validation Action, and Approving and Directing Related Matters (Resolution No. 21-55-R)

RECOMMENDATION:

Review staff's recommendation to adopt Resolution No. 21-55-R which would:

- 1) Approve the future issuance of one or more series of pension obligation bonds (POBs);
 - 2) Approve a form of indenture of trust pursuant to which the POBs would be issued; and
 - 3) Authorize the commencement of a judicial validation action related to the POBs
- In addition, staff recommends an appropriation of \$5,000 in the General Fund to cover the fee for this to be provided by Jones Hall, A Professional Law Corporation

If the resolution is adopted, bond counsel to the City would commence the validation action to confirm the City's legal ability to issue the POBs to refinance amounts owed to CalPERS. This process is anticipated to take 3-4 months. Assuming the action is successful, City staff would return to the City Council for approval of the final terms of any series of bonds, including the related disclosure document needed for the sale of the bonds, and prior to any actual issuance. This does not obligate the City to issue pension obligation bonds.

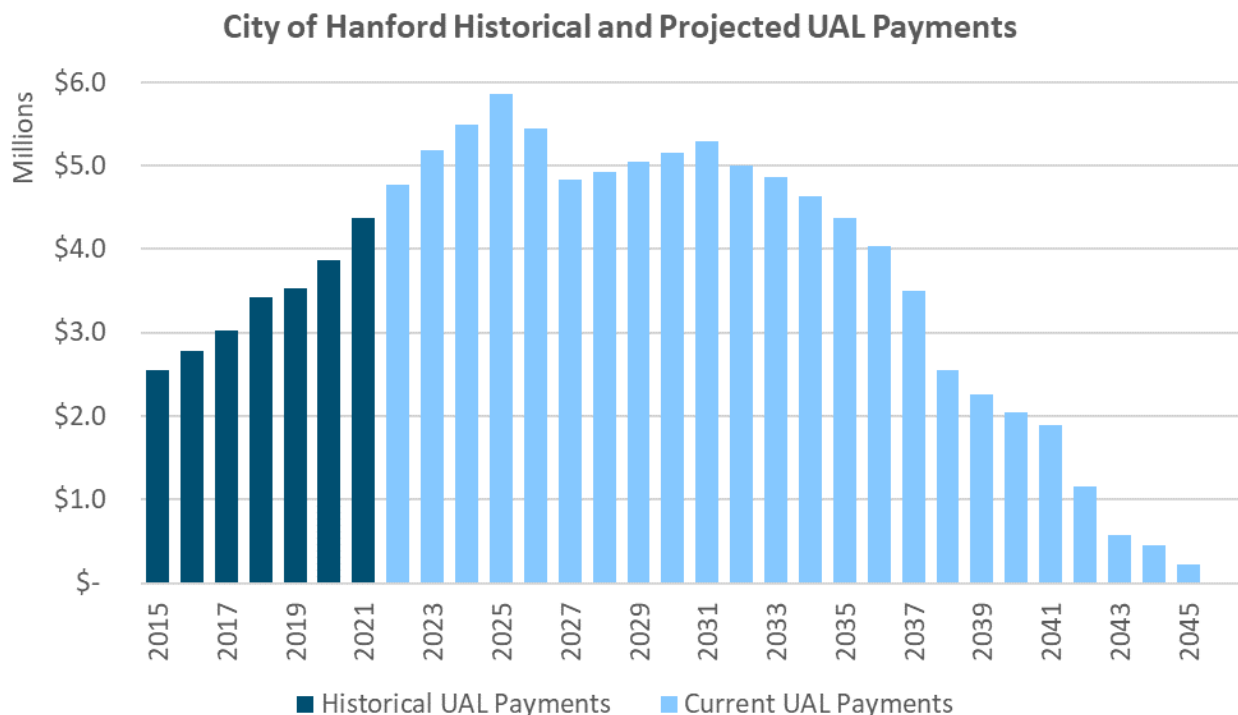
BACKGROUND:

Over the last 7 years, the City's unfunded accrued liability ("UAL") for its CalPERS Miscellaneous and Safety Plans has grown 42%, from \$36 million to about \$51 million (6/30/2022 projected valuation). This UAL represents the shortfall/gap between what is needed to pay retiree benefits versus how much in current assets the City actually has in its accounts

with CalPERS. Annual payments made to amortize the existing CalPERS UAL have grown rapidly from about \$2.5M in FY 2015 to \$4.8M in FY 2022 and are projected to grow to over \$5.3 million by FY 2031.

The City's \$51 million UAL is not required to be repaid all at once but is amortized over a longer period (with different components amortized over different time periods, most between 2 and 28 years) at a discount rate (equivalent to an interest rate on bonded debt) of 6.8% (recently decreased by CalPERS from 7.0%). The discount rate is set by CalPERS and completely outside the control of the City and other local agencies in the state.

Pension cost increases are the largest financial challenge facing most cities and other local agencies throughout the state and are primarily due to factors outside of their control, namely actuarial assumption changes made by CalPERS and investment returns that do not meet CALPERS' assumed investment return / discount rate.



The City is considering issuing pension obligation bonds (POBs) to pay off all or a portion of its UAL to achieve several objectives:

- **Fiscal Sustainability Tool:** Ability to “re-shape” the City’s overall pension repayment in a way that creates enhanced long-term fiscal sustainability, budgetary predictability, and enhanced resiliency to future economic shocks.
- **Near-Term Budgetary Savings:** By modifying the current near term “peak” in scheduled payments into a more predictable (i.e., level or nearly level) structure, near term cash flow savings are created and could be used to address other City priorities (capital projects, building reserves, etc.).
- **Interest Rate Savings “Arbitrage”:** City can borrow at rates much lower (currently ≈ 3.00 -

3.50% depending on term and credit) than those CalPERS is charging on the UAL debt (6.80%).

- **Increase Funding Ratio:** Current ratios range from about 73% (Safety) to 77% (Miscellaneous); these could be increased to between 90% and 100% through the restructuring.
- **Modify Maturity:** Shorten or lengthen repayment period as deemed most fiscally appropriate.
- **Leverage Savings through Improved Policies:** The City could consider developing a policy that includes leveraging the savings created through the restructuring to fund other priorities, potentially including capital projects, reserves and/or a setting aside additional funds in a dedicated trust for future pension and/or OPEB costs.

Numerous cities (e.g., San Ramon, Oroville, Fort Bragg, National City, Paramount, Bellflower, Lakeport, Montclair, Corona, Santa Ana, Orland, Commerce, San Anselmo, Sanger, San Fernando, Buena Park, Redondo Beach, Covina, Whittier, El Segundo, Auburn, Willows, Corte Madera, Manhattan Beach, Huntington Beach, Orange, Ukiah, Chula Vista, Downey, El Cajon, Coachella, Gardena, Arcadia, Placentia, Torrance, Azusa, Larkspur, Marysville, Grass Valley, Riverside, Pomona, West Covina, El Monte, Ontario, Carson, Inglewood, Montebello, Pasadena, Glendora, Monrovia, Hawthorne, La Verne and several others) throughout California have recently refinanced their UAL to restructure the payment pattern and increase the funding level of their pension plans. Many others are scheduled to issue UAL restructuring bonds in the next few months. Interest rates set on these recent financings ranged from about 2.54% to 4.25%, with rates dictated by market conditions at the time of pricing, credit rating of the issuer, and length of term of the bonds. The majority of the cities who issued POBs in 2021 have garnered interest rates between 2.54% and 3.30%.

Approval of the attached resolution, which approves a form of indenture of trust pursuant to which pension obligation bonds would be issued and gives bond counsel to the City authority to proceed with the judicial validation process, will give staff and the financing team the authority and direction to continue moving the process forward.

The judicial validation process is the first step in the issuance process. The goal is to receive a court judgment confirming that the City may issue POBs payable from the General Fund without violating the constitutional debt limit set forth in Article XVI, Section 18, of the California Constitution that applies to the City's use of its General Fund moneys. The validation process typically takes about 3 to 4 months to complete but could be delayed depending on the impact of COVID-19 and other factors outside the City's control. The City expects, at the conclusion of the validation process, that the Kings County Superior Court will enter a judgment in favor of the City that the pension-related obligation of the City (i.e., the City's UAL, existing at the current time and as may accrue in the future) represents an "obligation imposed by law," which may be refunded via issuance of POBs payable from the General Fund. Numerous prior court cases have determined that pension liabilities are obligations imposed by law, and, therefore, may be refunded with POBs without violating the constitutional debt limitation. This process is required to give bond investors assurance as to the validity of the bonds they are purchasing.

While the validation process is ongoing (3-4 months), City staff and the financing team will continue to explore the various restructuring alternatives available with POBs in more depth.

DISCUSSION:

In order to continue exploring the POB option, it is necessary for the City Council to approve the issuance of POBs, the form of an indenture of trust and the commencement of the validation action, all of which is accomplished via adoption of the Resolution.

The indenture of trust identifies the duties and responsibilities of the trustee, establishes the terms and conditions under which the bonds are to be issued, and to secure the payment of the principal and interest. The City is not committed to any specific amount of POBs being issued as staff and the financing team will be evaluating a full range of options to ensure the optimal size and structure is executed to meet the City's goals. The preliminary analysis provided below and required good faith cost estimates are based on a total bond size of approximately \$33 million (100% of the projected UAL after the CalPERS 21.3% FY 2021 returns and new 6.8% discount rate is incorporated), with the new payments to be smoothed out over the next 20 years (see the blue line in chart below).

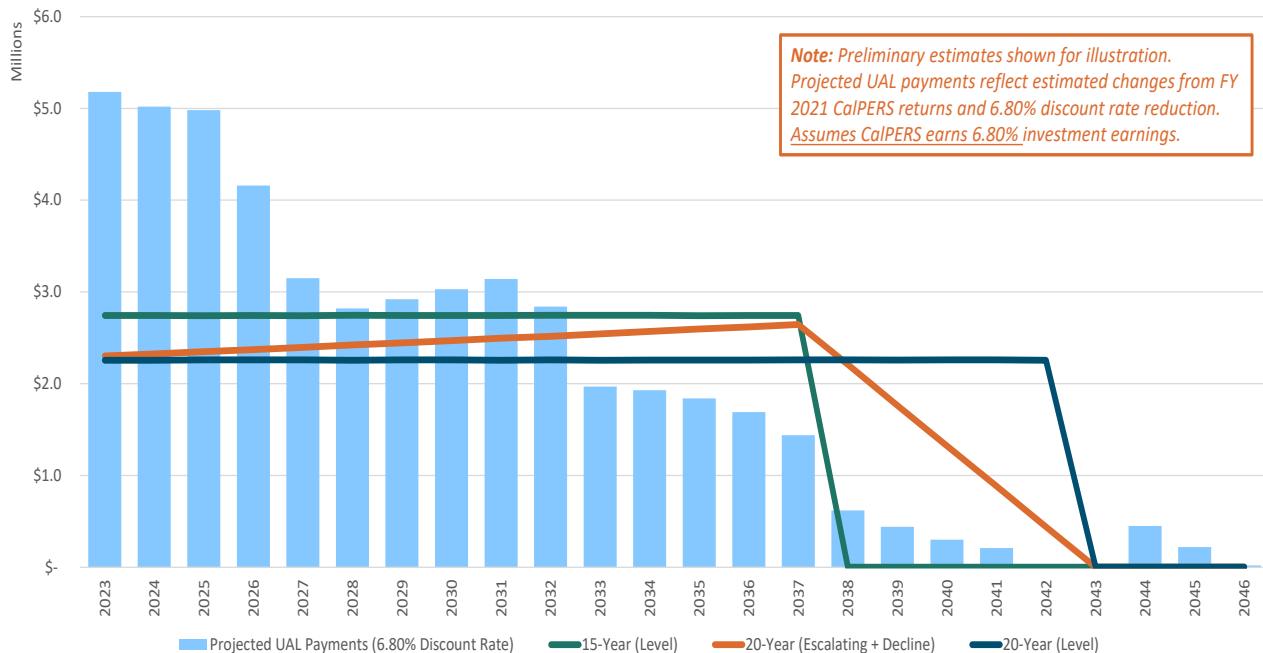
FINANCING COST ESTIMATES AND PROJECTED SAVINGS:

Good-faith estimates related to the planned issuance of pension obligation bonds in 2022 are attached to this staff report. Generally, fees for the financing team will be paid through (or reimbursed from) the financing process and only upon successful completion of the potential POB financing. However, given the unique nature of a POB issuance, there are certain legal costs that will not be contingent upon a successful closing of the transaction. These costs are estimated to not exceed \$5,000, and are for legal validation costs of bond counsel to the City (Jones Hall). Jones Hall was selected based on an informal proposal selection process in which three qualified firms that specialize in these types of projects were solicited and Jones Hall had the lowest proposed fee.

As noted earlier, several options will be presented, and City staff, with guidance from its municipal advisor, will ultimately decide which option is most prudent, if any, to execute. **It is important to note, adopting the resolution and commencing the validation process simply provides the City with a basis to issue POBs in the future. It does not in any way obligate the City to issue the POBs.**

The chart below has been included to better illustrate the potential benefit of the POB, but as previously noted, this analysis should be considered preliminary. The analysis and chart below assume that 100% of the projected, new UAL amount is paid off (\$36 million). The options include a 15 and 20 year term with level payments, and then a 20-year term with payments escalating at 1% annually for the first 15 years, then declining in a linear fashion.

Estimated Savings: UAL Payments vs. New POB Payments



Metrics	15-Year (Level)	20-Year (Escalating + Decline)	20-Year (Level)
UAL Funded (\$)	\$33,010,000	\$33,010,000	\$33,010,000
% UAL Funded (Current Asset Valuations)	65%	65%	65%
Funded Ratio (Current Asset Valuations)	91%	91%	91%
% UAL Funded (Projected After FY 2021 Returns & 6.8% Discount Rate)	100%	100%	100%
Funded Ratio (Projected After FY 2021 Returns & 6.8% Discount Rate)	100%	100%	100%
Maturity	15 Years	20 Years	20 Years
Average Life	8.4 Years	10.3 Years	11.4 Years
All-In Interest Rate	2.96%	3.17%	3.25%
PV Savings (%)*	21.24%	19.65%	19.00%
PV Savings (\$)*	\$7,012,814	\$6,486,413	\$6,272,066
Cumulative Savings*	\$7,217,240	\$4,689,737	\$3,203,575
Savings (2023-2032)*	\$9,807,124	\$13,148,245	\$14,655,071
Average Savings (2023-2032)*	\$980,712	\$1,314,824	\$1,465,507

The blue bars in the graph above represent the City’s projected repayment schedule for its UAL. The preliminary POB option depicted would help to “smooth-out” overall new payments (as shown using the orange line) at a much lower level through 2037. **Estimated present value (PV) savings range from about \$6.3 to \$7.0 million, or between 19% and 21% of refunded UAL. Average annual estimated savings through 2032 are between \$980,000 and \$1.5 million, and between \$9.8 million and \$14.7 million in total over the next decade.**

Reinvestment Risk: Ultimately, actual savings from the restructuring will be dependent on two factors: (1) actual interest rates at the time of pricing and (2) future CalPERS returns, which is an unknown at the time of bond issuance. Assessing and mitigating reinvestment risk will be a key objective as the City and its team evaluate and optimize the final bond structure. The City will be working with its financing team to properly quantify the reinvestment risk of the various options that will be explored during this process and present those results to City Council.

New Reserve Funding Policy: Staff will develop a new reserve funding policy that will consider leveraging the savings created through the POBs to augment the City’s pension and

OPEB irrevocable trusts. Creating prudent financial policies to ensure that future pension and OPEB liabilities continue to be addressed is critical to ensure long term financial sustainability and will also assist during the credit rating process, as it demonstrates strong financial planning and policy.

SCHEDULE:

Assuming the City Council approves the resolution, the validation process will be initiated. Key milestones of the validation process are listed below:

- City Council passes a resolution authorizing the sale of POBs
- File Validation Action with Kings County Superior Court
- Receive Order for Publication of Summons from the Court
- Publication of notice in local newspaper
- Waiting period for any responding party to file a response to the action
- Court enters default judgment if there is no responding party
- 30-day appeal period for the judgment

During the validation period (3 to 4 months), staff and the financing team will refine the various options for the POBs. These options may include evaluating different sizes of POBs, amortization shapes, maturities (length of term) and targeted funded ratios. Also, during this time, a preliminary official statement (POS) will be drafted (which is the disclosure document used to solicit investor interest in the POBs) and a credit rating presentation will be prepared in order to obtain a credit rating for the possible financing. A bond trustee and bond underwriter would also be selected to join the financing team. It is anticipated the team could be in position to return to the City Council for final approval of the pension obligation bonds, and related documents, in March of 2022, but this exact date will be dictated by the actual duration of the validation action and the municipal market interest rate environment.

CONCLUSION:

Staff recommends the City Council approve this resolution, so that staff and the financing team can continue exploring the feasibility of UAL restructuring using POBs in greater detail and put the City in position to take advantage of this opportunity if certain objectives are met. As stated previously, adopting the resolution and commencing the validation process only provides the City with a basis to issue POBs in the future. It does not obligate the City to issue POBs. The financing team expects to return to the City Council this winter to provide an update on the process and receive further guidance on POB structuring options.

FISCAL IMPACT:

Initiating the judicial validation process would incur a fee of \$5,000 for Jones Hall, A Professional Law Corporation to initiate the process for the City. An appropriation of \$5,000 from the General Fund in the Finance Department is recommended.

ATTACHMENTS:

Resolution Authorizing Bonds (Hanford POBs) 12.7.21
Indenture (Hanford POBs) 12.7.21
Hanford - Good Faith Estimates 2021-22 POBs 12.7.21

RESOLUTION 21-55-R

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HANFORD
AUTHORIZING THE ISSUANCE OF ONE OR MORE SERIES OF PENSION
OBLIGATION BONDS TO REFINANCE OUTSTANDING OBLIGATIONS OF
THE CITY TO THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT
SYSTEM, AUTHORIZING A JUDICIAL VALIDATION ACTION, AND
APPROVING AND DIRECTING RELATED MATTERS**

At a regular meeting of the City Council of the City of Hanford duly called and held on December 7, 2021, at 7:00 p.m. in the Council Chambers of the Civic Auditorium, it was agreed by City Council:

WHEREAS, the City of Hanford (the "City") is a contracting member of the California Public Employees' Retirement System ("PERS"), and as such the City is obligated to make certain payments to PERS relating to pension benefits accruing to current and former City employees who are PERS members, including retired employees (the "PERS Obligations"); and

WHEREAS, the City is authorized under the provisions of Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53570 of said Code (the "Bond Law"), to issue its bonds for the purpose of refunding certain outstanding obligations of the City, including the PERS Obligations; and

WHEREAS, in order to refund the PERS Obligations and thereby realize interest savings, the City proposes at this time to authorize the issuance of one or more series of its bonds from time to time under the Bond Law for the purpose of refinancing the PERS Obligations in whole or in part; and

WHEREAS, the City Council further wishes at this time to authorize the institution of judicial proceedings to determine the validity of its bonds and the bond contracts related thereto to be issued under the Bond Law to refund the PERS Obligations;

WHEREAS, an initial series of bonds is proposed to be issued in 2022 to refund a portion of the City's existing PERS Obligations (the "2022 Bonds"), and the information required to be obtained and disclosed with respect to the 2022 Bonds in accordance with Section 5852.1 of the California Government Code is set forth in the staff report accompanying this resolution; and

THEREFORE, BE IT RESOLVED, by the City Council of the City of Hanford as follows:

Section 1. Authorization of Bonds. The City Council hereby authorizes the issuance of one or more series of bonds from time to time under the Bond Law for the purpose of refinancing the PERS Obligations of the City which are due and owing to PERS at the time of such issuance (collectively, including the 2022 Bonds, the "Bonds"); provided, however, that the principal amount of any series of Bonds issued hereunder shall not at the time of issuance of any such series of Bonds exceed the aggregate amount of the unfunded accrued actuarial liability and the normal cost for the then-current fiscal year represented by the PERS Obligations as of such time of issuance, as reported to the City by PERS, plus an amount required to pay all costs of issuing such Bonds (including, but not limited to, underwriter's discount and original issue discount, if any).

Any bonds issued under the Bond Law to refund Bonds shall constitute Bonds as defined in this Resolution.

Section 2. Material Provisions of Bonds. Each series of Bonds shall be issued under an Indenture of Trust (the "Bond Indenture") between the City and a corporate trustee, in substantially the

form on file with the City Clerk, together with any changes therein or additions thereto deemed advisable by the City Manager or the Finance Director (each, an “Authorized Officer”). The execution of a Bond Indenture by an Authorized Officer shall be conclusive evidence of the approval of any such changes or additions. The Bonds shall be subject to the following limitations:

- (a) Each series of Bonds shall mature over a term not exceeding 35 years from the date of their original issuance.
- (b) Interest on each series of Bonds will be calculated at a fixed rate, which shall not exceed the maximum rate of interest permitted by law.
- (c) Principal, interest, and redemption premiums (if any) on the Bonds shall be payable from the General Fund of the City and from any other source of legally available funds of the City. The Bonds shall not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation.
- (d) Principal, interest, and redemption premiums (if any) on the Bonds shall be secured by a lien on, and security interest in, the funds and accounts provided for in the Bond Indenture.
- (e) Proceeds of each series of the Bonds, except to the extent required to pay the costs of issuing such Bonds (including, but not limited to, underwriter’s discount and original issue discount, if any), shall be deposited with the Trustee and applied to refinance the then-existing PERS Obligations of the City in compliance with the Bond Law.

Section 3. Institution of Judicial Validation Proceedings. The City Council hereby authorizes the filing of an action to determine the validity of the Bonds, the form of the Bond Indenture and related matters in the Superior Court of Kings County, under the provisions of Sections 860 et seq. of the Code of Civil Procedure of the State of California. Jones Hall, A Professional Law Corporation, acting as bond counsel to the City, and working in conjunction with the City Attorney, is hereby directed to prepare and cause to be filed and prosecuted to completion all proceedings required for the judicial validation of the Bonds, the form of the Bond Indenture, and related matters.

Section 4. Engagement of Financing Team. In connection with the issuance and sale of the 2022 Bonds, NHA Advisors LLC is designated to serve as municipal advisor to the City, and Jones Hall, A Professional Law Corporation, is designated to serve as bond counsel and disclosure counsel to the City. The City Council hereby authorizes the execution by an Authorized Officer of a professional services agreement with each of said firms, as and to the extent deemed necessary or desirable by an Authorized Officer. In addition, an Authorized Officer is authorized and directed to select a bond underwriter and a corporate trustee for the 2022 Bonds.

Section 5. Approval of Additional Documents and Actions. Upon the successful completion of the validation action authorized under Section 3, City staff shall cause to be submitted to the City Council for each series of Bonds a further resolution of the City Council approving the following, as applicable: (i) an agreement for the purchase of the applicable series of Bonds by the underwriter or other initial purchaser, (ii) a Preliminary Official Statement relating to such series of Bonds, to be prepared by the City’s disclosure counsel, if applicable, (iii) the substantially final form of the Bond Indenture for such series of Bonds, and (iv) authorization for City staff to execute such other agreements and documents, and take such other actions, as are necessary or convenient to implement the issuance, sale and delivery of such series of Bonds, including the addition of final pricing-related information to any of the foregoing agreements.

Section 6. Effective Date. This Resolution shall take effect from and after the date of approval and adoption thereof.

PASSED, ADOPTED AND APPROVED at a regular meeting of the City Council of the City of Hanford duly called and held on December 7, 2021, by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

APPROVED: _____
FRANCISCO RAMIREZ
MAYOR of the City of Hanford

ATTEST: _____
NATALIE CORRAL
CITY CLERK

STATE OF CALIFORNIA)
COUNTY OF KINGS) ss
CITY OF HANFORD)

I, NATALIE CORRAL, City Clerk of the City of Hanford, do hereby certify the foregoing Resolution was duly passed and adopted at a regular meeting of the City Council of the City of Hanford held on the 7th day of December, 2021.

Date: _____

NATALIE CORRAL
CITY CLERK

INDENTURE OF TRUST

Dated as of _____ 1, 20__

between the

CITY OF HANFORD

and

[TRUSTEE],
as Trustee

Relating to

\$ _____
City of Hanford
20__ Taxable Pension Obligation Bonds

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APPENDIX A - DEFINITIONS

APPENDIX B - FORM OF BOND

INDENTURE OF TRUST

This INDENTURE OF TRUST (this "Indenture") dated as of _____ 1, 20__, is between the CITY OF HANFORD, a general law city and municipal corporation duly organized and existing under the laws of the State of California (the "City"), and [TRUSTEE], a national banking association organized and existing under the laws of the United States of America, as trustee (the "Trustee").

BACKGROUND:

1. The City has previously elected to become a contracting member of the California Public Employees' Retirement System ("PERS"), and as such the City is obligated by Sections 20000 *et seq.* of the California Government Code (the "Retirement Law"), to make payments to PERS relating to pension benefits accruing to retired City employees who are PERS members, including retired public safety employees and retired miscellaneous employees (the "PERS Obligations").

2. The City is authorized under the provisions of Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53570 of said Code (the "Bond Law"), to issue its bonds for the purpose of refunding certain outstanding indebtedness of the City, including the PERS Obligations.

3. In order to refund the PERS Obligations and thereby realize substantial cash flow savings and accomplish a more prudent amortization of its unfunded actuarial accrued liability in respect of the PERS Obligations, the City has determined to issue its \$_____ aggregate principal amount of City of Hanford 20__ Taxable Pension Obligation Bonds (the "Bonds") under the Bond Law and this Indenture, and under the Authorizing Resolution.

4. The principal of and interest on the Bonds are payable from any source of legally available funds of the City, including amounts on deposit in the General Fund of the City.

5. The Bonds have been determined to be the legal, valid and binding obligations of the City by judgment of the Kings County Superior Court rendered on _____, 20__ in *City of Hanford v. All Persons Interested, et al.*, Case No. _____.

6. The City has determined that all acts and proceedings required by law necessary to make the Bonds, when executed by the City, authenticated and delivered by the Trustee and duly issued, the valid, binding and legal limited obligations of the City, and to constitute this Indenture a valid and binding agreement for the uses and purposes herein set forth in accordance with its terms, have been done or taken.

A G R E E M E N T :

In order to secure the payment of the principal of and the interest and redemption premium (if any) on all the Outstanding Bonds under this Indenture according to their tenor, and to secure the performance and observance of all the covenants and conditions therein and herein set forth, and to declare the terms and conditions upon and subject to which the Bonds are to be issued and received, and in consideration of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the Owners thereof, and for other valuable considerations, the receipt of which is hereby acknowledged, the City and the Trustee hereby covenant and agree with one another, for the benefit of the respective Owners from time to time of the Bonds, as follows:

ARTICLE I

DEFINITIONS; RULES OF CONSTRUCTION

SECTION 1.01. *Definitions.* Unless the context clearly otherwise requires or unless otherwise defined herein, the capitalized terms defined in Appendix A attached to this Indenture have the respective meanings specified in Appendix A when used in this Indenture.

SECTION 1.02. *Authorization.* Each of the parties represents and warrants that it has full legal authority and is duly empowered to enter into this Indenture, and has taken all actions necessary to authorize the execution hereof by the officers and persons signing it.

SECTION 1.03. *Interpretation.*

(a) Unless the context otherwise indicates, words expressed in the singular include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and do not affect the meaning, construction or effect hereof.

(c) All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Indenture; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II

AUTHORIZATION AND TERMS OF BONDS

SECTION 2.01. *Authorization and Purpose of Bonds.* The City has reviewed all proceedings heretofore taken and has found, as a result of such review, and hereby finds and determines that all things, conditions and acts required by law to exist, happen or be performed precedent to and in connection with the issuance of the Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and the City is now duly empowered, under each and every requirement of law, to issue the Bonds in the manner and form provided in this Indenture.

The City hereby authorizes the issuance of the Bonds in the aggregate principal amount of \$_____ under the Authorizing Resolution and the Bond Law for the purposes of providing funds to refinance the PERS Obligations of the City as provided herein. The Bonds are designated the "City of Hanford 20__ Taxable Pension Obligation Bonds."

SECTION 2.02. *Terms of the Bonds.* The Bonds shall be issued in fully registered form without coupons in denominations of \$5,000 or any integral multiple thereof. The Bonds shall be dated as of the Closing Date and mature on July 15 in the years and in the respective principal amounts and bear interest (calculated on the basis of a 360-day year comprised of twelve 30-day months) at the respective rates per annum, as set forth in the following table:

Maturity Date (<u>July 15</u>)	Principal <u>Amount</u>	Interest <u>Rate</u>
-------------------------------------	----------------------------	-------------------------

Term Bond

Interest on the Bonds is payable from the Interest Payment Date immediately preceding the date of authentication thereof unless:

- (a) a Bond is authenticated on or before an Interest Payment Date and after the close of business on the preceding Record Date, in which event it will bear interest from such Interest Payment Date,

- (b) a Bond is authenticated on or before the first Record Date, in which event interest thereon will be payable from the Closing Date, or
- (c) interest on a Bond is in default as of the date of authentication thereof, in which event interest thereon will be payable from the date to which interest has been paid in full, payable on each Interest Payment Date.

Interest is payable on each Interest Payment Date to the persons in whose names the ownership of the Bonds is registered on the Registration Books at the close of business on the immediately preceding Record Date, except as provided below. Interest on a Bond which is not punctually paid or duly provided for on any Interest Payment Date is payable to the person in whose name the ownership of such Bond is registered on the Registration Books at the close of business on a special record date for the payment of such defaulted interest to be fixed by the Trustee, notice of which is given to such Owner by first-class mail not less than ten days prior to such special record date.

The Trustee will pay interest on the Bonds by check of the Trustee mailed by first class mail, postage prepaid, on each Interest Payment Date to the Owners of the Bonds at their respective addresses shown on the Registration Books as of the close of business on the preceding Record Date. At the written request of the Owner of Bonds in an aggregate principal amount of at least \$1,000,000, which written request is on file with the Trustee as of any Record Date, the Trustee will pay interest on such Bonds on each succeeding Interest Payment Date by wire transfer in immediately available funds to such account of a financial institution within the United States of America as specified in such written request, which written request will remain in effect until rescinded in writing by the Owner. The Trustee will pay principal of the Bonds in lawful money of the United States of America by check of the Trustee upon presentation and surrender thereof at the Office of the Trustee.

SECTION 2.03. *Redemption of Bonds.*

(a) Optional Redemption. The Bonds maturing on or before July 15, 20__ are not subject to redemption prior to their respective stated maturities. The Bonds maturing on or after July 15, 20__, are subject to redemption in whole, or in part among maturities on such basis as set forth in a Request of the City, and within a maturity on a pro rata basis among the Beneficial Owners of the Bonds of such maturity, at the option of the City, on any date on or after July 15, 20__, from any available source of funds, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium.

The City shall give the Trustee written notice of its intention to redeem Bonds under this subsection (a), and the manner of selecting such Bonds for redemption from among the maturities thereof and the amount of the redemption premium thereon, at least 30 days prior to the date fixed for redemption.

(b) Mandatory Sinking Fund Redemption. The Term Bonds are subject to mandatory redemption, within a maturity on a pro rata basis among the Beneficial Owners of the Term Bonds of such maturity, at a redemption price equal to 100% of the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on July 15 in the respective years as set forth in the following table. If some but not all of the Term Bonds have been optionally redeemed under subsection (a) of this

Section, the total amount of all future sinking fund payments will be reduced by the aggregate principal amount of the Term Bonds so redeemed, to be allocated among such sinking fund payments on a pro rata basis in integral multiples of \$5,000 (as set forth in a schedule provided by the City to the Trustee).

**Term Bonds Maturing
July 15, 20__**

Sinking Fund
Redemption Date
(July 15)

Principal Amount
To Be Redeemed

(c) Notice of Redemption. The Trustee on behalf and at the expense of the City will mail (by first class mail) notice of any redemption to the respective Owners of Bonds designated for redemption at their respective addresses appearing on the Registration Books, to the Securities Depositories and the Municipal Securities Rulemaking Board, at least 20 but not more than 60 days prior to the date fixed for redemption; *provided, however*, that neither failure to receive any such notice so mailed nor any defect therein will affect the validity of the proceedings for the redemption of such Bonds or the cessation of the accrual of interest thereon. Such notice must state the date of the notice, the redemption date, the redemption place and the redemption price and must designate the CUSIP numbers, the Bond numbers and the maturity or maturities (in the event of redemption of all of the Bonds of such maturity or maturities in whole) of the Bonds to be redeemed, and must require that such Bonds be then surrendered at the Office of the Trustee identified in such notice for redemption at the redemption price, giving notice also that further interest on such Bonds will not accrue from and after the redemption date.

(d) Right to Rescind Notice of Optional Redemption. The City may send a conditional notice of an optional redemption of Bonds under subsection (a) of this Section. The City may rescind any notice of the optional redemption of Bonds under subsection (a) of this Section by written notice to the Trustee on or prior to the date fixed for redemption. Any notice of optional redemption will be cancelled and annulled if for any reason funds will not be or are not available on the date fixed for redemption for the payment in full of the Bonds then called for redemption, and such cancellation will not constitute an Event of Default. The City and the Trustee have no liability to the Owners or any other party related to or arising from such rescission of redemption. The Trustee will mail notice of such rescission of redemption in the same manner as the original notice of redemption was sent under subsection (c) of this Section.

(e) Manner of Redemption. Whenever provision is made in this Section 2.03 for the redemption of less than all of the Bonds of a maturity, the Trustee shall select the Bonds of such maturity to be redeemed on a pro rata basis among the Beneficial Owners of the Bonds of such maturity. For purpose of such selection, all Bonds will be deemed to be comprised of separate \$5,000 denominations and such separate denominations will be treated as separate Bonds which may be separately redeemed.

So long as the Bonds are registered in book-entry-only form and so long as the Depository or a successor securities depository is the sole registered Owner of the Bonds, partial redemptions will be done in accordance with procedures of the Depository. It is the City's intent that redemption allocations made by the Depository be made in accordance with the proportional provisions described herein. However, neither the City nor the Trustee has a duty to assure, and can provide no assurance, that DTC will allocate redemptions among Beneficial Owners on such a proportional basis, and neither the City nor the Trustee shall have any liability whatsoever to Beneficial Owners in the event redemptions are not done on a proportionate basis for any reason. The portion of any registered Bonds of a denomination of more than \$5,000 to be redeemed will be in the principal amount of \$5,000 or any integral multiple thereof.

(f) Partial Redemption of Bonds. If only a portion of a Bond is called for redemption, then upon surrender of such Bond the City will execute and the Trustee shall authenticate and deliver to the Owner thereof, at the expense of the City, a new Bond or Bonds of the same series and maturity date, of authorized denominations in aggregate principal amount equal to the unredeemed portion of the Bond to be redeemed.

(g) Effect of Redemption. From and after the date fixed for redemption, if notice of redemption has been duly mailed and funds available for the payment of the principal of and interest (and premium, if any) on the Bonds so called for redemption have been duly provided, such Bonds so called shall cease to be entitled to any benefit under this Indenture other than the right to receive payment of the redemption price, and no interest shall accrue thereon from and after the redemption date specified in such notice. Unless otherwise directed in writing by the City, the Trustee shall cancel and destroy all Bonds redeemed under this Section 2.03.

SECTION 2.04. *Book Entry System.*

(a) Original Delivery. The Bonds will be initially delivered in the form of a separate single fully registered bond (which may be typewritten) for each maturity of the Bonds. Upon initial delivery, the Trustee shall register the ownership of each Bond on the Registration Books in the name of the Nominee. Except as provided in subsection (c), the ownership of all of the Outstanding Bonds will be registered in the name of the Nominee on the Registration Books.

With respect to Bonds the ownership of which is registered in the name of the Nominee, the City and the Trustee has no responsibility or obligation to any Depository System Participant or to any person on behalf of which the Nominee holds an interest in the Bonds. Without limiting the generality of the immediately preceding sentence, the City and the Trustee has no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee or any Depository System Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any Depository System Participant or any other person, other than a Bond Owner as shown in the Registration Books, of any notice with respect to the Bonds, including any notice of redemption, (iii) the selection by the Depository of the beneficial interests in the Bonds to be redeemed if the City elects to redeem the Bonds in part, (iv) the payment to any Depository System Participant or any other person, other than a Bond Owner as shown in the Registration Books, of any amount with respect to principal, premium, if any, or interest on the Bonds or (v) any consent given or other action taken by the Depository as Owner of the Bonds. The City and the Trustee may treat and consider the person in whose name each Bond is

registered as the absolute owner of such Bond for the purpose of payment of principal of and premium, if any, and interest on such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers of ownership of such Bond, and for all other purposes whatsoever. The Trustee shall pay the principal of and the interest and premium, if any, on the Bonds only to the respective Owners or their respective attorneys duly authorized in writing, and all such payments will be valid and effective to fully satisfy and discharge all obligations with respect to payment of principal of and interest and premium, if any, on the Bonds to the extent of the sum or sums so paid. No person other than a Bond Owner shall receive a Bond evidencing the obligation of the City to make payments of principal, interest and premium, if any, under this Indenture. Upon delivery by the Depository to the City of written notice to the effect that the Depository has determined to substitute a new Nominee in its place, and subject to the provisions herein with respect to Record Dates, such new nominee will become the Nominee hereunder for all purposes; and upon receipt of such a notice the City will promptly deliver a copy of the same to the Trustee.

(b) Representation Letter. In order to qualify the Bonds for the Depository's book-entry system, the City will execute and deliver to such Depository a letter representing such matters as necessary to so qualify the Bonds. The execution and delivery of such letter shall not in any way limit the provisions of subsection (a) above or in any other way impose upon the City or the Trustee any obligation whatsoever with respect to persons having interests in the Bonds other than the Bond Owners. Upon the written acceptance by the Trustee, the Trustee shall agree to take all action reasonably necessary for all representations of the Trustee in such letter with respect to the Trustee to at all times be complied with. In addition to the execution and delivery of such letter, the City may take any other actions, not inconsistent with this Indenture, to qualify the Bonds for the Depository's book-entry program.

(c) Transfers Outside Book-Entry System. If either (i) the Depository determines not to continue to act as Depository for the Bonds, or (ii) the City determines to terminate the Depository as such, then the City will thereupon discontinue the book-entry system with such Depository. In such event, the Depository shall cooperate with the City and the Trustee in the issuance of replacement Bonds by providing the Trustee with a list showing the interests of the Depository System Participants in the Bonds, and by surrendering the Bonds, registered in the name of the Nominee, to the Trustee on or before the date such replacement Bonds are to be issued. The Depository, by accepting delivery of the Bonds, agrees to be bound by the provisions of this subsection (c). If, prior to the termination of the Depository acting as such, the City fails to identify another Securities Depository to replace the Depository, then the Bonds shall no longer be required to be registered in the Registration Books in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging Bonds shall designate, in accordance with the provisions hereof.

If the City determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the City may notify the Depository System Participants of the availability of such certificated Bonds through the Depository. In such event, the Trustee will issue, transfer and exchange Bonds as required by the Depository and others in appropriate amounts; and whenever the Depository requests, the Trustee and the City will cooperate with the Depository in taking appropriate action (a) to make available one or more separate certificates evidencing the Bonds to any Depository System Participant having Bonds credited to its account with the Depository,

or (b) to arrange for another Securities Depository to maintain custody of a single certificate evidencing such Bonds, all at the City's expense.

(d) Payments to the Nominee. Notwithstanding any other provision of this Indenture to the contrary, so long as a Bond is registered in the name of the Nominee, all payments with respect to principal of and interest and premium, if any, on that Bond and all notices with respect to that Bond shall be made and given, respectively, as provided in the letter described in subsection (b) of this Section or as otherwise instructed by the Depository.

SECTION 2.05. *Form and Execution of Bonds.* The Bonds, the form of Trustee's certificate of authentication, and the form of assignment to appear thereon, are set forth in Appendix B attached hereto and by this reference incorporated herein, with necessary or appropriate variations, omissions and insertions, as permitted or required by this Indenture.

The City Manager shall execute, and the City Clerk of the City shall attest each Bond. Any or all of such signatures may be made manually or may be affixed by facsimile thereof. If any officer whose signature appears on a Bond ceases to be such officer before the Closing Date, such signature will nevertheless be as effective as if the officer had remained in office until the Closing Date. A Bond may be signed and attested on behalf of the City by such persons as at the actual date of the execution of that Bond are the proper officers of the City, duly authorized to execute debt instruments on behalf of the City, although on the date of that Bond any such person was not an officer of the City.

Only those Bonds bearing a certificate of authentication in the form set forth in Appendix B, manually executed and dated by the Trustee, are valid or obligatory for any purpose or entitled to the benefits of this Indenture, and such certificate of the Trustee is conclusive evidence that such Bonds have been duly authenticated and delivered hereunder and are entitled to the benefits of this Indenture.

SECTION 2.06. *Transfer and Exchange of Bonds.*

(a) Transfer. A Bond may, in accordance with its terms, be transferred, upon the Registration Books, by the person in whose name it is registered, in person or by a duly authorized attorney of such person, upon surrender of that Bond to the Trustee at its Office for cancellation, accompanied by delivery of a written instrument of transfer in a form acceptable to the Trustee, duly executed. The Trustee shall collect any tax or other governmental charge on the transfer of any Bonds under this Section 2.06. Whenever any Bond or Bonds are surrendered for transfer, the City will execute and the Trustee shall authenticate and deliver to the transferee a new Bond or Bonds of like series, interest rate, maturity and aggregate principal amount. The City will pay the cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any transfer of Bonds.

(b) Exchange. The Bonds may be exchanged at the Office of the Trustee for a like aggregate principal amount of Bonds of other authorized denominations and of the same series, interest rate and maturity. The Trustee shall collect any tax or other governmental charge on the exchange of Bonds under this subsection (b). The City will pay the cost of printing Bonds and any services rendered or expenses incurred by the Trustee in connection with any exchange of Bonds.

(c) Limitations. The Trustee may refuse to transfer or exchange, under the provisions of this Section 2.06, any Bonds selected by the Trustee for redemption under Section 2.03, or any Bonds during the period established by the Trustee for the selection of Bonds for redemption.

SECTION 2.07. *Registration Books*. The Trustee will keep or cause to be kept, at its Office, sufficient records for the registration and registration of transfer of the Bonds, which shall at all times during normal business hours, and upon reasonable notice, be open to inspection by the City. The Trustee will register the ownership and transfer of the Bonds on the Registration Books under such reasonable regulations as it may prescribe.

SECTION 2.08. *Bonds Mutilated, Lost, Destroyed or Stolen*. If a Bond is mutilated, the City, at the expense of the Owner of that Bond, shall execute, and the Trustee shall thereupon authenticate and deliver, a new Bond of like tenor in exchange and substitution for the Bond so mutilated, upon surrender to the Trustee of the Bond so mutilated. The Trustee shall cancel every mutilated Bond surrendered to it and deliver such mutilated Bond to or upon the order of the City. If a Bond is lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee and, if such evidence is satisfactory to the Trustee and if indemnity satisfactory to the Trustee is given, the City, at the expense of the Owner, will execute, and the Trustee will thereupon authenticate and deliver, a new Bond of like tenor in lieu of and in substitution for the Bond so lost, destroyed or stolen. The Trustee may require payment of a sum not exceeding the actual cost of preparing each new Bond issued under this Section and of the expenses which may be incurred by the Trustee in connection therewith. Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen will constitute an original additional contractual obligation on the part of the City whether or not the Bond so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and are equally and proportionately entitled to the benefits of this Indenture with all other Bonds issued under this Indenture.

Notwithstanding any other provision of this Section 2.08, in lieu of delivering a new Bond for which principal has become due for a Bond which has been mutilated, lost, destroyed or stolen, the Trustee may make payment of such Bond in accordance with its terms upon receipt of indemnity satisfactory to the Trustee.

ARTICLE III

DEPOSIT AND APPLICATION OF PROCEEDS OF BONDS

SECTION 3.01. *Issuance of Bonds.* Upon the execution and delivery of this Indenture, the City shall execute and deliver Bonds in the aggregate principal amount of \$_____ to the Trustee and the Trustee shall authenticate and deliver the Bonds to the Original Purchaser upon receipt of a Request of the City therefor.

SECTION 3.02. *Deposit and Application of Proceeds.* Upon receipt of the proceeds of the Bonds on the Closing Date in the amount of \$_____ (being the par amount of the Bonds (\$_____), less an Original Purchaser's discount of \$_____), the Trustee shall deposit the proceeds into a special fund to be held by the Trustee and known as the Bond Proceeds Account which the Trustee shall establish and hold in trust hereunder, to be applied as follows:

- (a) The Trustee shall deposit the amount of \$_____ in the Costs of Issuance Fund.
- (b) The Trustee shall apply the amount of \$_____, constituting the remainder of the proceeds of sale of the Bonds, to the satisfaction of a portion of the City's then-current outstanding obligations under the PERS Contracts by effecting three separate wire transfers of such proceeds to PERS, in accordance with a Request of the City.

After making the foregoing transfers, the Trustee shall close the Bond Proceeds Account.

SECTION 3.03. *Costs of Issuance Fund.* There is hereby established a separate fund to be known as the "Costs of Issuance Fund," to be held by the Trustee. The Trustee shall disburse moneys in the Costs of Issuance Fund from time to time to pay Costs of Issuance upon submission of a Request of the City stating (a) the person to whom payment is to be made, (b) the amounts to be paid, (c) the purpose for which the obligation was incurred, (d) that such payment is a proper charge against the Costs of Issuance Fund, and (e) that such amounts have not been the subject of a prior Request of the City; in each case together with a statement or invoice for each amount requested thereunder. On the date that is six months after the Closing Date, the Trustee shall transfer any amounts remaining in the Costs of Issuance Fund to the Debt Service Fund.

SECTION 3.04. *Validity of Bonds.* The validity of the authorization and issuance of the Bonds is not dependent upon the expenditure of the proceeds thereof to pay PERS Obligations, or upon the performance by any person of its obligation with respect to the PERS Obligations.

ARTICLE IV

SECURITY OF BONDS; FLOW OF FUNDS; INVESTMENTS

SECTION 4.01. *Security of Bonds; Equal Security.* The obligations of the City under the Bonds, including the obligation to make all payments of principal of and interest on the Bonds when due and the obligation of the City to make the deposits required hereunder for the security of the Bonds, are obligations of the City imposed by law and are absolute and unconditional, without any right of set-off or counterclaim. Principal, interest, and redemption premiums (if any) on the Bonds shall be secured by a lien on, and security interest in, the funds and accounts provided for in this Article IV.

The City agrees to pay from any legally available source of revenues of the City, including amounts on deposit in the General Fund of the City, all amounts due and owing with respect to Bonds issued under this Indenture, including principal and interest thereon and the redemption price thereof.

The Bonds do not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation. Neither the Bonds nor the obligations of the City to make payments on the Bonds constitute an indebtedness of the City, the State of California, or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction.

In consideration of the acceptance of the Bonds by those who hold the same from time to time, this Indenture constitutes a contract between the City and the Owners from time to time of the Bonds, and the covenants and agreements herein set forth to be performed on behalf of the City are for the equal and proportionate benefit, security and protection of all Owners of the Bonds without preference, priority or distinction as to security or otherwise of any of the Bonds over any of the others by reason of the number or date thereof or the time of sale, execution and delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or herein.

SECTION 4.02. *Debt Service Fund; Transfer of Amounts to Trustee.* There is hereby established a separate fund to be known as the "Debt Service Fund" which shall be held by the Trustee in trust for the benefit of the Bond Owners. The Trustee will hold the Debt Service Fund for the uses and purposes set forth herein, so long as any of the Bonds remain Outstanding. The City will transfer an amount of legally available funds to the Trustee in the following amounts at the following times, for deposit by the Trustee in the following respective special accounts within the Debt Service Fund, which accounts are hereby established with the Trustee with respect to the Bonds, in the following order of priority:

- (a) Interest Account. On or before the 5th Business Day preceding each date on which interest on the Bonds is due and payable, the City will transfer to the Trustee for deposit in the Interest Account an amount which, when added to the amount then on deposit in the Interest Account, equals the aggregate amount of the interest coming due and payable on the Outstanding Bonds on that date. The Trustee will

apply amounts in the Interest Account solely for the purpose of paying the interest on the Bonds when due and payable.

- (b) Principal Account. On or before the 5th Business Day preceding each date on which principal of the Bonds is due and payable at maturity or upon mandatory sinking fund redemption, the City will transfer to the Trustee for deposit in the Principal Account an amount which, when added to the amount then on deposit in the Principal Account, equals the amount of principal coming due and payable on that date on the Outstanding Bonds, including the principal amount of the Term Bonds which are subject to mandatory sinking fund redemption on that date under Section 2.03(b). The Trustee will apply amounts in the Principal Account solely for the purpose of paying the principal of the Bonds at the maturity thereof and the principal of the Term Bonds upon the mandatory sinking fund redemption thereof.

SECTION 4.03. *Investment of Moneys in Funds.* The Trustee shall invest moneys in the funds and accounts established and held by it hereunder in Permitted Investments specified in the Request of the City (which Request will be deemed to include a certification that the specified investment is a Permitted Investment) delivered to the Trustee at least two Business Days in advance of the making of such investments. In the absence of any direction from the City concerning the investment of amounts held by the Trustee hereunder, the Trustee shall invest any such amounts solely in Permitted Investments described in subsection (c) of the definition thereof. The City shall ensure that all Permitted Investments mature not later than the date on which the funds invested therein are required to be expended.

Obligations purchased as an investment of moneys in any fund or account will be deemed to be part of such fund or account. Whenever in this Indenture the City is required to transfer any moneys to the Trustee, such transfer may be accomplished by transferring a like amount of Permitted Investments. All interest or gain derived from the investment of amounts in any of the funds or accounts held by the Trustee hereunder will be retained in the respective fund or account from which such investment was made. For purposes of acquiring any investments hereunder, the Trustee may commingle funds held by it hereunder upon receipt by the Trustee of the Request of the City. The Trustee may act as principal or agent in the acquisition or disposition of any investment and may impose its customary charges therefor. The Trustee shall incur no liability for losses arising from any investments made under this Section.

The Trustee shall provide the City with periodic cash transaction statements which include detail for all investment transactions effected by the Trustee or brokers selected by the City. Upon the City's election, such statements will be delivered via the Trustee's online service and upon electing such service, paper statements will be provided only upon request. The City waives the right to receive brokerage confirmations of security transactions effected by the Trustee as they occur, to the extent permitted by law. The City further understands that trade confirmations for securities transactions effected by the Trustee will be available upon request and at no additional cost and other trade confirmations may be obtained from the applicable broker.

The Trustee or any of its affiliates may act as sponsor, advisor or manager in connection with any investments made by the Trustee hereunder.

ARTICLE V

OTHER COVENANTS OF THE CITY

SECTION 5.01. *Punctual Payment.* The City shall, from any legally available source of funds of the City, including amounts on deposit in the General Fund of the City, punctually pay or cause to be paid the principal, premium (if any) and interest to become due in respect of all the Bonds in strict conformity with the terms of this Indenture. The City shall faithfully observe and perform all of the conditions, covenants and requirements of this Indenture and all Supplemental Indentures.

SECTION 5.02. *Budget and Appropriation of Debt Service; Certification to Trustee.* The City covenants to take such action as may be necessary to include in each of its annual budgets the payments required to be made by the City under Section 4.02, and to make the necessary annual appropriations for all such payments. If any payment of Debt Service requires the adoption by the City of a supplemental budget or appropriation, the City will promptly adopt the same. The covenants on the part of the City herein contained constitute duties imposed by law and it is the duty of each and every public official of the City to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the City to carry out and perform the covenants and agreements in this Indenture agreed to be carried out and performed by the City.

SECTION 5.03. *Extension of Payment of Bonds.* The City may not directly or indirectly extend or assent to the extension of the maturity of any of the Bonds or the time of payment of any claims for interest by the purchase of such Bonds or by any other arrangement, and if the maturity of any of the Bonds or the time of payment of any such claims for interest is extended, such Bonds or claims for interest are not entitled, in case of any default hereunder, to the benefits of this Indenture, except subject to the prior payment in full of the principal of all of the Outstanding Bonds and of all claims for interest thereon which have not been so extended. Nothing in this Section limits the right of the City to issue bonds for the purpose of refunding any Outstanding Bonds, and such issuance does not constitute an extension of maturity of the Bonds.

SECTION 5.04. *Books and Accounts; Financial Statements; Additional Information.* The City will keep, or cause to be kept, proper books of record and accounts, separate from all other records and accounts of the City. Such books of record and accounts shall at all times during business hours be subject, upon prior written request, to the reasonable inspection of the Trustee (who has no duty to inspect) or the Owners of not less than 10% in aggregate principal amount of the Bonds then Outstanding, or their representatives authorized in writing.

The City will cause to be prepared annually, within nine months after the close of each Fiscal Year so long as any of the Bonds are Outstanding, complete audited financial statements with respect to such Fiscal Year, as of the end of such Fiscal Year. The City will furnish a copy of such statements, upon reasonable request, to the Trustee. The Trustee has no duty to review any such financial statement.

SECTION 5.05. *Continuing Disclosure.* The City will comply with and carry out all of the provisions of the Continuing Disclosure Certificate. Notwithstanding any other provision hereof, failure of the City to comply with the Continuing Disclosure Certificate does not constitute an Event of Default hereunder; *provided, however*, that any Participating Underwriter (as such term is defined in the Continuing Disclosure Certificate) or any Owner or Beneficial Owner of the Bonds may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the City to comply with its obligations under this Section 5.05.

SECTION 5.06. *Protection of Security and Rights of Owners.* The City shall preserve and protect the security of the Bonds and the rights of the Owners. From and after the date of issuance of the Bonds, the City shall not contest the validity or enforceability of the Bonds or this Indenture.

SECTION 5.07. *Further Assurances.* The City shall adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Indenture, and for the better assuring and confirming unto the Bond Owners the rights and benefits provided in this Indenture.

ARTICLE VI

THE TRUSTEE

SECTION 6.01. *Duties, Immunities and Liabilities of Trustee.*

(a) The Trustee shall, prior to the occurrence of an Event of Default, and after the curing or waiving of all Events of Default which may have occurred, perform such duties and only such duties as are specifically set forth in this Indenture and no implied covenants or duties will be read into this Indenture against the Trustee. The Trustee shall, during the existence of any Event of Default (which has not been cured or waived), exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a reasonable corporate trustee would exercise or use.

(b) The City may remove the Trustee at any time, and shall remove the Trustee (i) if at any time requested to do so by an instrument or concurrent instruments in writing signed by the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding (or their attorneys duly authorized in writing) or (ii) if at any time (A) the Trustee ceases to be eligible in accordance with subsection (e) of this Section 6.01, (B) becomes incapable of acting, (C) is adjudged a bankrupt or insolvent, (D) a receiver of the Trustee or its property is appointed, or (E) any public officer takes control or charge of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation. The City may accomplish such removal by giving 30 days written notice to the Trustee, whereupon the City will appoint a successor Trustee by an instrument in writing.

(c) The Trustee may at any time resign by giving written notice of such resignation to the City, and by giving notice of such resignation by first class mail, postage prepaid, to the Bond Owners at their respective addresses shown on the Registration Books. Upon receiving such notice of resignation, the City will promptly appoint a successor Trustee by an instrument in writing.

(d) Any removal or resignation of the Trustee and appointment of a successor Trustee becomes effective upon acceptance of appointment by the successor Trustee. If no successor Trustee has been appointed and accepted appointment within 45 days following giving notice of removal or notice of resignation as aforesaid, the resigning Trustee, at the expense of the City, or any Owner (on behalf of such Owner and all other Owners) may petition any federal or state court for the appointment of a successor Trustee, and such court may thereupon, after such notice (if any) as it may deem proper, appoint such successor Trustee. Any successor Trustee appointed under this Indenture shall signify its acceptance of such appointment by executing and delivering to the City and to its predecessor Trustee a written acceptance thereof, and to the predecessor Trustee an instrument indemnifying the predecessor Trustee for any costs or claims arising during the time the successor Trustee serves as Trustee hereunder, and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the moneys, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Trustee, with like effect as if originally named Trustee herein; but, nevertheless, upon the receipt by the predecessor Trustee of the Request of the City or the request of the successor Trustee, such predecessor Trustee shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Trustee all the right, title and interest of such predecessor Trustee in and to any property held by it under this Indenture and shall pay over, transfer, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Upon request of the successor Trustee, the City will execute and deliver any and all instruments as may be reasonably required for more fully and certainly vesting in and confirming to such successor Trustee all such moneys, estates, properties, rights, powers, trusts, duties and obligations. Upon acceptance of appointment by a successor Trustee as provided in this subsection, the City will mail or cause the successor Trustee to mail, by first class mail postage prepaid, a notice of the succession of such Trustee to the trusts hereunder to each rating agency which then maintains a rating on the Bonds and to the Owners at the addresses shown on the Registration Books. If the City fails to mail such notice within 15 days after acceptance of appointment by the successor Trustee, the successor Trustee shall cause such notice to be mailed at the expense of the City.

(e) Any Trustee appointed under the provisions of this Section in succession to the Trustee shall (i) be a company or bank having trust powers, (ii) have a corporate trust office in the State of California, (iii) have (or be part of a bank holding company system whose bank holding company has) a combined capital and surplus of at least \$50,000,000, and (iv) be subject to supervision or examination by federal or state authority.

If such bank or company publishes a report of condition at least annually, under law or to the requirements of any supervising or examining authority above referred to, then for the purpose of this subsection the combined capital and surplus of such bank or company is deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. In case at any time the Trustee shall cease to be eligible

in accordance with the provisions of this subsection (e), the Trustee shall resign immediately in the manner and with the effect specified in subsection (c) of this Section.

SECTION 6.02. *Merger or Consolidation.* Any bank or company into which the Trustee may be merged or converted or with which either of them may be consolidated or any bank or company resulting from any merger, conversion or consolidation to which it shall be a party or any bank or company to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such bank or company shall be eligible under subsection (e) of Section 6.01, shall be the successor to such Trustee without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

SECTION 6.03. *Liability of Trustee.*

(a) The recitals of facts herein and in the Bonds contained shall be taken as statements of the City, and the Trustee assumes no responsibility for the correctness of the same, nor does it have any liability whatsoever therefor, nor does it make any representations as to the validity or sufficiency of this Indenture or of the Bonds nor does it incur any responsibility in respect thereof, other than as expressly stated herein. The Trustee is, however, be responsible for its representations contained in its certificate of authentication on the Bonds. The Trustee is not liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct. The Trustee is not liable for the acts of any agents of the Trustee selected by it with due care. The Trustee may become the Owner of Bonds with the same rights it would have if they were not Trustee and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of the Owners, whether or not such committee shall represent the Owners of a majority in principal amount of the Bonds then Outstanding. The Trustee, either as principal or agent, may engage in or be entrusted in any financial or other transaction with the City.

(b) The Trustee is not liable with respect to any action taken or omitted to be taken by it in accordance with the direction of the Owners of a majority in aggregate principal amount of the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture.

(c) The Trustee is not liable for any action taken by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture, except for actions arising from the negligence or willful misconduct of the Trustee. The permissive right of the Trustee to do things enumerated hereunder shall not be construed as a mandatory duty.

(d) The Trustee will not be deemed to have knowledge of any Event of Default hereunder unless and until a responsible officer of the Trustee has actual knowledge thereof, or unless and until a responsible officer of the Trustee has received written notice thereof at its Office. Except as otherwise expressly provided herein, the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any of the terms, conditions, covenants or agreements herein or of any of the documents executed in connection with the Bonds, or as to the existence of an Event of Default hereunder or thereunder. The Trustee shall not be responsible for the City's payment of principal and

interest on the Bonds, the City's observance or performance of any other covenants, conditions or terms contained herein, or the validity or effectiveness of any collateral given to or held by it. Without limiting the generality of the foregoing, and notwithstanding anything herein to the contrary, the Trustee is not responsible for reviewing the contents of any financial statements furnished to the Trustee under Section 5.05 and may rely conclusively on the Certificate of the City accompanying such financial statements to establish the City's compliance with its financial covenants hereunder.

(e) No provision in this Indenture requires the Trustee to risk or expend its own funds or otherwise incur any financial liability hereunder. The Trustee is entitled to receive interest on any moneys advanced by it hereunder, at the maximum rate permitted by law.

(f) The Trustee may establish additional accounts or subaccounts of the funds established hereunder as the Trustee deems necessary or prudent in furtherance of its duties under this Indenture.

(g) The Trustee has no responsibility or liability whatsoever with respect to any information, statement, or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Bonds, nor shall the Trustee have any obligation to review any such material, and any such review by the Trustee will not be deemed to create any obligation, duty or liability on the part of the Trustee.

(h) Before taking any action under Article VIII hereof the Trustee may require indemnity satisfactory to the Trustee be furnished to it to hold the Trustee harmless from any expenses whatsoever and to protect it against any liability it may incur hereunder.

(i) The immunities extended to the Trustee also extend to its directors, officers, employees and agents.

(j) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty.

(k) The Trustee may execute any of the trusts or powers hereof and perform any of its duties through attorneys, agents and receivers and shall not be answerable for the conduct of the same if appointed by it with reasonable care.

(l) The Trustee will not be considered in breach of or in default in its obligations hereunder or progress in respect thereto in the event of delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, Acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to any project refinanced with the proceeds of the Bonds, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event and/or occurrences beyond the control of the Trustee.

SECTION 6.04. *Right to Rely on Documents.* The Trustee is protected in acting upon any notice, resolution, requisition, request, consent, order, certificate, report, opinion or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel, including, without limitation, Bond Counsel or other counsel of or to the City, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by the Trustee hereunder in accordance therewith.

The Trustee is not bound to recognize any person as the Owner of a Bond unless and until such Bond is submitted for inspection, if required, and such person's title thereto is established to the satisfaction of the Trustee.

Whenever in the administration of the trusts imposed upon it by this Indenture the Trustee deems it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Certificate of the City, which shall be full warrant to the Trustee for any action taken or suffered in good faith under the provisions of this Indenture in reliance upon such Certificate, but in its discretion the Trustee may (but has no duty to), in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may deem reasonable. The Trustee may conclusively rely on any certificate or report of any Independent Accountant appointed by the City.

SECTION 6.05. *Preservation and Inspection of Documents.* The Trustee shall retain in its possession all documents received by it under the provisions of this Indenture, which are subject during normal business hours, and upon reasonable prior written notice, to the inspection of the City and any Owner, and their agents and representatives duly authorized in writing.

SECTION 6.06. *Compensation and Indemnification.* Absent any agreement to the contrary, the City shall pay to the Trustee from time to time compensation for all services rendered under this Indenture and also all expenses, charges, legal and consulting fees and other disbursements and those of its attorneys (including any allocated costs of internal counsel), agents and employees, incurred in and about the performance of its powers and duties under this Indenture.

The City further covenants to indemnify the Trustee and its officers, directors, agents and employees, against any loss, expense and liabilities, whether or not litigated, which it may incur arising out of or in the exercise and performance of its powers and duties hereunder, including the costs and expenses of defending against any claim of liability and of enforcing any remedies hereunder and under any related documents, but excluding any and all losses, expenses and liabilities which are due to the negligence or willful misconduct of the Trustee, its officers, directors, agents or employees. The obligations of the City under this Section 6.06 shall survive resignation or removal of the Trustee under this Indenture and payment of the Bonds and discharge of this Indenture.

SECTION 6.07. *Accounting Records and Financial Statements.* The Trustee shall at all times keep, or cause to be kept, proper books of record and account, prepared in accordance with industry standards, in which complete and accurate entries shall be made of all transactions made by it relating to the proceeds of the Bonds and all funds and

accounts established and held by the Trustee under this Indenture. Such books of record and account shall be available for inspection by the City at reasonable hours, during regular business hours, with reasonable prior notice and under reasonable circumstances. The Trustee shall furnish to the City, at least semiannually, an accounting (which may be in the form of its customary statements) of all transactions relating to the proceeds of the Bonds and all funds and accounts held by the Trustee under this Indenture.

ARTICLE VII

MODIFICATION OR AMENDMENT OF THIS INDENTURE

SECTION 7.01. *Amendments Permitted.*

(a) Amendment With Bond Owner Consent. This Indenture and the rights and obligations of the City and of the Owners of the Bonds may be modified or amended by the City and the Trustee upon Request of the City at any time by the execution of a Supplemental Indenture, with the written consents of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding, exclusive of Bonds disqualified as provided in Section 9.05. Any such Supplemental Indenture becomes effective upon the execution and delivery thereof by the parties thereto and upon consent of the requisite Bond Owners. No such modification or amendment may:

- (i) extend the maturity of a Bond or reduce the interest rate thereon, or otherwise alter or impair the obligation of the City to pay the principal thereof, or interest thereon, or any premium payable on the redemption thereof, at the time and place and at the rate and in the currency provided therein, without the written consent of the Owner of that Bond; or
- (ii) modify any of the rights or obligations of the Trustee without its written consent.

(b) Amendment Without Bond Owner Consent. This Indenture and the rights and obligations of the City and of the Owners of the Bonds may also be modified or amended at any time by a Supplemental Indenture, without the consent of any Owners of the Bonds, for any one or more of the following purposes:

- (i) to add to the covenants and agreements of the City contained in this Indenture, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or power herein reserved to or conferred upon the City;
- (ii) to provide additional security for the Bonds; or
- (iii) to cure any ambiguity, or to cure, correct or supplement any defective provision contained in this Indenture, or in any other respect whatsoever as the City deems necessary or desirable, provided under any circumstances that such modifications or amendments do not materially adversely affect the interests of the Owners in the opinion of Bond Counsel filed with the City and the Trustee.

SECTION 7.02. *Effect of Supplemental Indenture.* From and after the time any Supplemental Indenture becomes effective under this Article VII, this Indenture shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations of the parties hereto or thereto and all Owners, as the case may be, shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any Supplemental Indenture shall be deemed to be part of the terms and conditions of this Indenture for any and all purposes.

SECTION 7.03. *Endorsement or Replacement of Bonds After Amendment.* After the effective date of any amendment or modification hereof under this Article VII, the City may determine that any or all of the Bonds shall bear a notation, by endorsement in form approved by the City, as to such amendment or modification and in that case upon demand of the City the Owners of such Bonds shall present such Bonds for that purpose at the Office of the Trustee, and thereupon a suitable notation as to such action shall be made on such Bonds. In lieu of such notation, the City may determine that new Bonds shall be prepared and executed in exchange for any or all of the Bonds and in that case upon demand of the City the Owners of the Bonds shall present such Bonds for exchange at the Office of the Trustee without cost to such Owners.

SECTION 7.04. *Amendment by Mutual Consent.* The provisions of this Article VII do not prevent any Owner from accepting any amendment as to the particular Bond held by such Owner.

SECTION 7.05. *Trustee's Reliance.* The Trustee may conclusively rely, and is protected in relying, upon a Certificate of the City and an opinion of counsel stating that all requirements of this Indenture relating to the amendment or modification hereof have been satisfied and that such amendments or modifications do not materially adversely affect the interests of the Bond Owners.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES

SECTION 8.01. *Events of Default.* Each of the following events constitutes an Event of Default hereunder:

- (a) Failure to pay any installment of the principal of any Bonds when due, whether at maturity as therein expressed, by proceedings for redemption, by acceleration, or otherwise.
- (b) Failure to pay any installment of interest on the Bonds when due.
- (c) Failure by the City to observe and perform any of the other covenants, agreements or conditions on its part contained in this Indenture or in the Bonds, if such failure has continued for a period of 30 days after written notice thereof, specifying such failure and requiring the same to be remedied, has been given to the City by the Trustee er;

provided, however, if in the reasonable opinion of the City the failure stated in the notice can be corrected, but not within such 30-day period, such failure will not constitute an Event of Default if corrective action is instituted by the City and thereafter diligently and in good faith cures the failure in a reasonable period of time.

- (d) The City commences a voluntary case under Title 11 of the United States Code or any substitute or successor statute.

SECTION 8.02. *Remedies on Default.* If an Event of Default occurs under Section 8.01 and is continuing, the Trustee may, and at the written direction of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding the Trustee must, (a) declare the principal of the Bonds, together with the accrued interest thereon, to be due and payable immediately, and upon any such declaration the same will become immediately due and payable, anything in this Indenture or in the Bonds to the contrary notwithstanding, and (b) subject to the provisions of Sections 8.07 and 8.09, exercise any other remedies available to the Trustee and the Bond Owners in law or at equity to enforce the rights of the Bond Owners under this Indenture. Without limiting the generality of the foregoing, the Trustee shall have the right by mandamus, suit, action or proceeding, to compel the City and its members, officers, agents or employees to perform each and every term, provision and covenant contained in this Indenture and in the Bonds, and to require the carrying out of any or all such covenants and agreements of the City and the fulfillment of all duties imposed upon it.

This provision, however, is subject to the condition that if, at any time after the principal of the Bonds has been so declared due and payable, and before any judgment or decree for the payment of the moneys due has been obtained or entered, the City deposits with the Trustee a sum sufficient to pay all principal on the Bonds matured prior to such declaration and all matured installments of interest (if any) upon all the Bonds, with interest on such overdue installments of principal and interest at an interest rate equal to the highest rate borne by the Outstanding Bonds, and the reasonable fees and expenses of the Trustee, including fees and expenses of its attorneys, and any and all other defaults known to the Trustee (other than in the payment of principal of and interest on the Bonds due and payable solely by reason of such declaration) has been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate has been made therefor, then, and in every such case, the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding, by written notice to the City and to the Trustee, may, on behalf of the Owners of all of the Bonds, rescind and annul such declaration and its consequences. However, no such rescission and annulment shall extend to or shall affect any subsequent default, or shall impair or exhaust any right or power consequent thereon.

SECTION 8.03. *Notice of Event of Default.* Immediately upon becoming aware of the occurrence of an Event of Default, but in no event later than five Business Days following becoming aware of such occurrence, the Trustee shall give notice of such Event of Default to the City by telephone confirmed in writing. Such notice must also state whether the principal of the Bonds has been declared to be or have immediately become due and payable as provided in Section 8.02(a). With respect to any Event of Default described in Section 8.01(a) or (b), the Trustee shall, and with respect to any Event of Default described in Section 8.01(c) the Trustee in its sole discretion may, also give such notice to the Bond Owners in the same manner as provided herein for notices of

redemption of the Bonds, which must include the statement that interest on the Bonds will cease to accrue from and after the date, if any, on which the Trustee declares the Bonds to become due and payable under Section 8.02 (but only to the extent that principal and any accrued, but unpaid, interest on the Bonds is actually paid on such date).

SECTION 8.04. *Application of Funds Upon Event of Default.* All of the sums in the funds and accounts established and held by the Trustee hereunder upon the occurrence of an Event of Default, and all sums thereafter received by the Trustee hereunder, shall be applied by the Trustee as follows and in the following order:

- (a) *First*, to the payment of any fees, costs and expenses incurred by the Trustee to protect the interests of the Owners of the Bonds; payment of the fees, costs and expenses of the Trustee (including fees and expenses of its counsel, including any allocated costs of internal counsel) incurred in and about the performance of its powers and duties under this Indenture and the payment of all fees, costs and expenses owing to the Trustee under Section 6.06, together with interest on all such amounts advanced by the Trustee at the maximum rate permitted by law.
- (b) *Second*, to the payment of the whole amount then owing and unpaid upon the Bonds for interest and principal, with interest on such overdue amounts at the respective rates of interest borne by those Bonds, and in case such moneys are insufficient to pay in full the whole amount so owing and unpaid upon the Bonds, then to the payment of such interest, principal and interest on overdue amounts without preference or priority among such interest, principal and interest on overdue amounts ratably to the aggregate of such interest, principal and interest on overdue amounts.

SECTION 8.05. *Power of Trustee to Control Proceedings.* If the Trustee, upon the happening of an Event of Default, takes any action, by judicial proceedings or otherwise, in the performance of its duties hereunder, whether upon its own discretion, with the consent or upon the request of the Owners of a majority in aggregate principal amount of the Bonds then Outstanding, it has full power, in the exercise of its discretion for the best interests of the Owners of the Bonds, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action. The Trustee may not, unless there no longer continues an Event of Default, discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, if at the time there has been filed with it a written request signed by the Owners of a majority in principal amount of the Outstanding Bonds hereunder opposing such discontinuance, withdrawal, compromise, settlement or other disposal of such litigation.

SECTION 8.06. *Limitation on Owners' Right to Sue.* No Owner of a Bond has the right to institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Indenture, unless:

- (a) said Owner has previously given to the Trustee written notice of the occurrence of an Event of Default;

- (b) the Owners of a majority in aggregate principal amount of all the Bonds then Outstanding have requested the Trustee in writing to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name;
- (c) said Owners have tendered to the Trustee indemnity reasonably acceptable to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request; and
- (d) the Trustee has failed to comply with such request for a period of 60 days after such written request has been received by, and said tender of indemnity has been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of any remedy hereunder; it being understood and intended that no one or more Owners has any right in any manner whatever by his or their action to enforce any right under this Indenture, except in the manner herein provided, and that all proceedings at law or in equity to enforce any provision of this Indenture shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Owners of the Outstanding Bonds.

The right of any Owner of any Bond to receive payment of the principal of and premium, if any, and interest on such Bond as herein provided, shall not be impaired or affected without the written consent of such Owner, notwithstanding the foregoing provisions of this Section or any other provision of this Indenture.

SECTION 8.07. *Non-waiver.* Nothing in this Article VIII or in any other provision of this Indenture or in the Bonds, affects or impairs the obligation of the City, which is absolute and unconditional, to pay from any source of legally available funds of the City, the principal of and interest and redemption premium (if any) on the Bonds to the Bond Owners when due and payable as herein provided, or affects or impairs the right of action, which is also absolute and unconditional, of the Bond Owners to institute suit to enforce such payment by virtue of the contract embodied in the Bonds.

A waiver of any default by any Owner does not affect any subsequent default or impair any rights or remedies on the subsequent default. No delay or omission of the Bond Owner or any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein, and every power and remedy conferred upon the Owners by the Bond Law or by this Article VIII may be enforced and exercised from time to time and as often as shall be deemed expedient by the Bond Owners.

If a suit, action or proceeding to enforce any right or exercise any remedy is abandoned or determined adversely to the Bond Owners, the City and the Bond Owners will be restored to their former positions, rights and remedies as if such suit, action or proceeding had not been brought or taken.

SECTION 8.08. *Actions by Trustee as Attorney-in-Fact.* Any suit, action or proceeding which any Owner has the right to bring to enforce any right or remedy hereunder may be brought by the Trustee for the equal benefit and protection of all Owners

similarly situated and the Trustee is hereby appointed (and the successive respective Owners by taking and holding the Bonds shall be conclusively deemed so to have appointed it) the true and lawful attorney-in-fact of the respective Owners for the purpose of bringing any such suit, action or proceeding and to do and perform any and all acts and things for and on behalf of the respective Owners as a class or classes, as may be necessary or advisable in the opinion of the Trustee as such attorney-in-fact, subject to the provisions of Article VI. Notwithstanding the foregoing provisions of this Section 8.08, the Trustee has no duty to enforce any such right or remedy unless it has been indemnified to its satisfaction for any additional fees, charges and expenses of the Trustee related thereto, including without limitation, fees and charges of its attorneys and advisors.

SECTION 8.09. *Remedies Not Exclusive.* No remedy herein conferred upon or reserved to the Owners is intended to be exclusive of any other remedy. Every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise, and may be exercised without exhausting and without regard to any other remedy conferred by the Bond Law or any other law.

ARTICLE IX

MISCELLANEOUS

SECTION 9.01. *Benefits Limited to Parties.* Nothing in this Indenture, expressed or implied, gives any person other than the City, the Trustee and the Owners, any right, remedy, claim under or by reason of this Indenture. Any covenants, stipulations, promises or agreements in this Indenture contained by and on behalf of the City are for the sole and exclusive benefit of the Trustee and the Owners.

SECTION 9.02. *Successor is Deemed Included in All References to Predecessor.* Whenever in this Indenture or any Supplemental Indenture either the City or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Indenture contained by or on behalf of the City or the Trustee binds and inures to the benefit of the respective successors and assigns thereof whether so expressed or not.

SECTION 9.03. *Defeasance of Bonds.* If the City pays and discharges the entire indebtedness on any Bonds in any one or more of the following ways:

- (a) by paying or causing to be paid the principal of and interest on such Bonds, as and when the same become due and payable;
- (b) by irrevocably depositing with the Trustee or an escrow bank, in trust, at or before maturity, an amount of cash which, together with the available amounts then on deposit in the funds and accounts established under this Indenture, in the opinion or report of an Independent Accountant is fully sufficient to pay such Bonds, including all principal, interest and redemption premium, if any;

- (c) by irrevocably depositing with the Trustee or an escrow bank, in trust, Federal Securities in such amount as an Independent Accountant determines will, together with the interest to accrue thereon and available moneys then on deposit in any of the funds and accounts established under this Indenture, be fully sufficient to pay and discharge the indebtedness on such Bonds (including all principal, interest and redemption premium, if any) at or before maturity; or
- (d) by purchasing such Bonds prior to maturity and tendering such Bonds to the Trustee for cancellation;

and if such Bonds are to be redeemed prior to the maturity thereof notice of such redemption has been duly given or provision satisfactory to the Trustee has been made for the giving of such notice, then, at the election of the City, and notwithstanding that any such Bonds have not been surrendered for payment, all obligations of the Trustee and the City under this Indenture with respect to such Bonds shall cease and terminate, except only:

- (a) the obligation of the Trustee to transfer and exchange Bonds hereunder,
- (b) the obligation of the City to pay or cause to be paid to the Owners of such Bonds, from the amounts so deposited with the Trustee, all sums due thereon, and
- (c) the obligations of the City to compensate and indemnify the Trustee under Section 6.06.

The City must file notice of such election with the Trustee. The Trustee shall pay any funds thereafter held by it, which are not required for said purpose, to the City.

In the case of a defeasance or payment of all of the Bonds Outstanding in accordance with this Section 9.03, the Trustee shall pay all amounts held by it in any funds or accounts hereunder, which are not required for said purpose or for payment of amounts due the Trustee under Section 6.06, to the City.

SECTION 9.04. *Execution of Documents and Proof of Ownership by Owners.* Any request, consent, declaration or other instrument which this Indenture may require or permit to be executed by any Owner may be in one or more instruments of similar tenor, and shall be executed by such Owner in person or by their attorneys appointed in writing.

Except as otherwise herein expressly provided, the fact and date of the execution by any Owner or his attorney of such request, consent, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

The ownership of Bonds and the amount, maturity, number and date of ownership thereof are conclusively proved by the Registration Books.

Any request, declaration or other instrument or writing of the Owner of any Bond binds all future Owners of such Bond in respect of anything done or suffered to be done by the City or the Trustee in good faith and in accordance therewith.

SECTION 9.05. *Disqualified Bonds.* In determining whether the Owners of the requisite aggregate principal amount of Bonds have concurred in any demand, request, direction, consent or waiver under this Indenture, Bonds which are owned or held by or for the account of the City shall be disregarded and deemed not to be Outstanding for the purpose of any such determination. The Trustee will not be deemed to have knowledge that any Bond is owned or held by the City unless the Trustee has received written notice to that effect.

SECTION 9.06. *Waiver of Personal Liability.* No member, officer, agent or employee of the City is individually or personally liable for the payment of the principal of or interest or any premium on the Bonds. However, nothing contained herein relieves any such member, officer, agent or employee from the performance of any official duty provided by law.

SECTION 9.07. *Destruction of Canceled Bonds.* Whenever in this Indenture provision is made for the surrender to the City of any Bonds which have been paid or canceled under the provisions of this Indenture, a certificate of destruction duly executed by the Trustee shall be deemed to be the equivalent of the surrender of such canceled Bonds and the City is entitled to rely upon any statement of fact contained in any certificate with respect to the destruction of any such Bonds therein referred to. The City will pay all costs of any microfilming of Bonds to be destroyed.

SECTION 9.08. *Notices.* All written notices under this Indenture shall be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or at such address as the party may provide to the other party in writing from time to time. Notice is effective either (a) upon actual receipt after deposit in the United States mail, postage prepaid, or (b) in any other case, upon actual receipt. The City or the Trustee may, by written notice to the other parties, from time to time modify the address to which communications are given hereunder.

If to the City: City of Hanford
315-321 North Douty Street
Hanford, CA 93230
Attention: Finance Director

If to the Trustee: [TRUSTEE]

_____, _____
Attention: _____

SECTION 9.09. *Partial Invalidity.* If any Section, paragraph, sentence, clause or phrase of this Indenture is for any reason held illegal, invalid or unenforceable, such holding will not affect the validity of the remaining portions of this Indenture. The City and the Trustee hereby declare that they would have entered into this Indenture and each and every other Section, paragraph, sentence, clause or phrase hereof and authorized the issue of the Bonds irrespective of the fact that any one or more Sections, paragraphs,

sentences, clauses, or phrases of this Indenture may be held illegal, invalid or unenforceable.

SECTION 9.10. *Unclaimed Moneys.* Anything contained herein to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of the interest or premium (if any) on or principal of the Bonds which remains unclaimed for two years after the date when the payments of such interest, premium and principal have become payable, if such money was held by the Trustee at such date, or for two years after the date of deposit of such money if deposited with the Trustee after the date when the interest and premium (if any) on and principal of such Bonds have become payable, shall be repaid by the Trustee to the City as its absolute property free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Owners shall look only to the City for the payment of the principal of and interest and redemption premium (if any) on such Bonds.

SECTION 9.11. *Execution in Counterparts.* This Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 9.12. *Governing Law.* This Indenture shall be construed and governed in accordance with the laws of the State of California.

[Signature Page Follows]

IN WITNESS WHEREOF, the CITY OF HANFORD has caused this Indenture to be signed in its name by its City Manager and attested to by its City Clerk, and [TRUSTEE], in token of its acceptance of the trusts created hereunder, has caused this Indenture to be signed in its corporate name by its officer thereunto duly authorized, all as of the day and year first above written.

CITY OF HANFORD

By _____
City Manager

Attest:

City Clerk

[TRUSTEE],
as Trustee

By _____
Authorized Officer

APPENDIX A

DEFINITIONS

“Authorizing Resolution” means, collectively, the resolutions adopted by the City Council of the City authorizing the issuance of the Bonds, being Resolution No. _____ adopted on _____, and Resolution No. _____ adopted on _____.

“Beneficial Owner” means the beneficial owner of each such Bond, determined under the rules of DTC.

“Bond Counsel” means (a) Jones Hall, A Professional Law Corporation, or (b) any other attorney or firm of attorneys appointed by or acceptable to the City of nationally-recognized experience in the issuance of obligations issued by public agencies.

“Bond Law” means the provisions of Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53570 of said Code, as in effect on the Closing Date or as thereafter amended.

“Bond Year” means any twelve-month period beginning on July 16 in any year and extending to the next succeeding July 15, both dates inclusive; except that the first Bond Year begins on the Closing Date and ends on July 15, 20__.

“Bonds” means the City of Hanford 20__ Taxable Pension Obligation Bonds issued by the City in the aggregate principal amount of \$ _____ under the Bond Law, the Authorizing Resolution and this Indenture.

“Business Day” means a day of the year (other than a Saturday or Sunday) on which banks in California are not required or permitted to be closed, and on which the New York Stock Exchange is open.

“Certificate of the City” means a certificate in writing signed by the Mayor, City Manager or Finance Director of the City, or any other officer of the City duly authorized by the City for that purpose.

“City” means the City of Hanford, a municipal corporation organized and existing under the laws of the State of California.

“Closing Date” means the date on which the Bonds are delivered by the City to the Original Purchaser.

“Costs of Issuance” means all items of expense directly or indirectly payable by or reimbursable to the City relating to the authorization, issuance, sale and delivery of the Bonds, including but not limited to: printing expenses; rating agency fees; filing and recording fees; initial fees, expenses and charges of the Trustee and its counsel, including the Trustee’s first annual administrative fee; fees, charges and disbursements of attorneys, financial advisors, accounting firms, consultants and other professionals; Bond Insurance Policy premium; and any other cost, charge or fee in connection with the original issuance of the Bonds.

"Debt Service Fund" means the fund by that name established and held by the Trustee under Section 4.02.

"Depository" means (a) initially, DTC, and (b) any other Securities Depository acting as Depository under Section 2.04.

"Depository System Participant" means any participant in the Depository's book-entry system.

"DTC" means The Depository Trust Company, and its successors and assigns.

"Event of Default" means any of the events described in Section 8.01.

"Federal Securities" means: (a) any direct general obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America), for which the full faith and credit of the United States of America are pledged; (b) obligations of any agency, department or instrumentality of the United States of America, the timely payment of principal and interest on which are directly or indirectly secured or guaranteed by the full faith and credit of the United States of America.

"Fiscal Year" means any twelve-month period beginning on July 1 in any year and extending to the next succeeding June 30, both dates inclusive, or any other twelve-month period selected and designated by the City as its official fiscal year period under a Certificate of the City filed with the Trustee.

"Indenture" means this Indenture of Trust between the City and the Trustee, as amended or supplemented from time to time under any Supplemental Indenture entered into under the provisions hereof.

"Independent Accountant" means any accountant or firm of such accountants duly licensed or registered or entitled to practice and practicing as such under the laws of the State of California, appointed by or acceptable to the City, and who, or each of whom: (a) is in fact independent and not under domination of the City; (b) does not have any substantial interest, direct or indirect, with the City; and (c) is not connected with the City as an officer or employee of the City, but who may be regularly retained to make reports to the City.

"Interest Account" means the account by that name established and held by the Trustee under Section 4.02(a).

"Interest Payment Date" means _____ 15, 20__, and each January 15 and July 15 thereafter so long as any of the Bonds remain unpaid.

"Moody's" means Moody's Investor Services, and its successors.

"Nominee" means (a) initially, Cede & Co. as nominee of DTC, and (b) any other nominee of the Depository designated under Section 2.04(a).

“Office” means, with respect to the Trustee, the corporate trust office of the Trustee at the address set forth in Section 9.08, or at such other or additional offices as may be specified by the Trustee in writing to the City.

“Original Purchaser” means, _____, as the original purchaser of the Bonds upon the negotiated sale thereof.

“Outstanding”, when used as of any particular time with reference to Bonds, means (subject to the provisions of Section 9.05) all Bonds except: (a) Bonds theretofore canceled by the Trustee or surrendered to the Trustee for cancellation; (b) Bonds paid or deemed to have been paid within the meaning of Section 9.03; and (c) Bonds in lieu of or in substitution for which other Bonds have been authorized, executed, issued and delivered by the City hereunder.

“Owner” means, with respect to any Bond, the person in whose name the ownership of such Bond is registered on the Registration Books.

“Permitted Investments” means any of the following which at the time of investment are legal investments under the laws of the State of California for the moneys proposed to be invested therein:

- (a) Federal Securities;
- (b) Federal Housing Administration debentures.
- (c) The listed obligations of government-sponsored agencies which are not backed by the full faith and credit of the United States of America:
 - (i) Federal Home Loan Mortgage Corporation participation certificates (excluding stripped mortgage securities which are purchased at prices exceeding their principal amounts) or senior debt obligations;
 - (ii) Farm Credit Banks (formerly: Federal Land Banks, Federal Intermediate Credit Banks and Banks for Cooperatives) consolidated system-wide bonds and notes;
 - (iii) Federal Home Loan Banks consolidated debt obligations; and
 - (iv) Federal National Mortgage Association senior debt obligations or mortgage-backed securities (excluding stripped mortgage securities which are purchased at prices exceeding their principal amounts);
- (d) Unsecured certificates of deposit, time deposits, and bankers' acceptances (having maturities of not more than 30 days) of any bank, including the Trustee or its affiliates, the short-term obligations of which are rated “A-1” or better by S&P and “Prime-1” or better by Moody's at the time of initial investment.
- (e) Deposits the aggregate amount of which are fully insured by the Federal Deposit Insurance Corporation (FDIC), in banks, including the Trustee or its affiliates, which have capital and surplus of at least \$15 million.

(f) Commercial paper (having original maturities of not more than 270 days) rated “A-1+” by S&P and “Prime-1” by Moody’s.

(g) Money market funds rated “AAm” or “AAM-G” by S&P, or better, including funds for which the Trustee or its affiliates or subsidiaries provide investment or other advisory services.

(h) “State Obligations”, which means:

- (i) Direct general obligations of any state of the United States of America or any subdivision or agency thereof to which is pledged the full faith and credit of a state the unsecured general obligation debt of which is rated “A3” by Moody’s and “A” by S&P, or better, or any obligation fully and unconditionally guaranteed by any state, subdivision or agency whose unsecured general obligation debt is so rated;
- (ii) Direct general short-term obligations of any state agency or subdivision or agency thereof described in (i) above and rated “A-1+” by S&P and “Prime-1” by Moody’s; and
- (iii) Special Revenue Bonds (as defined in the United States Bankruptcy Code) of any state, state agency or subdivision described in (i) above and rated “AA” or better by S&P and “Aa” or better by Moody’s.

(i) Pre-refunded municipal obligations rated “AAA” by S&P and “Aaa” by Moody’s meeting the following requirements:

- (i) the municipal obligations are (1) not subject to redemption prior to maturity or (2) the trustee for the municipal obligations has been given irrevocable instructions concerning their call and redemption and the issuer of the municipal obligations has covenanted not to redeem such municipal obligations other than as set forth in such instructions;
- (ii) the municipal obligations are secured by cash or Federal Securities described in clause (a) of the definition thereof (“United States Treasury Obligations”) which may be applied only to payment of the principal of, interest and premium on such municipal obligations;
- (iii) the principal of and interest on the United States Treasury Obligations (plus any cash in the escrow) has been verified by the report of independent certified public accountants to be sufficient to pay in full all principal of, interest, and premium, if any, due and to become due on the municipal obligations (“Verification”);
- (iv) the cash or United States Treasury Obligations serving as security for the municipal obligations are held by an escrow agent or trustee in trust for owners of the municipal obligations;
- (v) no substitution of a United States Treasury Obligations shall be permitted except with another United States Treasury Obligation and upon delivery of a new Verification; and

(vi) the cash or United States Treasury Obligations are not available to satisfy any other claims, including those by or against the trustee or escrow agent.

(j) Investment agreements with a domestic or foreign bank or corporation the long-term debt of which, or, in the case of a guaranteed corporation the long-term debt, or, in the case of a monoline financial guaranty insurance company, claims paying ability, of the guarantor is rated at least “AA-” by S&P or “Aa3” by Moody’s at the time of initial investment.

(k) The Local Agency Investment Fund which is administered by the California Treasurer for the investment of funds belonging to local agencies within the State of California.

“PERS” means the Public Employees’ Retirement System.

“PERS Contracts” means the contracts, as amended from time to time, entered into by the City and PERS pursuant to the Retirement Law obligating the City to make contributions to PERS in exchange for PERS providing retirement benefits to certain City employees.

“PERS Obligations” means the obligation of the City under the Retirement Law and the PERS Contracts to make payments to PERS with respect to benefits accruing to City employees who are PERS members, including retired public safety employees and retired miscellaneous employees.

“Principal Account” means the account by that name established and held by the Trustee under Section 4.02(b).

“Record Date” means, with respect to any Interest Payment Date, the close of business on the 1st calendar day of the month preceding such Interest Payment Date, whether or not such 1st calendar day is a Business Day.

“Registration Books” means the records maintained by the Trustee under Section 2.07 for the registration and transfer of ownership of the Bonds.

“Request of the City” means a request in writing signed by the Mayor, City Manager or Finance Director of the City, or any other officer of the City duly authorized by the City for that purpose.

“S&P” means S&P Global Ratings Inc., and its successors.

“Securities Depositories” means DTC; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the City may designate in a Request of the City delivered by the City to the Trustee.

“Supplemental Indenture” means any indenture, agreement or other instrument which amends, supplements or modifies this Indenture and which has been duly entered into between the City and the Trustee; but only if and to the extent that such Supplemental Indenture is specifically authorized hereunder.

"Term Bonds" means the Bonds maturing on July 15, 20__.

"Trustee" means [TRUSTEE], as trustee hereunder, or any successor thereto appointed as trustee hereunder in accordance with the provisions of Article VI.

APPENDIX B**FORM OF BOND**

No. _____

\$_____

UNITED STATES OF AMERICA
STATE OF CALIFORNIA
COUNTY OF KINGS

CITY OF HANFORD**20__ TAXABLE PENSION OBLIGATION BOND**

RATE OF INTEREST: _____% MATURITY DATE: _____, 20__ ORIGINAL ISSUE DATE: _____, 20__ CUSIP: _____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ THOUSAND DOLLARS

The CITY OF HANFORD, a municipal corporation duly organized and existing under the laws of the State of California (the "City"), for value received, hereby promises to pay to the Registered Owner identified above or registered assigns (the "Registered Owner"), on the Maturity Date identified above, the Principal Amount identified above in lawful money of the United States of America; and to pay interest thereon at the Rate of Interest identified above in like lawful money from the date hereof, which date shall be the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond (unless this Bond is authenticated on or before an Interest Payment Date and after the first calendar day of the month in which such Interest Payment Date occurs (a "Record Date"), in which event it shall bear interest from such Interest Payment Date, or unless this Bond is authenticated on or before _____, 20__, in which event it shall bear interest from the Original Issue Date identified above; *provided, however*, that if, at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest hereon has previously been paid or made available for payment), payable semiannually on January 15 and July 15 in each year, commencing _____, 20__ (the "Interest Payment Dates") until payment of such Principal Amount in full.

The Principal Amount hereof is payable upon presentation hereof at the corporate office of [TRUSTEE], as trustee (the "Trustee"), in San Francisco, California, or such other place as designated by the Trustee. Interest hereon is payable by check of the Trustee mailed by first class mail on each Interest Payment Date to the Registered Owner hereof at the address of such Registered Owner as it appears on the registration books of the Trustee as of the preceding Record Date; provided that at the written request of the owner

of at least \$1,000,000 aggregate principal amount of Bonds which written request is on file with the Trustee prior to the Record Date immediately preceding any Interest Payment Date, interest on such Bonds shall be paid on such Interest Payment Date by wire transfer to such account within the United States of America as shall be specified in such written request.

This Bond is one of a duly authorized issue of bonds of the City designated as the "City of Hanford 20__ Taxable Pension Obligation Bonds" (the "Bonds") of an aggregate principal amount of \$_____, all of like tenor and date (except for such variation, if any, as may be required to designate varying numbers, maturities or interest rates) and all issued under the provisions of Articles 10 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53570 of said Code (the "Bond Law") and under an Indenture of Trust, dated as of _____ 1, 20__, between the City and the Trustee (the "Indenture"). The Bonds have been authorized to be issued by the City under resolutions adopted by the City Council of the City on _____, 20__ and _____, 20__ (together, the "Authorizing Resolution"). Reference is hereby made to the Indenture (copies of which are on file at the office of the City) and all supplements thereto and to the Bond Law for a description of the terms on which the Bonds are issued, and the rights thereunder of the owners of the Bonds and the rights, duties and immunities of the Trustee and the rights and obligations of the City thereunder, to all of the provisions of which the Registered Owner of this Bond, by acceptance hereof, assents and agrees.

The Bonds have been issued by the City to refinance obligations of the City owing to the Public Employees Retirement System of the State of California. This Bond and the interest hereon and all other parity obligations and the interest thereon (to the extent set forth in the Indenture) are payable from any source of legally available funds of the City.

The rights and obligations of the City and the owners of the Bonds may be modified or amended at any time in the manner, to the extent and upon the terms provided in the Indenture, but no such modification or amendment shall permit a change in the terms of maturity of the principal of any outstanding Bond or of any installment of interest thereon or a reduction in the rate of interest thereon without the consent of the owner of such Bond, or shall reduce the percentages of the owners required to effect any such modification or amendment.

The Bonds maturing on or before July 15, 20__ are not subject to redemption prior to their respective stated maturities. The Bonds maturing on or after July 15, 20__, are subject to redemption in whole, or in part among maturities on such basis as set forth in a Request of the City, and within a maturity on a pro rata basis among the Beneficial Owners of the Bonds of such maturity, at the option of the City, on any date on or after July 15, 20__, from any available source of funds, at a redemption price equal to the principal amount thereof to be redeemed together with accrued interest thereon to the redemption date, without premium.

The Bonds maturing on July 15, 20__ (the "Term Bonds") are subject to mandatory redemption, within a maturity on a pro rata basis among the Beneficial Owners of the Term Bonds of such maturity, at a redemption price equal to 100% of the principal amount thereof to be redeemed, without premium, in the aggregate respective principal amounts and on July 15 in the respective years as set forth in the following table. If some but not all of the Term Bonds have been optionally redeemed under the preceding paragraph, the

total amount of all future sinking fund payments will be reduced by the aggregate principal amount of the Term Bonds so redeemed, to be allocated among such sinking fund payments on a pro rata basis in integral multiples of \$5,000 (as set forth in a schedule provided by the City to the Trustee).

**Term Bonds Maturing
July 15, 20__**

Sinking Fund
Redemption Date
(July 15)

Principal Amount
To Be Redeemed

As provided in the Indenture, the Trustee is required to mail notice of redemption of any Bonds by first class mail, postage prepaid, not less than 20 nor more than 60 days before the redemption date, to the registered owners of the Bonds to be redeemed, but neither failure to receive such notice nor any defect in the notice so mailed affects the sufficiency of the proceedings for prepayment or the cessation of accrual of interest thereon. Any notice so given by the Trustee with respect to the optional redemption of Bonds may be rescinded under the circumstances and with the effect set forth in the Indenture. If this Bond is called for redemption and payment is duly provided therefor as specified in the Indenture, interest hereon will cease to accrue from and after the date fixed for redemption.

Whenever provision is made in the Indenture for the redemption of less than all of the Bonds of a maturity, the Trustee will select the Bonds of such maturity to be redeemed on a pro rata basis among the Beneficial Owners of the Bonds of such maturity. For purpose of such selection, all Bonds will be deemed to be comprised of separate \$5,000 denominations and such separate denominations will be treated as separate Bonds which may be separately redeemed.

So long as the Bonds are registered in book-entry-only form and so long as DTC (as defined below) or a successor securities depository is the sole registered Owner of the Bonds, partial redemptions will be done in accordance with procedures of the DTC. It is the City's intent that redemption allocations made by DTC be made in accordance with the proportional provisions described in the Indenture. However, neither the City nor the Trustee has a duty to assure, and can provide no assurance, that DTC will allocate redemptions among Beneficial Owners (as defined in the Indenture) on such a proportional basis, and neither the City nor the Trustee shall have any liability whatsoever to Beneficial Owners in the event redemptions are not done on a proportionate basis for any reason.

If an Event of Default occurs under and as defined in the Indenture, the principal of all Bonds may be declared due and payable upon the conditions, in the manner and with the effect provided in the Indenture, but such declaration and its consequences may be rescinded and annulled as further provided in the Indenture.

This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at said corporate trust office of the Trustee in San Francisco, California, or such other place as designated by the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Bond. Upon registration of such transfer a new Bond or Bonds, of authorized denomination or denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange herefor.

The City and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the City and the Trustee shall not be affected by any notice to the contrary.

It is hereby certified that all of the things, conditions and acts required to exist, to have happened or to have been performed precedent to and in the issuance of this Bond do exist, have happened or have been performed in due and regular time, form and manner as required by the laws of the State of California and that the amount of this Bond, together with all other indebtedness of the City, does not exceed any limit prescribed by any laws of the State of California, and is not in excess of the amount of Bonds permitted to be issued under the Indenture.

Unless this Bond is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to the Trustee for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

This Bond is not entitled to any benefit under the Indenture and is not valid or obligatory for any purpose until the certificate of authentication hereon endorsed has been signed by the Trustee.

IN WITNESS WHEREOF, the CITY OF HANFORD has caused this Bond to be executed in its name and on its behalf with the facsimile signature of its City Manager and to be attested to by the facsimile signature of its City Clerk, all as of the Original Issue Date specified above.

CITY OF HANFORD

By _____
City Manager

Attest:

City Clerk

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Indenture.

Dated:

[TRUSTEE],
as Trustee

By _____
Authorized Signatory

FORM OF ASSIGNMENT

For value received the undersigned hereby sells, assigns and transfers unto _____ whose address and social security or other tax identifying number is _____, the within-mentioned Bond and hereby irrevocably _____ constitute(s) _____ and _____ appoint(s) _____ attorney, to transfer the same on the registration books of the Trustee with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Note: Signature(s) must be guaranteed by an eligible guarantor institution.

Note: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Bond in every particular without alteration or enlargement or any change whatsoever.

EXHIBIT C

SB 450 GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the Bonds in accordance with California Government Code Section 5852.1. Such good faith estimates have been provided to the City by NHA Advisors, LLC, the City's Municipal Advisor (the "Municipal Advisor").

Principal Amount. The Municipal Advisor has informed the City that, based on the City's financing plan and current market conditions, its good faith estimate of the aggregate principal amount of the Bonds to be sold is \$33,225,000.00 (the "Estimated Principal Amounts").

True Interest Cost of the Bonds. The Municipal Advisor has informed the City that, assuming that the respective Estimated Principal Amounts of the Bonds are sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the true interest cost of the Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Bonds, is 3.1749526%.

Finance Charge of the Bonds. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amounts of the Bonds are sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the finance charge for the Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the Bonds), is \$391,125.00.

Amount of Proceeds to be Received. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amounts of the Bonds are sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the amount of proceeds expected to be received by the City for sale of the Bonds, less the finance charge of the Bonds, as estimated above, and any capitalized interest on the Bonds paid or funded with proceeds of the Bonds, is \$32,833,875.00.

Total Payment Amount. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amounts of the Bonds are sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the total payment amount, which means the sum total of all payments the City will make to pay debt service on the Bonds, plus the finance charge for the Bonds, as described above, not paid with the respective proceeds of the Bonds, calculated to the final maturity of the Bonds, is \$45,166,425.00.

The foregoing estimates constitute good faith estimates only and are based on market conditions prevailing at the time of preparation of such estimates on November 30, 2021. The actual principal amount of the Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of Bonds sold being different from the respective Estimated Principal Amounts, (c) the actual amortization of the Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the City's financing plan, or a

combination of such factors. The actual date of sale of the Bonds and the actual principal amount of Bonds sold will be determined by the City based on various factors. The actual interest rates borne by the Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the City.



AGENDA STAFF REPORT

MEETING DATE: 12/7/2021	AGENDA SECTION: B
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SUBJECT:

Finance: Adoption of Resolution No. 21-54-R, thereby Adopting and Establishing a formal Debt Management Policy for the City of Hanford

RECOMMENDATION:

That the City Council, by motion, adopt Resolution No. 21-54-R (A Resolution of the City of Hanford Adopting a Debt Management Policy)

BACKGROUND:

Senate Bill 1029 (SB 1029), which became effective on January 1, 2017, amended California Government Code 8855 to add certain requirements related to the issuance and administration of debt by local agencies, including requiring the adoption of a debt policy meeting the requirements of California Government Code 8855. This impacts the City's ability to consider any debt issuance.

In connection with the issuance of new debt by the City, the City will need to submit to the California Debt and Investment Advisory Commission (CDIAC) a preliminary report of debt issuance describing the proposing debt to be issued. Part of the preliminary report of debt issuance is a certification that the applicable issuer has adopted a debt policy that meets the requirements of the new legislation.

DISCUSSION:

In connection with the issuance of new debt by City, the City will need to submit to the California Debt and Investment Advisory Commission (CDIAC) a preliminary report of debt issuance which will include a certification that the City has adopted a debt policy that meets the requirements of the new legislation, which are found in California Government Code 8855. Adoption of the debt policies by the City Council is required for compliance with the new legislation.

In accordance with Government Code 8855, a local debt policy must include all of the following:

- (A) The purposes for which the debt proceeds may be used.
- (B) The types of debt that may be issued.
- (C) The relationship of the debt to, and integration with, the issuer's capital improvement program or budget, if applicable.
- (D) Policy goals related to the issuer's planning goals and objectives.
- (E) The internal control procedures that the issuer has implemented, or will implement, to ensure that the proceeds of the proposed debt issuance will be directed to the intended use.

The proposed debt management policy meets all of these requirements. It does NOT lock the City into any debt obligations, but it would allow the City to consider it in the future.

FISCAL IMPACT:

This has no immediate financial impact. The proposed Debt Management Policy, in accordance with State law, allows the City to consider debt issuance at some point in the future, should Council take formal action to do so.

ATTACHMENTS:

Resolution Approving Debt Policy 12.7.21
Hanford - 2021 Debt Management Policy

RESOLUTION 21-54-R**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HANFORD
APPROVING A DEBT MANAGEMENT POLICY**

At a regular meeting of the City Council of the City of Hanford duly called and held on December 7, 2021, at [7:00 p.m.] in the Council Chambers of the Civic Auditorium, it was moved by Council Member _____, and seconded by Council Member _____, and duly carried, that the following resolution be adopted:

WHEREAS, the City of Hanford (the “City”) wishes to ensure that short-term and long-term financings are planned, undertaken and monitored in the best and most affordable manner possible; and

WHEREAS, California Government Code 8855(i) contains certain requirements related to the issuance and administration of debt financings by local agencies such as the City, including requiring the adoption of a debt management policy; and

WHEREAS, the City Council has been presented with a debt management policy meeting the requirements of State law and wishes to adopt the same to govern its financing needs; and

THEREFORE, BE IT RESOLVED, by the City Council of the City of Hanford as follows:

Section 1. Adoption of Debt Management Policy. The City Council hereby approves and adopts the Debt Management Policy in the form on file with the City Clerk. The Debt Management Policy shall govern the administration of debt and other long-term obligations issued or incurred by the City and any other entity for which the City Council sits as the governing body.

Section 2. Effective Date. This Resolution shall take effect from and after the date of approval and adoption thereof.

PASSED, ADOPTED AND APPROVED at a regular meeting of the City Council of the City of Hanford duly called and held on December 7, 2021, by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

APPROVED: _____
FRANCISCO RAMIREZ
MAYOR of the City of Hanford

ATTEST: _____
NATALIE CORRAL
CITY CLERK

Attachment: Resolution Approving Debt Policy 12.7.21 (Finance: Approval of City Debt Management Policy)

STATE OF CALIFORNIA)
COUNTY OF KINGS) ss
CITY OF HANFORD)

I, NATALIE CORRAL, City Clerk of the City of Hanford, do hereby certify the foregoing Resolution was duly passed and adopted at a regular meeting of the City Council of the City of Hanford held on the 7th day of December, 2021.

Date: _____

NATALIE CORRAL
CITY CLERK

Attachment: Resolution Approving Debt Policy 12.7.21 (Finance: Approval of City Debt Management Policy)

City of Hanford
DEBT MANAGEMENT POLICY

This Debt Management Policy of the City of Hanford (the “City”) was approved by the City Council on December 7, 2021. This Debt Management Policy may be amended by the City Council as it deems appropriate from time to time in the prudent management of the debt of the City. Any approval of debt by the City Council that is not consistent with this Debt Management Policy shall constitute a waiver of this Debt Management Policy.

Findings

This Debt Management Policy are intended to comply with Government Code Section 8855(i), effective on January 1, 2017, and shall govern all debt undertaken by the City.

The City hereby recognizes that a fiscally prudent debt policy is required to:

- Maintain the City’s sound financial position.
- Ensure the City has the flexibility to respond to changes in future service priorities, revenue levels, and operating expenses.
- Protect the City’s credit-worthiness.
- Ensure that all debt is structured to protect both current and future taxpayers, ratepayers and constituents of the City.
- Ensure that the City’s debt is consistent with the City’s planning goals and objectives and capital improvement program or budget, as applicable.

Policies

A. Purposes for Which Debt May Be Issued

- 1) Long-Term Debt. Long-term debt may be issued to finance the construction, acquisition, and rehabilitation of capital improvements and facilities, equipment and land to be owned and operated by the City.
 - a) Long-term debt financings are appropriate when the following conditions exist:
 - When the project to be financed is necessary to provide basic services.
 - When the project to be financed will provide benefit to constituents over multiple years.
 - When total debt does not constitute an unreasonable burden to the City and its taxpayers and ratepayers.

- When the debt is used to refinance outstanding debt to produce debt service savings or to realize the benefits of a debt restructuring.
- b) Long-term debt financings are not appropriate for current operating expenses and routine maintenance expenses.
- c) The City may use long-term debt financings subject to the following conditions:
- The project to be financed must be approved by the City Council.
 - The weighted average maturity of the debt (or the portion of the debt allocated to the project) will not exceed the average useful life of the project.
 - The City estimates that sufficient revenues will be available to service the debt through its maturity.
 - The City determines that the issuance of the debt will comply with the applicable state and federal law.
- 2) Short-term debt. Short-term debt may be issued to provide financing for the City's operational cash flows to maintain a steady and even cash flow balance. Short-term debt may also be used to finance short-lived capital projects; for example, the City may undertake lease-purchase financing for equipment.
- 3) Financings on Behalf of Other Entities. The City may also find it beneficial to issue debt on behalf of other governmental agencies or private third parties to further the public purposes of the City. In such cases, the City shall take reasonable steps to confirm the financial feasibility of the project to be financed and the financial solvency of any borrower and that the issuance of such debt is consistent with the policies set forth herein.

B. Types of Debt

The following types of debt are allowable under this Debt Management Policy:

- general obligation bonds
- bond or grant anticipation notes
- tax and revenue anticipation notes
- lease revenue bonds, certificates of participation and lease-purchase transactions
- other revenue bonds (including sales tax revenue bonds) and certificates of participation
- pension obligation bonds

- land-secured financings, such as special tax revenue bonds issued under the Mello-Roos Community Facilities Act of 1982, as amended, and limited obligation bonds issued under applicable assessment statutes
- tax increment financing to the extent permitted under state law
- conduit financings, such as financings for affordable rental housing and qualified 501c3 organizations

The City may from time to time find that other forms of debt would be beneficial to further its public purposes and the City Council may approve such debt without an amendment of these Debt Management Policies.

Debt shall be issued as fixed rate debt unless the City makes a specific determination as to why a variable rate issue would be beneficial to the City in a specific circumstance.

C. Relationship of Debt to Capital Improvement Program and Budget

New debt issues, and refinancing of existing debt, must be analyzed for compatibility within the City's Ten-Year Capital Improvement Plan.

The City shall strive to fund the upkeep and maintenance of its infrastructure and facilities due to normal wear and tear through the expenditure of available operating revenues. The City shall seek to avoid the use of debt to fund infrastructure and facilities improvements that are the result of normal wear and tear.

The City shall seek to issue debt in a timely manner to avoid having to make unplanned expenditures for capital improvements or equipment from its general fund.

D. Policy Goals Related to Planning Goals and Objectives

The City is committed to long-term financial planning, maintaining appropriate reserves levels and employing prudent practices in governance, management and budget administration. The City intends to issue debt for the purposes stated in this Debt Management Policy and to implement policy decisions incorporated in the City's Five-Year Financial Plan and its annual operating budget.

It is a policy goal of the City to protect taxpayers, ratepayers and constituents by utilizing conservative financing methods and techniques to obtain the highest practical credit ratings (if applicable) and the lowest practical borrowing costs.

The City will comply with applicable state and federal law as it pertains to the maximum term of debt and the procedures for levying and imposing any related taxes, assessments, rates and charges.

When refinancing debt, it shall be the policy goal of the City to realize, whenever possible, and subject to any overriding non-financial policy considerations, (i) minimum net present value debt

service savings equal to or greater than 3.0% of the refunded principal amount, and (ii) present value debt service savings equal to or greater than 100% of any escrow fund negative arbitrage.

E. Internal Control Procedures

When issuing debt, in addition to complying with the terms of these Debt Management Policies, the City shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds.

The City will periodically review the requirements of and will remain in compliance with the following:

- the City's Disclosure Policies and Procedures,
- any federal tax compliance requirements, including without limitation arbitrage and rebate compliance, related to any prior bond issues, and
- the City's investment policies as they relate to the investment of bond proceeds.

It is the policy of the City to ensure that proceeds of debt are spent only on lawful and intended uses. Whenever reasonably possible, proceeds of debt will be held by a third-party trustee and the City will submit written requisitions for such proceeds. The City will submit a requisition only after obtaining the signature of the Finance Director. In those cases where it is not reasonably possible for the proceeds of debt to be held by a third-party trustee, the Finance Director shall retain records of all expenditures of proceeds through the final payment date for the debt.

F. Debt Limits

The outstanding principal amount of debt described in Section B will not exceed two percent (2%) of the total assessed value of property in the City, and debt service and lease payments incurred for financing purposes that are payable from the City's General Fund will not exceed 5% of operational appropriations.



AGENDA STAFF REPORT

MEETING DATE: 12/7/2021	AGENDA SECTION: C
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SUBJECT:

Council: Review and Approval of the 2022 Calendar of City Council Meetings

RECOMMENDATION:

That the City Council review the 2022 calendar of scheduled meetings for the City Council and direct staff to cancel or reschedule any specific dates.

BACKGROUND:

Over the course of each calendar year, due to holidays or City events, there are occasionally conflicts with the City Council meetings. In the past the Council has requested that staff bring forth a calendar for next year's meetings to review and determine if any should be cancelled or rescheduled. Providing staff with advance notice of changes to meeting dates allows them to prepare in advance for anticipated deadlines and to place items on an agenda in an efficient manner.

Based on the initial review of the 2022 Calendar, staff is recommending that the Council approve the cancellation of the January 4th and the July 5th Council meetings. Both of those meetings occur right after holidays that typically involve travel for staff and/or Council members and it is difficult to plan agendas around such holidays.

FISCAL IMPACT:

ATTACHMENTS:

2022 Meeting Calendar

DRAFT

SCHEDULED MEETINGS HANFORD CITY COUNCIL & COMMISSIONS 2022

All Meetings are held at: City Council Chambers, 400 N. Douty, Hanford, CA (Civic Auditorium)

 CITY COUNCIL REGULAR MEETING @ 7:00 PM HOLIDAYS- CITY HALL CLOSED

 PLANNING COMMISSION @ 5:30 P.M.

 PARKING & TRAFFIC COMMISSION
@ 5:30 P.M.

 PARKS & RECREATION COMMISSION
@ 5:30 P.M.

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Attachment: 2022 Meeting Calendar (Clerk: 2022 Meeting Calendar)



**AGENDA
STAFF REPORT**

MEETING DATE: 12/7/2021	AGENDA SECTION:
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SUBJECT:
Council Future Agenda Items

FISCAL IMPACT:

ATTACHMENTS:
Council Future Agenda Items

Council Future Agenda Items				
Originated Date	Item	Originator	Staff Lead	Date Estimate
4/7/20	Discussion of Pay for Parking Options in the Downtown Area	Council Consensus	John Doyel	After presentation of Downtown Plan
9/9/20	Revised Refuse Ordinance	Public Works	Jim Ross	12/21/2021
6/18/20	Discussion of Courthouse improvements and financing options	Council Consensus	Brad Albert	Delayed pending additional building review
11/16/21	Consideration of feasibility of adding staffing to the City's Code Enforcement Division	Council Consensus	Tom Webb	2/1/2022

Attachment: Council Future Agenda Items (Council: Future Agenda Items)